Calendar No. 416

104TH CONGRESS
2D SESSION

S. 1578

[Report No. 104–275]

A BILL

To amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

MAY 20, 1996

Reported with an amendment

AUTHENTICATED
U.S. GOVERNMENT
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To amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27 (legislative day, FEBRUARY 23), 1996

Mr. FRIST (for himself, Mr. HARKIN, Mr. BINGAMAN, Mr. BUMPERS, Mr. BURNS, Mr. CHAFEE, Mr. CRAIG, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. FEINGOLD, Mr. FORD, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. JEFFORDS, Mr. KEMPTHORNE, Mr. KENNEDY, Mr. KOHL, Mr. MCCAIN, Mr. MCCONNELL, Ms. MIKULSKI, Mr. MURKOWSKI, Mr. PELL, Mr. PRESSLER, Mr. SIMON, Mr. SIMPSON, Mr. STEVENS, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

MAY 20, 1996

Reported by Mrs. KASSEBAUM, with an amendment

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

A BILL

To amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes.

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

~~SECTION 1. SHORT TITLE.~~

~~This Act may be cited as the "Individuals with Disabilities Education Act Amendments of 1996".~~

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

~~The table of contents for this Act is as follows:~~

~~TITLE I—GENERAL PROVISIONS~~

~~Sec. 101. Findings.~~
~~Sec. 102. Definitions.~~
~~Sec. 103. Office of Special Education Programs.~~
~~Sec. 104. Requirements for prescribing regulations.~~
~~Sec. 105. Eligibility for financial assistance.~~
~~Sec. 106. Administrative provisions applicable to discretionary grant programs.~~
~~Sec. 107. Repeals.~~
~~Sec. 108. Transition Rule.~~
~~Sec. 109. Effective date.~~

~~TITLE II—ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES~~

~~Sec. 201. Entitlements and allocations.~~
~~Sec. 202. State eligibility.~~
~~Sec. 203. Local educational and State agency eligibility.~~
~~Sec. 204. Evaluations, individualized education programs, and educational placements.~~
~~Sec. 205. Chapter 1 State agencies.~~
~~Sec. 206. Procedural safeguards.~~
~~Sec. 207. Withholding and judicial review.~~
~~Sec. 208. Administration.~~
~~Sec. 209. Evaluation and program information.~~
~~Sec. 210. Preschool grants.~~
~~Sec. 211. Payments.~~
~~Sec. 212. Applicability of definitions.~~
~~Sec. 213. Effective dates.~~
~~Sec. 214. Conforming and technical amendments.~~

~~TITLE III—SYSTEMS CHANGE~~

~~Sec. 301. Systems change.~~
~~Sec. 302. Reauthorization for fiscal year 1997 of authorities relating to centers and services to meet special needs of individuals with disabilities.~~
~~Sec. 303. Effective date.~~

~~TITLE IV—RESEARCH AND PERSONNEL PREPARATION~~

~~Sec. 401. Improving early intervention, educational, and transitional services and results for children with disabilities through coordinated research and personnel preparation.~~
~~Sec. 402. Conforming amendments.~~

~~Sec. 403. Reauthorization for fiscal year 1997 of authorities relating to training personnel for the education of individuals with disabilities.~~
~~Sec. 404. Effective date.~~

~~TITLE V—TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION~~

~~Sec. 501. Improving early intervention, educational, and transitional services and results for children with disabilities through coordinated technical assistance, support, and dissemination of information.~~
~~Sec. 502. Conforming amendments.~~
~~Sec. 503. Reauthorizations for fiscal year 1997.~~
~~Sec. 504. Effective date.~~

~~TITLE VI—INFANTS AND TODDLERS WITH DISABILITIES~~

~~Sec. 601. Findings and policy.~~
~~Sec. 602. Definitions.~~
~~Sec. 603. General authority.~~
~~Sec. 604. Eligibility.~~
~~Sec. 605. Continuing eligibility.~~
~~Sec. 606. Requirements for statewide system.~~
~~Sec. 607. Individualized family service plan.~~
~~Sec. 608. State application and assurances.~~
~~Sec. 609. Uses of funds.~~
~~Sec. 610. Procedural safeguards.~~
~~Sec. 611. State Interagency Coordinating Council.~~
~~Sec. 612. Conforming amendment.~~
~~Sec. 613. Allocation of funds.~~
~~Sec. 614. Federal Interagency Coordinating Council.~~
~~Sec. 615. Study of definition of developmental delay.~~
~~Sec. 616. Authorization of appropriations.~~
~~Sec. 617. Effective date.~~

~~SEC. 3. REFERENCES.~~

~~Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).~~

~~TITLE I—GENERAL PROVISIONS~~

~~SEC. 101. FINDINGS.~~

~~Section 601 (20 U.S.C. 1400) is amended to read as follows:~~

~~"SEC. 601. SHORT TITLE; FINDINGS; POLICY; PURPOSES.~~

~~"(a) SHORT TITLE.—This title may be cited as the 'Individuals with Disabilities Education Act'.~~

~~"(b) FINDINGS.—With respect to the provisions of this Act, Congress finds the following:~~

~~"(1)(A) That disability is a natural part of the human experience and in no way diminishes the right of individuals to fully participate in all aspects of American society, including education.~~

~~"(B) That the right to equal educational opportunities for all children with disabilities is guaranteed by the equal protection clause of the 14th amendment to the United States Constitution.~~

~~"(C) That improving educational results for children with disabilities is an essential element in ensuring equality of opportunity in all aspects of society.~~

~~"(D) That it is in the national interest that students with disabilities leave school with the skills necessary to be included and integrated in the eco-~~

~~nomic and social fabric of society and to live independently.~~

~~"(2) That prior to the enactment of the Education for All Handicapped Children Act of 1975 (Public Law 94–142), 1,000,000 children with disabilities in the United States were excluded entirely from the public school system, and more than one-half of all children with disabilities in the United States did not receive appropriate educational services, either because their disabilities were undetected, or because of the lack of adequate services within the public school system.~~

~~"(3) That since the enactment of the Education for All Handicapped Children Act of 1975 (Public Law 19–142), significant progress has been made in addressing problems that existed at the time the law was enacted. Progress has been made in the following manner:~~

~~"(A) Every State now ensures a free appropriate public education to all children with disabilities within the State between the ages of 3 and 18, and most States extend that provision through age 21.~~

~~"(B) Over 5,000,000 children with disabilities are receiving special education and related services.~~

~~"(C) All States now provide early intervention services to infants and toddlers with disabilities from birth through age 2 and to families of such infants and toddlers.~~

~~"(4) That based on 20 years of experience and research in the education of children with disabilities, there is a general recognition of the following:~~

~~"(A) The provision of quality education and services to children with disabilities must be based on an individualized assessment of each child's unique needs and abilities.~~

~~"(B) To the maximum extent appropriate, children with disabilities must be educated with children who are not disabled and children with disabilities should be removed from the regular educational environment only when the nature and severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.~~

~~"(C) Students with disabilities achieve at significantly higher levels when schools have~~

~~high expectations (and establish high goals) for such students, ensure the access of such students to the general curriculum (whenever appropriate), and provide such students with the necessary services and supports.~~

~~"(D) That including children with disabilities in general State and districtwide assessments is an effective accountability mechanism and a critical strategy for improving educational results for such children.~~

~~"(E) The provisions of this Act should be aligned with general educational reforms with respect to the improvement of education for all children, so that children with disabilities have the opportunity to benefit from such reforms.~~

~~"(F) Parent participation is a crucial component in the education of children with disabilities, and parents should have meaningful opportunities, through appropriate training, dissemination of information and other supports, to participate as partners with teachers and other school staff in assisting their children to achieve to high standards.~~

~~"(G) School administrators must have the resources and skills needed to ensure that~~

~~school environments are safe and conducive to learning.~~

~~"(5)(A) State and local educational agencies must be responsive to the increasing racial, ethnic, and linguistic diversity that prevails in the Nation's public schools today.~~

~~"(B)(i) Greater efforts are needed to prevent the intensification of problems connected with inappropriately identifying and mislabeling children from minority backgrounds as children with disabilities.~~

~~"(ii) More minority children continue to be served in special education than would be expected from the percentage of such children in the general school population.~~

~~"(iii) Poor African American students are 2.5 times more likely to be identified by their school as mentally retarded than are their white counterparts, and such students are also more likely to be educated in segregated settings.~~

~~"(iv) A disproportionate number of such students drop out of school, fail to enroll in postsecondary programs, and fail to participate in competitive long-term employment.~~

~~"(v) Disproportionality in identification may be explained in part by the relationship between poverty~~

~~and disability, which is well documented. Poor prenatal care and nutrition are factors that contribute to higher rates of disability within minority populations. However, disproportionality may be due to misclassification of minority children as disabled and inappropriate placement of minority children, particularly in separate settings, which raises civil rights concerns.~~

~~"(C) Children with limited English proficiency continue to be underidentified as needing special education services than would be expected from the percentage of such children in the general school population.~~

~~"(D) Based on 20 years of experience in both general and special education, there is general recognition today that the problems associated with ensuring an appropriate education for children from diverse backgrounds can be effectively addressed when the following are done:~~

~~"(i) The procedures used for referring and evaluating children with disabilities include appropriate safeguards to prevent the over- or underidentification of minority students requiring special education.~~

~~"(ii) Prereferral intervention strategies are adopted, as appropriate, especially in elementary schools.~~

~~"(iii) Services, supports, and other assistance are provided in a culturally competent manner.~~

~~"(iv) Greater efforts are made to improve post-school results among minority students with disabilities.~~

~~"(6) That it is in the national interest that the Federal Government has a role with respect to the following:~~

~~"(A) Assisting State and local efforts to educate children with disabilities in order to improve educational and transitional results for such children, and to ensure equal protection of the law.~~

~~"(B) Assisting States in the provision of early intervention services.~~

~~"(C) Promoting the improvement of educational and transitional services and results for children with disabilities and early intervention services for infants and toddlers with disabilities by supporting systems change activities carried out by the State educational agency, co-~~

~~ordinated research and personnel preparation, coordinated technical assistance, dissemination, and support, and technology development and media services.~~

~~"(c) PURPOSES.—The purposes of this Act are to—~~

~~"(1)(A) ensure that all children with disabilities have available to them a free appropriate public education that emphasizes special education and related services designed to meet the unique needs of such children and enable such children to lead productive, independent adult lives;~~

~~"(B) ensure that the rights of children with disabilities and their parents are protected; and~~

~~"(C) assist States and localities to provide for the education of all children with disabilities;~~

~~"(2) assist States in the implementation of a statewide, comprehensive, coordinated, multidisciplinary, interagency system of early intervention services for infants and toddlers with disabilities and their families;~~

~~"(3) promote the improvement of educational and transitional services and results for children with disabilities and early intervention services for infants and toddlers with disabilities by supporting—~~

~~"(A) systems change activities by State educational agencies in partnership with other interested parties;~~

~~"(B) coordinated research and personnel preparation; and~~

~~"(C) coordinated technical assistance, dissemination, and support, and technology development and media services; and~~

~~"(4) assess and ensure the effectiveness of efforts to educate children with disabilities and to provide early intervention services for infants and toddlers with disabilities.".~~

~~SEC. 102. DEFINITIONS.~~

~~(a) SECTION HEADING.—Section 602 (20 U.S.C. 1401) is amended—~~

~~(1) by striking the section heading and inserting the following:~~

~~"SEC. 602. DEFINITIONS.";~~

~~and~~

~~(2) by striking "SEC. 602.".~~

~~(b) TERMS.—Section 602(a) (20 U.S.C. 1401(a)) is amended—~~

~~(1) in paragraph (1)(A)—~~

~~(A) by striking "(1)(A) The term" and all that follows through "children—" and inserting the following:~~

~~"(1) CHILD WITH A DISABILITY; CHILD WITH A DISABILITY AGED 3 THROUGH 5; CHILDREN WITH DISABILITIES.—~~

~~"(A) CHILD WITH A DISABILITY.—The term 'child with a disability' means a child—";~~

~~(B) in clause (i)—~~

~~(i) by striking "hearing impairments" and inserting "a hearing impairment";~~

~~(ii) by striking "speech or language impairments, visual impairments" and inserting "a speech or language impairment, a visual impairment"; and~~

~~(iii) by striking "other health impairments, or specific learning disabilities" and inserting "any other health impairment, or a specific learning disability";~~

~~(C) in clause (ii), by striking "need" and inserting "needs"; and~~

~~(D) by realigning the margins of clauses (i) and (ii) so as to align with clauses (i) and (ii) of paragraph 21(A);~~

~~(2) in paragraph (1)(B)—~~

~~(A) by striking "(B) The term" and all that follows through "include children—" and inserting the following:~~

~~"(B) CHILD WITH A DISABILITY AGED 3 THROUGH 5.—At the discretion of the State, the term 'child with a disability' includes a child aged 3 through 5—";~~

~~(B) in clause (i), by striking "(i) experiencing developmental delays" and inserting "(i) who is experiencing a developmental delay";~~

~~(C) in clause (ii), by striking "need" and inserting "needs";~~

~~(D) by realigning the margins of subparagraph (B) so as to align with subparagraph (B) of paragraph (11); and~~

~~(E) by realigning the margins of clauses (i) and (ii) so as to align with clauses (i) and (ii) of paragraph (21)(A);~~

~~(3) by inserting after paragraph (1)(B), the following new subparagraph:~~

~~"(C) CHILDREN WITH DISABILITIES.—The term 'children with disabilities' means more than 1 child with a disability.";~~

~~(4) in paragraph (4), by striking "The term" and inserting "CONSTRUCTION.—The term";~~

~~(5) in paragraph (5), by striking "The term" and inserting EQUIPMENT.—The term";~~

~~(6) in paragraph (6), to read as follows:~~

~~"(6) STATE.—The term 'State' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the outlying areas.";~~

~~(7) in paragraph (7), by striking "The term" and inserting "STATE EDUCATIONAL AGENCY.—The term";~~

~~(8) in paragraph (8), to read as follows:~~

~~"(8) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' means—~~

~~"(A) a public board of education or other public authority legally constituted within a State—~~

~~"(i) for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State; or~~

~~"(ii) for a combination of school districts or counties as are recognized in a State as an administrative agency for the~~

~~public elementary or secondary schools of the State;~~

~~"(B) any other public institution or agency having administrative control and direction of a public elementary or secondary school; or~~

~~"(C) an educational service agency, as defined in paragraph (7).";~~

~~(9) in paragraph (9), by striking "The term" and inserting "ELEMENTARY SCHOOL.—The term";~~

~~(10) in paragraph (10), by striking "The term" and inserting "SECONDARY SCHOOL.—The term";~~

~~(11) in paragraph (11), to read as follows:~~

~~"(11) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education'—~~

~~"(A) has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)); and~~

~~"(B) includes any community college receiving funding from the Secretary of the Interior under the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 et seq.).";~~

~~(12) in paragraph (12), by striking "The term" and inserting "NONPROFIT.—The term";~~

~~(13) by striking paragraph (13);~~

~~(14) in paragraph (14), by striking "The term" and inserting "SECRETARY.—The term";~~

~~(15) in paragraph (15), to read as follows:~~

~~"(15) SPECIFIC LEARNING DISABILITY.—The term 'specific learning disability'—~~

~~"(A) means a disorder—~~

~~"(i) in one or more of the basic psychological processes involved in understanding or in using language, spoken or written; and~~

~~"(ii) that may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations;~~

~~"(B) includes such conditions as perceptual disabilities, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia; and~~

~~"(C) does not include a learning problem that is primarily the result of visual, hearing, or motor disabilities, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic disadvantage.";~~

~~(16) in paragraph (16)—~~

~~(A) by striking "The term" and inserting "SPECIAL EDUCATION.—The term"; and~~

~~(B) by striking "or guardians";~~

~~(17) in paragraph (17)—~~

~~(A) by striking "The term" and inserting "RELATED SERVICES.—The term";~~

~~(B) by striking "speech pathology and audiology" and inserting "speech-language pathology services and audiology services"; and~~

~~(C) by striking "rehabilitation counseling," and inserting "rehabilitation counseling, orientation and mobility services,";~~

~~(18) in paragraph (18)—~~

~~(A) by striking "The term" and inserting "FREE APPROPRIATE PUBLIC EDUCATION.—The term"; and~~

~~(B) in subparagraph (D), by striking "required under section 614(a)(5)" and inserting "requirements under subsections (d) through (j) of section 614";~~

~~(19) by striking paragraph (19);~~

~~(20) in paragraph (20), to read as follows:~~

~~"(20) INDIVIDUALIZED EDUCATION PROGRAM; IEP.—The term 'individualized education program' and the term 'IEP' mean a written statement for~~

~~each child with a disability that is developed, reviewed, and revised in accordance with subsections (d) through (j) of section 614.'';~~

~~(21) in paragraph (21)—~~

~~(A) by striking ''The term'' and inserting ''EXCESS COSTS.—The term'';~~

~~(B) in subparagraph (A)—~~

~~(i) in clause (i), by striking ''this part'' and inserting ''part B'';~~

~~(ii) in clause (ii), by striking ''under title I'' and inserting ''under part A of title I'';~~ ~~and~~

~~(iii) in clause (iii), by striking ''title VII of the Elementary and Secondary Education Act of 1965'' and inserting ''part A of the Bilingual Education Act'';~~ ~~and~~

~~(C) in subparagraph (B), by striking ''such part, chapter, or title'' and inserting ''a part referred to in subparagraph (A)'';~~

~~(22) in paragraph (22)—~~

~~(A) by striking ''The term'' and inserting ''NATIVE LANGUAGE.—The term'';~~ ~~and~~

~~(B) by striking ''section 7003(a)(2)'' and inserting ''section 7501(11)'';~~

~~(23) in paragraph (23)—~~

~~(A) by striking "The term 'intermediate educational unit' means" and inserting "EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' means"; and~~

~~(B) by striking "local educational agency," and inserting "local educational agency described in subparagraphs (A) and (B) of paragraph (19),";~~

~~(24) in paragraph (24), to read as follows:~~

~~"(24) INDIAN; INDIAN TRIBE.—~~

~~"(A) INDIAN.—The term 'Indian' means an individual who is a member of an Indian tribe.~~

~~"(B) INDIAN TRIBE.—The term 'Indian tribe' means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaska Native village or regional village corporation (as defined in or established under the Alaska Native Claims Settlement Act).";~~

~~(25) in paragraph (25), by striking "The term" and inserting "ASSISTIVE TECHNOLOGY DEVICE.—The term";~~

~~(26) in paragraph (26), by striking "The term" and inserting "ASSISTIVE TECHNOLOGY SERVICE.—The term";~~

~~(27) in paragraph (27), to read as follows:~~

~~"(27) UNSERVED AND UNDERSERVED.—The terms 'unserved' and 'underserved', with respect to populations include populations such as individuals with disabilities who are from racial and ethnic minority backgrounds, who are disadvantaged individuals, who are individuals with limited English proficiency, and who are individuals from underserved geographic areas, both urban and rural.";~~

~~(28) by redesignating paragraphs (1), (5), (6), (7), (8), (9), (10), (11), (12), (14), (15), (16), (17), (18), (20), (21), (22), (23), (24), (25), (26), and (27) as paragraphs (4), (9), (30), (31), (19), (8), (26), (18), (21), (27), (29), (28), (25), (11), (15), (10), (20), (7), (14), (1), (2), and (34), respectively;~~

~~(29) by inserting after paragraph (2) (as so redesignated by paragraph (28)) the following new paragraph:~~

~~"(3) BEHAVIOR MANAGEMENT PLAN.—The term 'behavior management plan' means a plan consisting of strategies and services to address the behavior of a child with a disability and to help the~~

~~child learn socially appropriate and responsible behavior in the school and other community-based educational settings.'';~~

~~(30) by inserting after paragraph (5) (as so redesignated by paragraph (28)) the following new paragraph:~~

~~''(6) DISABILITY.—The term 'disability', except with respect to an infant or toddler with a disability, means an impairment or other condition described in paragraph (4) (relating to the definition of a child with a disability).'';~~

~~(31) by inserting after paragraph (11) (as so redesignated by paragraph (28)) the following new paragraphs:~~

~~''(12) GENERAL EDUCATION CURRICULUM.—The term 'general education curriculum' means the curriculum adopted by the local educational agency for all children from preschool through secondary school.'';~~

~~''(13) INAPPROPRIATELY IDENTIFIED.—The term 'inappropriately identified' with respect to population means a population of students from rural and ethnic minority backgrounds in which students are over- or under-identified as having disabilities.'';~~

~~(32) by inserting after paragraph (15) (as so redesignated by paragraph (28)) the following new paragraphs:~~

~~"(16) INDIVIDUALIZED FAMILY SERVICE PLAN; IFSP.—The term 'individualized family service plan' and the term 'IFSP' mean a written plan for providing early intervention services to each infant and toddler with a disability that meets the requirements of section 677(d).~~

~~"(17) INFANT OR TODDLER WITH A DISABILITY; INFANTS AND TODDLERS WITH DISABILITIES.—The terms 'infant or toddler with a disability' and 'infants and toddlers with disabilities' have the meanings given the terms in section 672.";~~

~~(33) by inserting after paragraph (21) (as so redesignated by paragraph (28)), the following new paragraphs:~~

~~"(22) OUTLYING AREAS.—The term 'outlying areas' means the Virgin Islands, Guam, American Samoa, Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia, and the Republic of Palau.~~

~~"(23) PARENT.—The term 'parent' includes a legal guardian.~~

~~"(24) PUBLIC OR PRIVATE NONPROFIT AGENCY OR ORGANIZATION.—The term 'public or private nonprofit agency or organization' includes an Indian tribe and tribally controlled schools funded by the Department of the Interior.";~~

~~(34) by inserting after paragraph (31) (as so redesignated by paragraph (28)) the following new paragraph:~~

~~"(32) SUPPLEMENTARY AIDS AND SERVICES.—The term 'supplementary aids and services' means aids, services, and other supports that are provided in regular education classes to enable children with disabilities to be educated with nondisabled children to the maximum extent appropriate, in accordance with section 612(a)(5).";~~

~~(35) by inserting after paragraph (32) (as so redesignated by paragraph (28)) the following new paragraph:~~

~~"(33) SYSTEMS CHANGE ACTIVITIES; SYSTEMS CHANGE OUTCOMES.—~~

~~"(A) SYSTEMS CHANGE ACTIVITIES.—The term 'systems change activities' means efforts to design, implement, and evaluate strategies and activities leading to systems change outcomes.~~

"(B) SYSTEMS CHANGE OUTCOMES.—The term 'systems change outcomes' means systemswide changes in policies, procedures, practices, training, or use of personnel, parents, and school-age peers of children with disabilities that benefit and improve the early intervention, educational, and transitional services and results of children with disabilities."; and

(36) by striking "(a) As used in this title—" and inserting the following:

"(a) TERMS.—Except as otherwise provided, the following terms have the following meanings as used in this Act.".

(c) YOUTH WITH A DISABILITY.—Section 602(b) (20 U.S.C. 1401(b)) is amended to read as follows:

"(b) REFERENCES TO ACT OR TITLE.—If a provision of this title refers to the term 'this title' or 'this Act', the provision shall be deemed to refer to the Individuals with Disabilities Education Act."

SEC. 103. OFFICE OF SPECIAL EDUCATION PROGRAMS.

Section 603 (20 U.S.C. 1402) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding section 1342 of title 31, United States Code, the Secretary is authorized to accept vol-

~~untary and uncompensated services in furtherance of the purposes of this Act.''.~~

~~SEC. 104. REQUIREMENTS FOR PRESCRIBING REGULATIONS.~~

~~Section 608(a) (20 U.S.C. 1407(a)) is amended by striking ''(a) For purposes'' and all that follows through ''days.'' and inserting the following: ''(a) The Secretary shall provide a public comment period of at least 90 days on any regulation proposed under part B for which a time period for an opportunity for public comment is otherwise required.''.~~

~~SEC. 105. ELIGIBILITY FOR FINANCIAL ASSISTANCE.~~

~~Section 609 (20 U.S.C. 1408) is amended to read as follows:~~

~~''SEC. 609. ELIGIBILITY FOR FINANCIAL ASSISTANCE.~~

~~''The Secretary may not make a grant under parts C through E to a State, or to any local educational agency or other public institution or agency in the State, that relates exclusively to programs, projects, and activities pertaining to children aged 3 through 5, unless the State is eligible to receive a grant under section 619.''.~~

~~SEC. 106. ADMINISTRATIVE PROVISIONS APPLICABLE TO DISCRETIONARY GRANT PROGRAMS.~~

~~(a) IN GENERAL.—Section 610 (20 U.S.C. 1409) is amended to read as follows:~~

~~"SEC. 610. ADMINISTRATIVE PROVISIONS FOR DISCRETIONARY GRANT PROGRAMS.~~

~~"(a) FINDINGS WITH RESPECT TO ADDRESSING DIVERSITY UNDER PARTS D AND E.—With respect to this section and parts D and E, Congress finds the following:~~

~~"(1)(A) The Federal Government must be responsive to the growing needs of an increasingly more diverse society. A more equitable allocation of resources is essential for the Federal Government to meet its responsibility to provide an equal educational opportunity for all individuals.~~

~~"(B) Recent data indicate that the number of African American and Hispanic children in schools, and in special education, continues to rise, and the number of minority teachers and related services personnel produced in the colleges and universities of the United States continues to decrease.~~

~~"(2) There is a compelling national interest in aiding institutions of higher education that have historically served students who have been denied access to postsecondary education because of race or national origin and whose participation in the American system of higher education is in the interest of the United States so that the access to, and the quality of, postsecondary education are enhanced for all students.~~

~~"(3)(A) Historically Black Colleges and Universities and other institutions of higher education with substantial minority enrollments have an important role in the development of a professional workforce in special education and related services that reflects the full participation of all members of society by providing access and high-quality education to low-income and minority students who will enter the field of special education and other related fields. Upon completing their education at such colleges and universities and institutions, many low-income and minority students become teachers or professionals in related fields and provide services to children with disabilities in inner-city urban and rural areas that have experienced significant shortages in qualified personnel.~~

~~"(B) Recent data indicate that the Historically Black Colleges and Universities enroll nearly 50 percent of the African American teacher trainees in the United States. However, during the time period covered by the data, such colleges and universities received only 4 percent of the discretionary funds for special education and related services personnel training under this Act.~~

~~"(b) COMPREHENSIVE PLAN.—~~

~~"(1) IN GENERAL.—The Secretary shall develop and implement a comprehensive plan for activities under parts D and E in order to enhance the provision of educational, related, and early intervention services to children with disabilities under parts B and H. Such plan shall include mechanisms to address early intervention, educational, and transitional needs identified by States in applications submitted for systems change grants funded under part C.~~

~~"(2) PARTICIPANTS IN PLAN DEVELOPMENT.—In developing the plan described in paragraph (1), the Secretary shall involve—~~

~~"(A) individuals with disabilities;~~

~~"(B) parents of children with disabilities;~~

~~"(C) appropriate professionals; and~~

~~"(D) representatives of State and local educational agencies, private schools, institutions of higher education, other Federal agencies, the National Council on Disabilities, and national organizations with an interest in, and expertise in, providing services to children with disabilities and their families.~~

~~The Secretary shall publish the plan in the Federal Register for public comment.~~

"(3) DISTRIBUTION OF FUNDS.—In implementing the plan described in paragraph (1), the Secretary shall, to the extent appropriate, ensure that funds are awarded to recipients under parts D and E to carry out activities that benefit, directly or indirectly, children with disabilities of all ages.

"(c) ELIGIBLE APPLICANTS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the following entities are eligible to apply for a grant, contract, or cooperative agreement under parts D and E:

"(A) A State educational agency.

"(B) A local educational agency.

"(C) An institution of higher education.

"(D) Any other public agency.

"(E) A private nonprofit organization.

"(F) An outlying area.

"(G) An Indian tribe.

"(H) A for-profit organization, if the Secretary determines that such organization is an appropriate entity to be eligible to apply for a grant, contract, or cooperative agreement under parts D and E.

"(2) SPECIAL RULE.—The Secretary may limit the award of a grant, contract, or cooperative agree-

~~ment to one or more categories of eligible entities described in paragraph (1).~~

~~"(3) LIMITATION ON THE USE OF FUNDS BY THE SECRETARY.—~~

~~"(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary may use not more than 20 percent of the total funds available under parts D and E to carry out an activity or combination of activities, if—~~

~~"(i) the activity or combination of activities is consistent with the purposes of parts D and E (subject to such conditions as the Secretary determines are appropriate to effectively carry out the purposes of such parts); and~~

~~"(ii) the activity or combination of activities involves coordinated research, personnel preparation, parent training and information, coordinated technical assistance and dissemination, technology development, demonstration and utilization, or media services.~~

~~"(B) SPECIAL RULES.—~~

~~"(i) SINGLE ACTIVITY.—In carrying out an activity described in subparagraph (A), the Secretary shall use only the portion of funds made available for an activity under parts D and E (whichever is applicable) that relates to the activity described in subparagraph (A).~~

~~"(ii) COMBINATION OF ACTIVITIES.—In carrying out a combination of activities described in subparagraph (A), the Secretary shall use only the portion of funds made available for activities under parts D and E (whichever is applicable) that relate to the combination of activities described in subparagraph (A).~~

~~"(d) SPECIAL POPULATIONS.—~~

~~"(1) APPLICATION REQUIREMENT.—In making awards of a grant, contract, or cooperative agreement under parts D and E, the Secretary shall, as appropriate, require an applicant to demonstrate how the applicant will address the needs of children with disabilities from unserved, underserved, and inappropriately identified populations.~~

~~"(2) OUTREACH AND TECHNICAL ASSISTANCE.—Notwithstanding any other provision of this Act, the Secretary—~~

~~"(A) shall ensure that at least 1 percent of the total amount of funds appropriated for parts D and E is used—~~

~~"(i) for outreach and technical assistance to Historically Black Colleges and Universities, and to institutions of higher education with minority enrollments of at least 25 percent, to promote the participation of such colleges, universities, and institutions in activities under such parts; and~~

~~"(ii) to enable the Historically Black Colleges and Universities and the institutions described in clause (i) to assist other colleges, universities, and institutions in improving educational and transitional results for children with disabilities; and~~

~~"(B) may reserve funds appropriated under parts D and E to meet the requirement of subparagraph (A).~~

~~"(c) PRIORITIES.—~~

~~"(1) IN GENERAL.—The Secretary shall ensure that a grant, contract, or cooperative agreement under parts D and E is awarded only for activities that are designed to benefit children with disabilities and their families, and the personnel employed to work with such children and their families.~~

~~"(2) ELIGIBLE ACTIVITIES.—Subject to paragraph (1), the Secretary in making an award of a grant, contract, or cooperative agreement under parts D and E may, without rulemaking under section 553 of title 5, United States Code, limit the grant, contract, or cooperative agreement to, or otherwise give priority to, eligible entities that carry out the following activities:~~

~~"(A) IN GENERAL.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development and educational media services that address one or more of the following:~~

~~"(i) The age ranges of children with disabilities.~~

~~"(ii) The types of disabilities of children.~~

~~"(iii) The school grades of children with disabilities.~~

~~"(iv) The types of educational placements or early intervention environments of children with disabilities.~~

~~"(v) The types of services provided to children with disabilities.~~

~~"(vi) Content areas such as reading.~~

~~"(vii) Effective strategies for helping children with disabilities learn socially appropriate and responsible behavior in the school and other community based educational settings.~~

~~"(B) ACTIVITIES RELATED TO GENDER-BASED NEEDS.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development and educational media services that address the needs of children with disabilities who are of a particular gender.~~

~~"(C) ACTIVITIES RELATED TO SEVERITY OF DISABILITY.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development and educational media services that~~

~~address the needs of children based on the severity of the disability of the children.~~

~~"(D) OTHER RELATED ACTIVITIES.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development and educational media services that address the needs of the following individuals and areas:~~

~~"(i) Low-achieving students.~~

~~"(ii) Underserved populations.~~

~~"(iii) Children from low-income families.~~

~~"(iv) Children with limited English proficiency.~~

~~"(v) Unserved and underserved areas.~~

~~"(vi) Children whose behavior interferes with their learning and socialization.~~

~~"(vii) Inappropriatedly identified populations.~~

~~"(E) NATIONAL ACTIVITIES.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development and educational media services that are carried in par-~~

~~ticular areas of the country, to ensure broad geographic coverage.~~

~~"(F) AUTHORIZED ACTIVITIES.—Any activity that is expressly authorized in the applicable part.~~

~~"(f) APPLICANT AND RECIPIENT RESPONSIBILITIES.—~~

~~"(1) DEVELOPMENT AND ASSESSMENT OF PROJECTS.—The Secretary shall require that an applicant for, and a recipient of, a grant, contract, or cooperative agreement under parts D and E—~~

~~"(A) involve individuals with disabilities or parents of individuals with disabilities in planning, implementing, and evaluating projects; and~~

~~"(B) where appropriate, determine whether the project of the applicant and recipient has any potential for replication and adoption by other entities.~~

~~"(2) ADDITIONAL RESPONSIBILITIES.—The Secretary may require a recipient of a grant, contract, or cooperative agreement under parts D and E to—~~

~~"(A) share in the cost of the project of the recipient;~~

~~"(B) prepare the research and evaluation findings and products in formats that are useful for specific audiences, including parents, administrators, teachers, early intervention personnel, related services personnel, and individuals with disabilities;~~

~~"(C) disseminate such findings and products; and~~

~~"(D) collaborate with other recipients in carrying out the activities described in subparagraphs (B) and (C).~~

~~"(g) APPLICATION MANAGEMENT.—~~

~~"(1) STANDING PANELS.—~~

~~"(A) IN GENERAL.—The Secretary shall establish and use standing panels of experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under parts D and E that request more than $75,000 a year in assistance.~~

~~"(B) FEDERAL EMPLOYMENT LIMITATION.—A majority of each panel described in subparagraph (A) shall be individuals who are not employees of the Federal Government.~~

~~"(2) SELECTION AND PARTICIPATION OF PANEL MEMBERS.—~~

~~"(A) IN GENERAL.—The Secretary shall establish criteria to use in the selection of panel members. Such criteria shall ensure that the membership of standing panels includes—~~

~~"(i) individuals with knowledge and expertise on the issues addressed by the activities authorized by parts D and E; and~~

~~"(ii) to the extent practicable, parents of children with disabilities, individuals with disabilities, and persons from diverse racial, ethnic, and cultural backgrounds.~~

~~"(B) MEMBERSHIP.—Standing panel membership shall include, at a minimum, individuals who—~~

~~"(i) are representatives of institutions of higher education that plan, develop, and carry out programs of personnel preparation;~~

~~"(ii) design and carry out programs of research targeted to the improvement of special education programs and services;~~

~~"(iii) have recognized experience and knowledge necessary to integrate and apply research findings to improve educational~~

~~and transitional results for children with disabilities;~~

~~"(iv) administer programs at the State or local level in which children with disabilities participate;~~

~~"(v) prepare parents of children with disabilities to participate in making decisions about the education of their children;~~

~~"(vi) establish policies that affect the delivery of services to children with disabilities;~~

~~"(vii) are parents of children with disabilities who are benefiting or have benefited from coordinated research, personnel preparation, and technical assistance; and~~

~~"(viii) are individuals with disabilities.~~

~~"(C) TRAINING.—The Secretary shall provide training to the individuals who are selected as members of the standing panels under this paragraph.~~

~~"(D) TERM.—Membership on any standing panel shall be for a period of not more than 3 consecutive years.~~

~~"(3) SECRETARY'S DISCRETION OVER LIMITED USE OF DISCRETIONARY FUNDS FOR ADMINISTRATIVE PURPOSES.—~~

~~"(A) EXPENSES AND FEES OF NON-FEDERAL PANEL MEMBERS.—The Secretary may use funds available under parts D and E to pay the expenses and fees of non-Federal panel members.~~

~~"(B) ADMINISTRATIVE SUPPORT.—The Secretary may not use more than 1 percent of the funds available under parts D and E to pay non-Federal entities for administrative support related to application management.~~

~~"(C) MONITORING.—The Secretary may use funds available under parts D and E to pay the expenses of Federal employees to conduct onsite monitoring of projects receiving $500,000 or more, for any fiscal year.~~

~~"(h) PROGRAM EVALUATION.—The Secretary may use funds appropriated to carry out parts D and E to evaluate activities carried out under such parts.~~

~~"(i) RULES OF CONSTRUCTION.—~~

~~"(1) REFERENCES TO EARLY INTERVENTION SERVICES.—~~

~~"(A) CHILD WITH A DISABILITY.—If a provision of part C, D, or E refers to services for a child with a disability (or a family member of the child), and the services include early intervention services, the provision shall be deemed to refer to—~~

~~"(i) early intervention services for an infant or toddler with a disability (or a family member of the infant or toddler, as appropriate); and~~

~~"(ii) the other services referred to in the provision for a child with a disability (or a family member of the child, as appropriate).~~

~~"(B) PERSON WITH A RELATIONSHIP TO A CHILD WITH A DISABILITY.—If a provision of part C, D, or E refers to a benefit (such as training or research) for a person (such as a parent or education professional) with a relationship to a child with a disability (or a family member of the child), and the benefit is provided with respect to services that include early intervention services, the provision shall be deemed to refer to—~~

~~"(i) the benefit, provided with respect to early intervention services, for a person with a relationship to an infant or toddler with a disability (or a family member of the infant or toddler, as appropriate); and~~

~~"(ii) the benefit, provided with respect to the other services referred to in the provision, for a person with a relationship to a child with a disability (or a family member of the child, as appropriate).~~

~~"(2) REFERENCES TO EARLY INTERVENTION RESULTS.—~~

~~"(A) CHILD WITH A DISABILITY.—If a provision of part C, D, or E refers to results for a child with a disability, and the results include early intervention results, the provision shall be deemed to refer to—~~

~~"(i) early intervention results for an infant or toddler with a disability; and~~

~~"(ii) the other results referred to in the provision for a child with a disability.~~

~~"(B) PERSON WITH A RELATIONSHIP TO A CHILD WITH A DISABILITY.—If a provision of part C, D, or E refers to a benefit (such as training or research) for a person described in~~

~~paragraph (1)(B)(ii) that is provided to achieve results for a child with a disability, and the results include early intervention results, the provision shall be deemed to refer to—~~

~~"(i) the benefit, provided to achieve early intervention results, for a person with a relationship to an infant or toddler with a disability; and~~

~~"(ii) the benefit, provided to achieve other results referred to in the provision, for a person with a relationship to a child with a disability.".~~

~~SEC. 107. REPEALS.~~

~~(a) PROVISIONS.—Section 605 (20 U.S.C. 1404) and section 607 (20 U.S.C. 1406) are repealed.~~

~~(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.~~

~~SEC. 108. TRANSITION RULE.~~

~~(a) RULE.—The Secretary of Education shall use funds appropriated under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) for fiscal year 1997 to carry out such administrative activities as may be necessary (including activities described in section 610 of such Act (as amended in section 106), evaluation of~~

~~applications for financial assistance for fiscal year 1997 under subsection (d)(2) of such section 610 and parts C, D, and E of such Act (as amended in titles III, IV, and V), selection of recipients of such assistance, and promulgation of regulations), to ensure the efficient implementation by October 1, 1997, of—~~

~~(1) such parts C, D, and E; and~~

~~(2) the provisions of part A of such Act that relate to activities carried out under such part C, D, or E, with respect to such activities, and subsection (d)(2) of such section 610.~~

~~(b) CONSTRUCTION.—Nothing in this section or the amendments made by section 106 shall be construed to grant the Secretary the authority to provide assistance to any person, prior to October 1, 1997, to carry out any activity under section 610(d)(2) of the Individuals with Disabilities Education Act (as amended in section 106) or part C, D, or E (as amended in titles III, IV and V) of such Act.~~

~~(c) FISCAL YEARS 1996 AND 1997.—Section 610 of the Individuals with Disabilities Education Act (as in effect on the day before the date of enactment of this Act) shall apply with respect to administrative activities related to the provision of financial assistance for fiscal years~~

~~1996 and 1997 under parts C through G of such Act (as in effect on such date).~~

~~(d) EFFECTIVE.—This section shall take effect on the date of enactment of this Act.~~

~~SEC. 109. EFFECTIVE DATE.~~

~~Except as provided in section 107, the amendments made by this title shall take effect on October 1, 1997.~~

~~TITLE II—ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES~~

~~SEC. 201. ENTITLEMENTS AND ALLOCATIONS.~~

~~(a) WITHIN STATE DISTRIBUTIONS.—Section 611 (20 U.S.C. 1411) is amended—~~

~~(1) in the matter immediately following subsection (b)(3)(B), by striking "(c)" and all that follows through "(1) Of the funds" and inserting the following:~~

~~"(c)(1) Of the funds";~~

~~(2) in the matter immediately following subsection (c)(1) (as amended by paragraph (1)), by striking "(2)" and all that follows through "(A) From the funds" and inserting the following:~~

~~"(2)(A) From the funds"; and~~

~~(3) in subsection (c) (as amended by paragraph (1))—~~

~~(A) in paragraph (1)—~~

~~(i) by realigning the margins of subparagraphs (A) and (B) so as to align with subclause (i) of paragraph (4)(A); and~~

~~(ii) in subparagraph (B)—~~

~~(I) by striking "paragraph (4)" and inserting "subsection (d)(3)";~~

~~(II) by striking "and intermediate educational units"; and~~

~~(III) by striking ", for use in accordance with priorities established under section 612(3)";~~

~~(B) in paragraph (2)(A) (as so redesignated by paragraph (2))—~~

~~(i) by realigning the margins of clauses (i) and (ii) so as to align with subclause (i) of paragraph (4)(A);~~

~~(ii) by realigning the margins of subclauses (I) and (II) so as to align with subclause (I) of subsection (d)(2)(A)(i);~~

~~(iii) in clause (i), by striking "administrative costs related to carrying out sections 612 and 613; and" and inserting "the purpose of administering this part;";~~

~~(iv) in clause (ii)—~~

~~(I) in subclause (I), by striking "in accordance with priorities established under section 612(3); and" and inserting a semicolon;~~

~~(II) in subclause (II), by striking the period at the end thereof and inserting a semicolon;~~

~~(III) by adding at the end thereof the following:~~

~~"(III) to establish and implement the mediation process required by section 615(c); and~~

~~"(IV) for activities at the State and local levels to meet the performance goals established by the State under section 612(a)(16); and~~

~~"(iii) may use the remainder—~~

~~"(I) to develop and implement systems change activities under part C;~~

~~"(II) to supplement other funds used to develop and implement a statewide fully integrated and coordinated services system that links education, health, social welfare services, support systems, private entities, and community entities in a manner designed to improve the educational and transitional results for children and families (including children with dis-~~

~~abilities and their families), but not to exceed 1 percent of the amount received by the State under this section; or~~

~~"(III) for other appropriate activities as determined by the State educational agency.~~

~~The system described in subclause (II) of clause (iii) shall be coordinated with, and to the extent appropriate, support the coordinated, services developed by the State under part H.";~~

~~(C) in paragraph (3), by striking "section 613(a)(9)" and inserting "section 612(a)(18)(A) (ii) and (iii)"; and~~

~~(D) by striking paragraph (4).~~

~~(b) SUBGRANTS.—Section 611(d) (20 U.S.C. 1411(d)) is amended—~~

~~(1) in paragraph (1)—~~

~~(A) by striking "or intermediate educational unit";~~

~~(B) by striking "or unit"; and~~

~~(C) by striking "and units";~~

~~(2) by adding at the end thereof the following new paragraphs:~~

~~"(3)(A) A State may elect not to distribute funds to any local educational agency under this section or under section 619 for any fiscal year if the total amount the local~~

~~educational agency would receive, from the combination of funds under this section and section 619, is less than $7,500.~~

~~"(B) When a State elects to use its authority under subparagraph (A), the State shall use the funds that would otherwise be provided to the local educational agency to ensure the provision of a free appropriate public education to children with disabilities residing in the area served by that agency.~~

~~"(C) A State's authority under subparagraph (A) does not apply to a State agency that is eligible for a payment under paragraph (2) or section 619(g).~~

~~"(4) If a State educational agency determines that a local educational agency is adequately providing a free appropriate public education to all children with disabilities residing in the area served by that agency with State and local funds, the State educational agency may reallocate any portion of the funds under this part that are not needed by that local agency to provide a free appropriate public education to other local educational agencies in the State that are not adequately providing special education and related services to all children with disabilities residing in the areas such other local educational agencies serve.".~~

~~(c) OUTLYING AREAS.—Section 611 (20 U.S.C. 1411) is amended—~~

~~(1) in the matter immediately following subsection (d), by striking "(e)" and all that follows through "effect)." and inserting the following:~~

~~"(e)(1)(A) The jurisdictions to which this subsection applies are the outlying areas as defined in section 602."; and~~

~~(2) in paragraph (2)—~~

~~(A) by striking "such jurisdictions are so" and inserting "such outlying areas are so";~~

~~(B) by striking "such jurisdiction" and inserting "of the outlying areas"; and~~

~~(C) by striking "(2) Each jurisdiction" and inserting "(B) Each of the outlying areas"; and~~

~~(3) in paragraph (3)—~~

~~(A) by striking "each jurisdiction" and inserting "each of the outlying areas";~~

~~(B) by striking "such jurisdiction" and inserting "each of the outlying areas"; and~~

~~(C) by striking "(3) The" and inserting "(2) The"; and~~

~~(4) by adding at the end thereof the following new paragraph:~~

~~"(3) The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a), permitting the consolidation of grants to outlying areas, shall not apply to funds such areas receive under this section.".~~

~~(d) SECRETARY OF THE INTERIOR.—Section 611(f) (20 U.S.C. 1411(f)) is amended—~~

~~(1) in paragraph (1)—~~

~~(A) by striking "for these children" and inserting "for children with disabilities aged 3 through 21, who are enrolled in programs affiliated with the BIA";~~

~~(B) by striking "aggregate amounts available for all States under this section for that fiscal year" and inserting "amount appropriated under subsection (h) for that fiscal year";~~

~~(2) in paragraph (3)—~~

~~(A) by striking "an application that—" and inserting "information that—";~~

~~(B) in subparagraph (A), to read as follows:~~

~~"(A) demonstrates that the Department of the Interior meets the appropriate requirements, as determined by the Secretary of Education, of sections~~

~~612 (including monitoring and evaluation activities) and 613'';~~

~~(C) in subparagraph (D), by striking ''section 618(b)(1)'' and all that follows through ''required in section 618(g)'' and inserting ''section 618'';~~

~~(D) in subparagraph (E), by striking ''an assurance that, by October 1, 1992, the Secretary of the Interior and the Secretary of Health and Human Services'' and all that follows through ''memorandum of agreement'' and inserting ''information that describes activities undertaken with regard to the memorandum of agreement between the Secretaries of Interior and Health and Human Services''; and~~

~~(E) in subparagraph (F)—~~

~~(i) by striking ''its exercise of'' and inserting ''the Department of Education's'';~~

~~(ii) by striking ''of this application'' and inserting ''related to information submitted to the Secretary of Education under this paragraph''; and~~

~~(iii) by striking "its duties" and inserting "the duties of the Department of the Interior";~~

~~(3) in the matter immediately following paragraph (3)(F), by striking "application." and inserting "information. The Secretary of the Interior shall submit annually to the Secretary of Education a report that provides a status on the activities as described in subparagraphs (A) through (F) that the Secretary of the Interior is carrying out.";~~

~~(4) in paragraph (4)—~~

~~(A) in subparagraph (A)—~~

~~(i) by striking "Beginning with" and all that follows through "under section 611(a) for fiscal year 1992," and inserting "With funds appropriated under subsection (h),";~~

~~(ii) by striking "aggregate amounts available for all States under this section" and inserting "amount appropriated under subsection (h)"; and~~

~~(B) in subparagraph (B), to read as follows:~~

~~"(B) The Secretary of the Interior shall distribute the total amount of the 0.25 percent under subparagraph (A)~~

~~by allocating to each tribe or tribal organization an amount based on the number of children with disabilities, aged 3 through 5, residing on reservations as reported annually divided by the total of such children served by all tribes or tribal organizations.'';~~

~~(C) in subparagraph (D)—~~

~~(i) by striking ''is encouraged to'' and inserting ''shall'';~~

~~(ii) by striking ''The above entities'' and inserting ''The tribe and tribal organization''; and~~

~~(iii) by striking ''diagnosis.'' and inserting ''diagnosis of the children'';~~

~~(D) in subparagraph (E)—~~

~~(i) by striking ''a biennial report'' and inserting ''an annual report'';~~

~~(ii) by striking ''following the one in which'' and inserting ''following the year in which'';~~

~~(iii) by striking ''a biennial basis'' and inserting ''an annual basis''; and~~

~~(iv) by striking ''under this subsection'' and inserting ''under paragraph (3) of this subsection'';~~

~~(E) in subparagraph (F)—~~

~~(i) by striking "(where appropriate, intermediate educational units)"; and~~

~~(ii) by striking "its divisions and offices" and inserting "any appropriate division or office of the Department of the Interior";~~

~~(5) in paragraph (5)—~~

~~(A) by striking "January 1, 1992" and inserting "June 1, 1997";~~

~~(B) by striking "Committee on Education and Labor" and inserting "Chairman of the Committee on Economic and Educational Opportunities";~~

~~(C) by striking "Committee on Labor" and inserting "Chairman of the Committee on Labor";~~

~~(D) by striking "interested and involved parties" and inserting "interested and involved parties, including parents of Indian children with disabilities"; and~~

~~(E) by striking "interested parties" and inserting "interested agencies, organizations, or individuals"; and~~

~~(6) in paragraph (6)—~~

~~(A) by striking "sections 613(a)(12) of this Act" and inserting "section 612(a)(20)";~~

~~(B) by striking ", within 6 months" and all that follows through "Bureau of Indian Affairs (BIA),";~~

~~(C) in subparagraph (A), by striking "infants, toddlers, children, and youth" and inserting "infants and toddlers and children";~~

~~(D) in subparagraph (D), by striking "and;" and inserting a semicolon;~~

~~(E) in subparagraph (E), by striking the period at the end thereof and inserting "and;"; and~~

~~(F) by adding at the end thereof the following new subparagraph:~~

~~"(F) prepare a status report on the educational and transitional results for Indian children with disabilities, to be submitted to the Secretary of the Interior on January 2, 1997.".~~

~~(c) REPORTING DATES FOR FUNDING ESTIMATES.—Section 611(g) (20 U.S.C. 1411(g)) is amended—~~

~~(1) in paragraph (1)(C)(i), by striking "and intermediate educational units"; and~~

~~(2) in paragraph (2)—~~

~~(A) in subparagraph (A), by striking "or intermediate educational unit"; and~~

~~(B) in subparagraph (B)—~~

~~(i) by striking "and intermediate educational units" each place it appears; and~~

~~(ii) by striking "or unit" each place it appears.~~

~~SEC. 202. STATE ELIGIBILITY.~~

~~Section 612 (20 U.S.C. 1412) is amended to read as follows:~~

~~"SEC. 612. STATE ELIGIBILITY.~~

~~"(a) IN GENERAL.—A State is eligible for assistance under this part for any fiscal year if the State demonstrates to the satisfaction of the Secretary that the State has in effect policies and procedures to ensure that the State meets each of the following conditions:~~

~~"(1) FREE APPROPRIATE PUBLIC EDUCATION.—~~

~~"(A) IN GENERAL.—A free appropriate public education is available to all children with disabilities aged 3 through 21 who are residing in the State.~~

~~"(B) APPLICABILITY.—Subparagraph (A) does not apply with respect to children aged 3 through 5 and 18 through 21 in a State to the~~

~~extent that the application of such subparagraph to such children would be inconsistent with the State law or practice, or the order of any court, respecting the provision of public education to children in such age ranges.~~

~~"(2) FULL EDUCATIONAL OPPORTUNITY GOAL.—The State has established a goal of providing full educational opportunity to all children with disabilities and a detailed timetable for accomplishing the goal.~~

~~"(3) CHILD FIND.—~~

~~"(A) IN GENERAL.—All children with disabilities residing in the State are identified, located, and evaluated, regardless of the severity of the disability of the children.~~

~~"(B) CONSTRUCTION.—Nothing in this Act requires that children be classified by their disability provided that each child who has a disability listed in section 602(a)(4)(i) and who, by reason of that disability, needs special education and related services is regarded as a child with a disability under this part.~~

~~"(4) INDIVIDUALIZED EDUCATION PROGRAM.—An individualized education program (or an individualized family service plan that meets the content~~

~~requirements of section 677(d)) is developed, reviewed, and revised in accordance with subsections (d) through (j) of section 614.~~

~~"(5) LEAST RESTRICTIVE ENVIRONMENT.—~~

~~"(A) IN GENERAL.—To the maximum extent appropriate, children with disabilities (including children in public or private institutions or other care facilities) are educated with children who are not disabled, and special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature or severity of a child's disability is such that education in regular classes with the use of special education and related services and supplementary aids and services cannot be achieved satisfactorily.~~

~~"(B) FUNDING.—~~

~~"(i) IN GENERAL.—If the State uses a funding mechanism by which the State distributes State funds on the basis of the type of setting in which a child is served, the funding mechanism does not result in placements that violate the requirements of subparagraph (A).~~

"(ii) ASSURANCE.—If the State does not have policies and procedures to ensure compliance with clause (i), the State shall provide the Secretary an assurance that the State will revise the funding mechanism used by the State as soon as feasible to ensure that the funding mechanism does not result in such placements.

"(C) DISPROPORTIONALITY.—

"(i) IN GENERAL.—Data are examined by the State educational agency to determine if significant racial disproportionality is occurring in the identification of children as children with disabilities (including the classification of such children according to a particular impairment described in section 602(a)(4)) or in the placement of such children in particular types of settings.

"(ii) REVIEW AND REVISION OF POLICIES.—In the case of an occurrence described in clause (i), the placement and evaluation policies, procedures, and practices are reviewed and, if appropriate, revised, to ensure that such policies, proce-

~~dures, and practices comply with the requirements of this Act.~~

~~"(6) PROCEDURAL SAFEGUARDS.—Children with disabilities and their parents are afforded the procedural safeguards required by section 615.~~

~~"(7) EVALUATION.—Children with disabilities are evaluated in accordance with subsections (a) through (c) of section 614.~~

~~"(8) CONFIDENTIALITY.—Agencies in the State comply with section 617(c), relating to the confidentiality of records and information.~~

~~"(9) TRANSITION FROM PART H TO PRESCHOOL PROGRAMS.—~~

~~"(A) IN GENERAL.—Children who are participating in early intervention programs under part H and who will participate in preschool programs assisted under this part, are provided an effective transition to such preschool programs.~~

~~"(B) TRANSITION PLANNING.—Local educational agency personnel will participate in transition planning conferences convened by a designated or established lead agency under section 678(a)(8)(A)(ii)(II).~~

~~"(C) INDIVIDUALIZED EDUCATION PROGRAM; INDIVIDUALIZED FAMILY SERVICE PLAN.—By the third birthday of a child who participates in the programs described in subparagraph (A), an individualized education program or, if consistent with section 614(d)(1)(B) or 677(d), an individualized family service plan, has been developed and is being implemented.~~

~~"(10) CHILDREN IN PRIVATE SCHOOLS.—~~

~~"(A) CHILDREN PLACED IN PRIVATE SCHOOLS BY THEIR PARENTS.—To the extent consistent with the number and location of children with disabilities in the State who are enrolled by their parents in private elementary and secondary schools, provision is made for the participation of such children in the program assisted or carried out under this part by providing for such children special education and related services.~~

~~"(B) CHILDREN PLACED IN, OR REFERRED TO, PRIVATE SCHOOLS BY PUBLIC AGENCIES.—~~

~~"(i) IN GENERAL.—Children with disabilities in private schools and facilities are provided special education and related services, in accordance with individualized~~

~~education programs, at no cost to their parents, if such children are placed in, or referred to, such schools or facilities by the State or a local educational agency in order to comply with this part or with any other law requiring the provision of special education and related services to all children with disabilities in the State.~~

~~"(ii) STANDARDS.—In all cases described in clause (i), children with disabilities are placed in, or referred to, only private schools and facilities that meet standards that apply to State and local educational agencies, and children with disabilities served in such schools and facilities have all the rights such children would have if served by such agencies.~~

~~"(C) PAYMENT FOR EDUCATION OF CHILDREN PLACED IN PRIVATE SCHOOLS WITHOUT CONSENT OF OR REFERRAL BY THE PUBLIC AGENCY.—If as a result of mediation described in section 615(d), or as a result of a decision rendered under the procedural safeguards of section 615, the parents of a child with a disability who previously received special education~~

~~and related services under the authority of a local educational agency enroll their child in a private elementary or secondary school without the consent of, or a referral by the local educational agency, the local educational agency may be required to reimburse the parents for the cost of the enrollment. The amount of the reimbursement may be reduced or denied—~~

~~"(i) if, prior to the removal of the child from the public school, the parents do not provide a statement to the local educational agency rejecting the placement proposed by the local educational agency; or~~

~~"(ii) upon a judicial finding of unreasonableness with respect to actions taken by the parents.~~

~~"(11) SEA RESPONSIBLE FOR GENERAL SUPERVISION.—~~

~~"(A) IN GENERAL.—The State educational agency is responsible for ensuring the following:~~

~~"(i) REQUIREMENTS.—The requirements of this part are carried out.~~

~~"(ii) EDUCATIONAL PROGRAMS.—All educational programs for children with dis-~~

abilities in the State, including all such programs administered by any other State or local agency, are under the general supervision of the persons in the State educational agency who are responsible for educational programs for children with disabilities and meet educational standards of the State educational agency.

"(B) SPECIAL RULE.—Subparagraph (A) shall not be construed as limiting the obligations of agencies other than educational agencies to provide, or pay for some or all of the costs of, a free appropriate public education for any child with a disability in the State.

"(12) OBLIGATIONS RELATED TO AND METHODS OF ENSURING SERVICES.—

"(A) IN GENERAL.—If any public agency other than an educational agency is responsible for providing or paying for the services (such as mental health services, transition services, and health services) that are also necessary for ensuring a free appropriate public education to children with disabilities within the State, such public agency shall pay for, or provide directly or through contract or other arrangement, such

services to children with disabilities. In a case in which a local educational agency provides such services to such children, as a result of a contract or other arrangement with a public agency described in this subparagraph, the local educational agency may seek reimbursement from such public agency for the services provided.

"(B) INTERAGENCY AGREEMENT OR OTHER MECHANISM.—Each State shall ensure that an interagency agreement or other mechanism for interagency coordination is in effect between each public agency described in subparagraph (A) and the appropriate educational agency within the State, in order to ensure that all required services are provided. Such agreement or mechanism shall include the following:

"(i) AGENCY FINANCIAL RESPONSIBILITY.—An identification of, or a method for defining, the financial responsibility of each agency for providing a free appropriate public education to children with disabilities.

"(ii) CONDITIONS AND TERMS OF REIMBURSEMENT.—The conditions and terms

of reimbursement under which a local educational agency may be reimbursed by other agencies.

"(iii) INTERAGENCY DISPUTES.—Procedures for resolving interagency disputes (including procedures under which local educational agencies may initiate proceedings) under the agreement or other mechanism to secure reimbursement from other agencies or otherwise implement the provisions of the agreement.

"(iv) COORDINATION OF SERVICES PROCEDURES.—Procedures for agencies to determine and identify the interagency coordination responsibilities of each agency with respect to the provision of services.

"(C) SPECIAL RULE.—The requirements of subparagraph (B) may be met through—

"(i) State statute or regulation;

"(ii) signed agreements between respective agency officials; or

"(iii) other appropriate methods.

"(13) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—The State educational agency will not make a final determination that a local educational

~~agency is not eligible under this part without first affording the local educational agency reasonable notice and an opportunity for a hearing.~~

~~"(14) COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.—The State has in effect, consistent with the purposes of this Act and with section 676(b)(8), a comprehensive system of personnel development that is designed to ensure an adequate supply of qualified special education and related services personnel necessary to carry out this part and that includes the following:~~

~~"(A) STATEWIDE DATA.—Statewide data that include the number of personnel providing special education and related services, and of that number, the number of individuals with temporary certification, and the number of vacancies.~~

~~"(B) PERSONNEL DEVELOPMENT PLAN.—A personnel development plan that meets the following requirements:~~

~~"(i) CONSULTATIONS.—The plan is developed in consultation with parents of children with disabilities, State and local educational agencies, institutions of higher education, and professional associations.~~

~~"(ii) PERSONNEL.—The plan addresses or includes the following:~~

~~"(I) PERSONNEL NEEDS.—The current and projected needs for special education and related services personnel throughout the State.~~

~~"(II) SERVICE PREPARATION OF PERSONNEL.—The plan addresses the need for the preservice and inservice preparation of personnel throughout the State, including regular education personnel, to provide educational and related services to children with disabilities.~~

~~"(III) RECRUITMENT.—The plan includes a system or procedures for recruiting, preparing, and retaining qualified personnel, including personnel with disabilities and personnel from groups that are underrepresented in the field of special education and related services.~~

~~"(IV) INTEGRATION WITH OTHER PLANS.—The plan is integrated, to the maximum extent possible, with~~

other professional development plans and activities, including plans and activities developed or carried out under other Federal law and State law that address personnel recruitment and training.

"(iii) REVISION.—The plan is revised every 3 years.

"(15) PERSONNEL STANDARDS.—The State educational agency has established policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, including the following:

"(A) STANDARDS.—The establishment and maintenance of standards that are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements that apply to the area in which such personnel are providing special education or related services.

"(B) RETRAINING AND HIRING.—To the extent such standards described in subparagraph (A) are not based on the highest require-

~~ments in the State applicable to a specific profession or discipline, the State is carrying out measures to require the retraining or hiring of personnel that meet appropriate professional requirements in the State.~~

~~"(C) USE OF PARAPROFESSIONAL.—Nothing in this Act, including subparagraphs (A) and (B) of this paragraph, prohibits the use of paraprofessionals who are appropriately trained and supervised, in meeting the requirements of this part.~~

~~"(16) PERFORMANCE GOALS AND INDICATORS.—~~

~~"(A) GOALS.—The State has established goals for the performance of children with disabilities in the State that are consistent with the purposes of section 601(c)(1) and that are consistent, to the maximum extent appropriate, with other goals and standards established by the State.~~

~~"(B) PERFORMANCE INDICATORS.—The State has established performance indicators that the State will use to assess the progress toward achieving the goals described in subparagraph (A) and that, at a minimum, address the~~

~~performance of children with disabilities on assessments and the dropout rates and graduation rates of such children.~~

~~"(C) REPORT.—The State will report every 2 years to the Secretary and the public on the progress of the State, and of children with disabilities in the State, toward meeting the goals established under subparagraph (A).~~

~~"(17) PARTICIPATION IN ASSESSMENTS.—~~

~~"(A) ASSESSMENTS.—~~

~~"(i) STATE AND DISTRICTWIDE ASSESSMENTS.—Children with disabilities are included in general State and districtwide assessment programs, with appropriate accommodations, where necessary.~~

~~"(ii) ALTERNATE ASSESSMENTS.—The State educational agency or local educational agency, as appropriate, will develop guidelines for the participation of children with disabilities in alternate assessments for such children who cannot participate in State and districtwide assessment programs and as soon as feasible, but not later than July 1, 1999, will conduct such alternate assessments.~~

~~"(B) PUBLIC INFORMATION.—The State educational agency shall, as soon as feasible, but not later than July 1, 2000, make reports to the public, with the same frequency and in the same detail as the State makes reports on the assessment of nondisabled children, on the following information with respect children with disabilities:~~

~~"(i) REGULAR ASSESSMENTS.—The number of children with disabilities participating in regular assessments.~~

~~"(ii) ALTERNATE ASSESSMENTS.—The number of such children participating in alternate assessments.~~

~~"(iii) PERFORMANCE.—The performance of children with disabilities on regular assessments and on alternate assessments when doing so meets generally accepted professional standards and would not result in the disclosure of performance results identifiable to individual children.~~

~~"(18) USE OF FUNDS.—~~

~~"(A) IN GENERAL.—~~

~~"(i) EXPENDITURES.—Funds paid to the State under this part will be expended~~

~~in accordance with all provisions of this part.~~

~~"(ii) NONCOMMINGLING.—The funds described in clause (i) will not be commingled with State funds.~~

~~"(iii) SUPPLEMENT—NOT SUPPLANT.—Except as provided in subparagraph (B), the funds described in clause (i) will be used to supplement State, local, and other Federal funds (including funds not under the direct control of State or local educational agencies) expended for special education and related services, and not to supplant such funds.~~

~~"(B) WAIVER.—The Secretary may waive, in part, the requirements of clause (iii) of subparagraph (A) if the Secretary determines that the State has provided clear and convincing evidence that all children with disabilities in the State have available a free appropriate public education.~~

~~"(19) PUBLIC PARTICIPATION.—Prior to the adoption of any policies and procedures needed to comply with this section (including any amendments to such policies and procedures), there are public~~

~~hearings, adequate notice of the hearings, and an opportunity for comment available to the general public, including individuals with disabilities and parents of children with disabilities. In a case in which policies and procedures have been developed by a State educational agency or through a State legislative hearing and comment process that provides an opportunity for comment by the general public prior to the adoption of any policies and procedures by the State, no further public review or public comment period is required.~~

~~"(20) STATE ADVISORY PANEL.—~~

~~"(A) IN GENERAL.—The State has an advisory panel, appointed by the Governor or any other official authorized under State law to make such appointments, that is representative of the State population and that is composed of individuals involved in, or concerned with, the education of children with disabilities, including the following:~~

~~"(i) Parents of children with disabilities.~~

~~"(ii) Individuals with disabilities.~~

~~"(iii) Teachers.~~

~~"(iv) Representatives of institutions of higher education that prepare special education and related services personnel.~~

~~"(v) State and local education officials.~~

~~"(vi) Administrators of programs for children with disabilities.~~

~~"(vii) Representatives of other State agencies involved in the financing or delivery of related services to children with disabilities.~~

~~"(viii) At least one representative of a vocational, community, or business organization concerned with the provision of transition services to children with disabilities.~~

~~"(ix) Any other individual, as determined by the State educational agency.~~

~~"(B) DUTIES.—The advisory panel shall carry out the following duties:~~

~~"(i) Advise the State educational agency of unmet needs within the State in the education of children with disabilities.~~

~~"(ii) Comment publicly on any rules or regulations proposed by the State regarding the following:~~

~~"(I) The education of children with disabilities.~~

~~"(II) The procedures for distribution of funds received by the State under this part.~~

~~"(iii) Advise the State educational agency with respect to developing evaluations and reporting on data to the Secretary under section 618.~~

~~"(iv) Advise the State educational agency with respect to developing corrective action plans to address findings identified in Federal monitoring reports under this part.~~

~~"(v) Advise the State educational agency with respect to developing and implementing policies relating to the coordination of services for children with disabilities.~~

~~"(C) CONSOLIDATION OF PANELS.—Any State panel that meets the requirement of section 306 of the Goals 2000: Educate America~~

~~Act (20 U.S.C. 5886), or any committee of practitioners created under section 1603(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6513(b)), may also serve as the State Advisory panel under this part if such State panel or committee meets the requirements of this part.~~

~~"(b) STATE EDUCATIONAL AGENCY AS PROVIDER OF SERVICES.—If the State educational agency provides free appropriate public education to children with disabilities, or provides such children direct services, the State educational agency—~~

~~"(1) shall comply with any additional requirements of section 613(a) as if the State educational agency were a local educational agency; and~~

~~"(2) may use funds that are otherwise available to the State educational agency under this part to serve such children without regard to section 613(a)(3)(B) relating to excess costs.~~

~~"(c) SUBMISSION OF ELIGIBILITY INFORMATION.—~~

~~"(1) SUBMISSION OF INFORMATION.—Except as provided in paragraph (2), a State that wishes to establish its eligibility under this section shall submit to the Secretary such information as the Secretary may reasonably require.~~

~~"(2) EXISTING INFORMATION ON POLICIES AND PROCEDURES.—If a State has on file with the Secretary policies and procedures that demonstrate that 'the State meets any requirement of this section, including any policies and procedures filed under this part as in effect prior to the enactment of the Individuals with Disabilities Education Act Amendments of 1996, the Secretary shall consider the State as meeting that requirement.~~

~~"(3) MODIFICATIONS OF POLICIES AND PROCEDURES.—The Secretary may require a State to submit additional eligibility information if the State modifies the policies and procedures that the State has filed with the Secretary consistent with paragraphs (1) and (2).~~

~~"(d) SECRETARIAL APPROVAL.—~~

~~"(1) IN GENERAL.—If the Secretary determines that a State is eligible under this section, the Secretary shall notify the State of the determination.~~

~~"(2) LIMITATIONS.—The Secretary shall make a final determination that a State is not eligible under this section only after providing the State—~~

~~"(A) reasonable notice; and~~

~~"(B) an opportunity for a hearing.~~

~~"(e) ASSISTANCE UNDER OTHER FEDERAL PROGRAMS.—Nothing in this Act permits a State to reduce medical and other assistance available, or to alter eligibility, under titles V and XIX of the Social Security Act with respect to the provision of a free appropriate public education for children with disabilities within the State.~~

~~"(f) BYPASS FOR CHILDREN IN PRIVATE SCHOOLS.—~~

~~"(1) IN GENERAL.—If, on the date of enactment of the Education of the Handicapped Act Amendments of 1983, a State educational agency is prohibited by law from providing for the participation in special programs of children with disabilities enrolled in private elementary and secondary schools as required by subsection (a)(10)(A), the Secretary shall waive such requirement, and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of subsection (a)(10)(A).~~

~~"(2) FUNDING.—~~

~~"(A) IN GENERAL.—When the Secretary arranges for services pursuant to this subsection, the Secretary, after consultation with the appropriate public and private school officials, shall pay to the provider of such services~~

~~an amount per child that does not exceed the amount determined by dividing—~~

~~"(i) the total amount received by the State under this part; by~~

~~"(ii) the number of children with disabilities served by the State in the preceding year as reported to the Secretary under section 618.~~

~~"(B) WITHHOLDING OF FUNDS.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection that the State is prohibited from complying with subsection (a)(10)(A) by State law, the Secretary may withhold from the allocation of the affected State educational agency the amount the Secretary estimates would be necessary to pay the cost of such services.~~

~~"(C) DETERMINATIONS BY THE SECRETARY.—Any determination by the Secretary under this subsection shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State educational agency to meet the requirements of subsection (a)(10)(A).~~

~~"(3) FINAL ACTION.—~~

~~"(A) OBJECTIONS.—The Secretary may not take any final action under this subsection until the State educational agency affected by such action has had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why such action should not be taken.~~

~~"(B) PETITION FOR REVIEW.—If a State educational agency is dissatisfied with the Secretary's final action after a proceeding under subparagraph (A), the State educational agency may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the Secretary's action, as provided in section 2112 of title 28, United States Code.~~

~~"(C) FINDINGS.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.~~

~~"(D) COURT'S ACTION.—Upon the filing of a petition under subparagraph (B), the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".~~

~~SEC. 203. LOCAL EDUCATIONAL AND STATE AGENCY ELIGIBILITY.~~

~~Section 613 (20 U.S.C. 1413) is amended to read as follows:~~

~~"SEC. 613. LOCAL EDUCATIONAL AGENCY AND STATE AGENCY ELIGIBILITY.~~

~~"(a) IN GENERAL.—A local educational agency is eligible for assistance under this part for any fiscal year if the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency meets each of the following conditions:~~

~~"(1) CONSISTENCY WITH STATE POLICIES.—The local educational agency, in providing for the education of children with disabilities within the jurisdiction of the local educational agency, has in effect policies, procedures, and programs that are consistent with the State policies and procedures established under section 612 with respect to the following:~~

~~"(A) The availability of a free appropriate public education under section 612(a)(1).~~

~~"(B) The goal of providing full educational opportunity to all children with disabilities under section 612(a)(2).~~

~~"(C) The identification, location, and evaluation of children with disabilities under section 612(a)(3).~~

~~"(D) Individualized education programs under section 612(a)(4).~~

~~"(E) Education of children in the least restrictive environment under section 612(a)(5).~~

~~"(F) Procedural safeguards under section 612(a)(6).~~

~~"(G) Evaluation under section 612(a)(7).~~

~~"(H) Confidentiality under section 612(a)(8).~~

~~"(I) Transition of children from early intervention programs under part H to preschool programs under section 612(a)(9).~~

~~"(J) Children in private schools under section 612(a)(10).~~

~~"(2) COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.—The local educational agency, to the extent appropriate, contributes to and uses the State's comprehensive system of personnel development established under section 612(a)(14).~~

~~"(3) USE OF FUNDS.—Funds provided to the local educational agency under this part will be expended or used in the following manner:~~

~~"(A) EXPENDITURES.—Funds will be expended in accordance with the applicable provisions of this part.~~

~~"(B) EXCESS COSTS.—Funds will be used only to pay the excess costs of providing special~~

~~education and related services to children with disabilities.~~

~~"(C) SUPPLEMENT—NOT SUPPLANT.—Funds will be used to supplement State, local, and other Federal funds and not to supplant such funds.~~

~~"(D) LEVEL OF EXPENDITURES.—Except as provided in subparagraph (E), funds will not be used to reduce the level of expenditures for the education of children with disabilities made by the local educational agency from State or local funds below the level of such expenditures for the preceding fiscal year.~~

~~"(E) EXCEPTION.—Notwithstanding the limitation in subparagraph (D), a local educational agency may reduce the level of expenditures for the education of children with disabilities if such reduction is the result of—~~

~~"(i) the voluntary departure, by retirement or otherwise, of special education personnel who are paid at or near the top of the agency's salary scale;~~

~~"(ii) decreases in enrollment of children with disabilities;~~

~~"(iii) the end of the agency's obligation, consistent with this part, to provide an exceptionally costly program of special education to a particular child with a disability because the child—~~

~~"(I) has left the agency's jurisdiction;~~

~~"(II) has reached the age at which the agency's obligation to provide a free appropriate public education to the child terminates; or~~

~~"(III) no longer needs the program; or~~

~~"(iv) the termination of unusually large expenditures for such long-term purposes as the acquisition of equipment and the construction of school facilities.~~

~~"(4) PERMISSIVE USE OF FUNDS.—Notwithstanding paragraph (3)(B) or section 612(a)(18)(A)(ii) (relating to commingled funds), funds provided to the local educational agency under this part may be used for the following activities:~~

~~"(A) SERVICES AND AIDS THAT ALSO BENEFIT NONDISABLED CHILDREN.—For the costs of special education and related services and~~

~~supplementary aids and services provided in a regular class to a child with a disability in accordance with the individualized education program of the child, even if one or more non-disabled children benefit from such services.~~

~~"(B) SERVICES AND AIDS THAT ALSO BENEFIT OTHER DISABLED CHILDREN.—For the costs of special education and related services and supplementary aids and services provided to a child with a disability in accordance with the individualized education program of the child, even if one or more children with disabilities who are protected by section 504 of the Rehabilitation Act of 1973 and title II of the Americans with Disabilities Act of 1990 benefit from such services.~~

~~"(C) INTEGRATED AND COORDINATED SERVICES SYSTEM.—To develop and implement a fully integrated and coordinated services system in accordance with subsection (f).~~

~~"(D) SCHOOL-BASED IMPROVEMENT PLAN.—To design, implement, and evaluate a school-based improvement plan (in accordance with subsection (g)) that is consistent with the purposes and authorized activities of part C~~

~~and that is designed to improve educational and transitional results for all children with disabilities and, as appropriate, other children consistent with subparagraphs (A) and (B).~~

~~"(b) SUBMISSION OF INFORMATION; PRIOR LOCAL EDUCATIONAL AGENCY APPLICATIONS.—~~

~~"(1) SUBMISSION OF INFORMATION.—Except as provided in paragraph (2), a local educational agency that desires to establish its eligibility under this section shall submit to the State educational agency information demonstrating that the local educational agency meets the requirements of subsection (a).~~

~~"(2) EXISTING INFORMATION ON POLICIES AND PROCEDURES.—If a local educational agency has on file with the State educational agency policies and procedures that meet any requirement of this section, including any policies, procedures, or applications filed under this part as in effect before the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, the State educational agency may consider the local educational agency as meeting such requirement.~~

~~"(3) MODIFICATIONS OF POLICIES AND PROCEDURES.—The State educational agency may require a local educational agency to submit additional eligi-~~

~~bility information if the local educational agency modifies the policies and procedures that the local educational agency has filed with the Secretary consistent with paragraphs (1) and (2).~~

~~"(c) STATE EDUCATIONAL AGENCY APPROVAL.—~~

~~"(1) DETERMINATION.—~~

~~"(A) IN GENERAL.—If the State educational agency determines that a local educational agency or State agency under subsection (i) is eligible under this section, the State educational agency shall notify the agency of the determination.~~

~~"(B) LIMITATION ON STATE NOTIFICATION.—A State educational agency may not give the notice to an agency described under subparagraph (A) until the Secretary has notified the State educational agency that the State is eligible under section 612.~~

~~"(2) LIMITATION ON FINAL DETERMINATION.—The State educational agency may not make a final determination that a local educational agency or State agency under subsection (i) is not eligible under this section until after providing the local educational or State agency—~~

~~"(A) reasonable notice; and~~

~~"(B) an opportunity for a hearing.~~

~~"(d) LOCAL EDUCATIONAL AGENCY AND STATE AGENCY COMPLIANCE.—~~

~~"(1) IN GENERAL.—If the State educational agency, after reasonable notice and an opportunity for a hearing, finds that a local educational agency or State agency under subsection (i) that has been found eligible under this section is not in compliance with any of the eligibility requirements described in subsection (a), the State educational agency shall make no further payments to the local educational agency or State agency under section 620 until the State educational agency has determined that the agency is complying with the eligibility requirements described in subsection (a).~~

~~"(2) NOTIFICATION OF PENDENCY OF ACTION.—Section 616(a) with respect to notification of a pending action shall apply to any agency that receives a notice from the State educational agency under this subsection.~~

~~"(3) ADVERSE DECISIONS.—In carrying out its responsibilities under paragraph (1), the State educational agency shall consider any decision made in a hearing held under section 615 that is adverse to~~

~~the local educational agency or State agency involved in that decision.~~

~~"(c) JOINT ESTABLISHMENT OF ELIGIBILITY.—~~

~~"(1) IN GENERAL.—A local educational agency may join with another local educational agency to meet the eligibility requirements of this section if the State educational agency determines that the local educational agency would be ineligible under this section because the local educational agency—~~

~~"(A) would not be able to establish and maintain programs of sufficient size and scope to effectively meet the needs of children with disabilities; or~~

~~"(B) does not qualify for the minimum grant under section 611(d)(3)(A), if the State elects to use its authority under such section.~~

~~"(2) REQUIREMENTS.—~~

~~"(A) FUNDING.—If a State educational agency requires a local educational agency to join with another local educational agency to meet the eligibility requirements under paragraph (1), the total amount of funds made available to the affected local educational agencies shall equal the sum of the payments that each such local educational agency would have~~

~~received under section 611(c) if such local agencies were eligible for such payments.~~

~~"(B) POLICIES AND PROCEDURES AND ADMINISTRATION OF PROGRAMS.—Local educational agencies that establish joint eligibility under this subsection shall—~~

~~"(i) adopt policies and procedures that are consistent with the State's policies and procedures under section 612(a); and~~

~~"(ii) be jointly responsible for implementing programs receiving assistance under this part.~~

~~"(C) EDUCATIONAL SERVICE AGENCY.—~~

~~"(i) If an educational service agency is required by State law to carry out this part, the joint responsibilities given to local educational agencies under subparagraph (B)(ii) shall—~~

~~"(I) not apply to the administration and disbursement of any payments received by that service agency; and~~

~~"(II) be carried out only by that service agency.~~

~~"(ii) Nothing in this subsection relieves an educational service agency of its responsibility to provide for the education of children with disabilities in the least restrictive environment, as required by section 612(a)(5) and subsection (a)(1)(E).~~

~~"(f) COORDINATED SERVICES SYSTEM.—~~

~~"(1) IN GENERAL.—A local educational agency may use not more than 5 percent of the amount the agency receives under this part for any fiscal year, in combination with other funds (which shall include funds other than education funds), to develop and implement a fully integrated and coordinated service system that links education, health, social welfare services, support systems, private entities, and other community entities in a manner designed to improve educational and transitional results for all children and their families, including all children with disabilities and their families.~~

~~"(2) PERMISSIBLE ACTIVITIES.—Activities that a local educational agency may carry out under this subsection include—~~

~~"(A) improving the effectiveness and efficiency of service delivery, including developing~~

~~strategies that promote accountability for the educational and transitional results;~~

~~"(B) service coordination and case management that facilitate the linkage of individualized education programs under this part and individualized family service plans under part H with individualized service plans under other Federal and State programs, such as title I of the Rehabilitation Act of 1973 (vocational rehabilitation), title XIX of the Social Security Act (Medicaid), and title XVI of the Social Security Act (Supplemental Security Income);~~

~~"(C) developing and implementing interagency financing strategies for the provision of education, health, mental health, and social services, including transition services and related services under this Act; and~~

~~"(D) interagency personnel development for the persons involved in the delivery of coordinated services.~~

~~"(3) LIMITATION ON USE OF FUNDS.—If a local educational agency is carrying out a coordinated services project under title XI of the Elementary and Secondary Education Act of 1965 and a coordinated services project under this part in the~~

~~same schools, the local educational agency shall use funds under this subsection in accordance with that title.~~

~~"(g) SCHOOL-BASED IMPROVEMENT PLAN.—~~

~~"(1) IN GENERAL.—Each local educational agency may, in accordance with paragraph (2), use funds made available under this part to permit a local school within the jurisdiction of the local educational agency to design, implement, and evaluate a school-based improvement plan that is consistent with the purposes and authorized activities described in part C and that is designed to improve educational and transitional results for all children with disabilities and, as appropriate, for other children consistent with subsection (a)(4) (A) and (B) in such local school.~~

~~"(2) AUTHORITY.—A State educational agency may grant authority to a local educational agency to permit a local school described in paragraph (1) (through a school-based standing panel established under paragraph (4)(B)) to design, implement, and evaluate a school-based improvement plan described in paragraph (1) for a period not to exceed 3 years.~~

~~"(3) PLAN REQUIREMENTS.—A school-based improvement plan described in paragraph (1) shall—~~

~~"(A) be designed to be consistent with the purposes and authorized activities described in part C and to improve educational and transitional results for all children with disabilities and, as appropriate, for other children consistent with subsection (a)(4) (A) and (B), who attend the school for which the plan is designed and implemented;~~

~~"(B) be designed, evaluated, and, as appropriate, implemented by a school-based standing panel established in accordance with paragraph (4)(B);~~

~~"(C) include goals and measurable indicators to assess the progress of the local school in meeting such goals; and~~

~~"(D) ensure that all children with disabilities receive the same level of services in such school as required by the individualized education programs of such children.~~

~~"(4) RESPONSIBILITIES OF THE LOCAL EDUCATIONAL AGENCY.—A local educational agency that is granted authority under paragraph (2) to permit~~

~~a local school to design, implement, and evaluate a school-based improvement plan shall—~~

~~"(A) select each school under the jurisdiction of such agency that is eligible to design, implement, and evaluate such a plan;~~

~~"(B) require each school selected under subparagraph (A), in accordance with criteria established by such local educational agency under subparagraph (C), to establish a school-based standing panel to carry out the duties described in paragraph (3)(B);~~

~~"(C) establish—~~

~~"(i) criteria that shall be used by such local educational agency in the selection of an eligible school under subparagraph (A);~~

~~"(ii) criteria that shall be used by a local school selected under subparagraph (A) in the establishment a school-based standing panel to carry out the duties described in paragraph (3)(B) and that shall ensure that the membership of such panel reflects the diversity of the community and includes, at a minimum—~~

~~"(I) parents of children with disabilities who attend such local school,~~

~~including parents of children with disabilities from unserved and underserved populations, as appropriate;~~

~~"(II) special education and general education teachers of such local school;~~

~~"(III) special education and general education administrators, or the designee of such administrators, of such local school; and~~

~~"(IV) special education and related services providers who are responsible for providing services to the children with disabilities who attend such local school; and~~

~~"(iii) criteria that shall be used by such local educational agency with respect to the distribution of funds under this part to carry out this subsection;~~

~~"(D) disseminate the criteria established under subparagraph (C) to local school district personnel and local parent organizations within the jurisdiction of such local educational agency;~~

~~"(E) require a local school that desires to design, implement, and evaluate a school-based improvement plan to submit an application at such time, in such manner, and accompanied by such information as such local educational agency shall reasonably require; and~~

~~"(F) establish procedures for approval by such local educational agency of a school-based improvement plan designed under this subsection.~~

~~"(5) LIMITATION.—A school-based improvement plan described in paragraph (1) may be submitted to a local educational agency for approval only if a consensus with respect to any matter relating to the design, implementation, or evaluation of such plan (including any matter relating to the goals and measurable indicators included in such plan) is reached by the school-based standing panel that designed such plan.~~

~~"(6) ADDITIONAL REQUIREMENTS.—~~

~~"(A) PARENTAL INVOLVEMENT.—In carrying out the requirements of this subsection, a local educational agency shall ensure that the parents of children with disabilities are involved in the design, evaluation, and, where appro-~~

priate, implementation of school-based improvement plans in accordance with this subsection.

"(B) PLAN APPROVAL.—A local educational agency may approve a school-based improvement plan of a local school within the jurisdiction of such agency for a period of 3 years, if—

"(i) the approval is consistent with the policies, procedures, and practices established by such local educational agency and in accordance with this subsection; and

"(ii) all members of the school-based standing panel that designed such plan agree in writing to such plan.

"(7) EXTENSION OF PLAN.—If a local school within the jurisdiction of a local educational agency meets the applicable requirements and criteria described in paragraphs (3) and (4) at the expiration of the 3-year approval period described in paragraph (6)(B), such agency may approve a school-based improvement plan of such school for an additional 3-year period.

"(h) DIRECT SERVICES BY THE STATE EDUCATIONAL AGENCY.—

~~"(1) IN GENERAL.—A State educational agency shall use the payments that would otherwise have been available to a local educational agency or to a State agency under subsection (i) to provide special education and related services directly to children with disabilities residing in the area served by that local agency, or for whom that State agency is responsible, if the State educational agency determines that—~~

~~"(A) the local educational agency or the State agency—~~

~~"(i) has not provided the information needed to establish the eligibility of the local educational agency or the State agency under this section; or~~

~~"(ii) is unable or unwilling to establish and maintain programs of free appropriate public education that meet the requirements of subsection (a) of this section; or~~

~~"(B) the local educational agency—~~

~~"(i) is unable or unwilling to be consolidated with other local educational agencies in order to establish and maintain such programs; or~~

~~"(ii) has one or more children with disabilities who can best be served by a regional or State program or service delivery system designed to meet the needs of such children.~~

~~"(2) METHOD OF PROVISION OF SERVICES.—The State educational agency may provide special education and related services under paragraph (1) in such manner and at such locations (including regional or State centers) as the State educational agency considers appropriate, so long as the education and services are provided in accordance with this part.~~

~~"(i) STATE AGENCY ELIGIBILITY.—Any State agency that received funds under section 614A (as such section was in effect on the day preceding the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996) and desires to receive a subgrant for any fiscal year under section 611(c) or 619(g) shall demonstrate to the satisfaction of the State educational agency that—~~

~~"(1) all children with disabilities who are participating in programs and projects funded under this part receive a free appropriate public education, and that the children and their parents are provided~~

all the rights and procedural safeguards described in this part; and

"(2) the State agency meets such other conditions of this section as the Secretary finds appropriate.

SEC. 204. EVALUATIONS, INDIVIDUALIZED EDUCATION PROGRAMS, AND EDUCATIONAL PLACEMENTS.

Section 614 (20 U.S.C. 1414) is amended to read as follows:

"SEC. 614. EVALUATIONS, INDIVIDUALIZED EDUCATION PROGRAMS, AND EDUCATIONAL PLACEMENTS.

"(a) IN GENERAL.—

"(1) INITIAL EVALUATIONS.—

"(A) IN GENERAL.—A local educational agency shall conduct a comprehensive initial evaluation, in accordance with this paragraph and subsections (b) and (c), before the initial provision of special education and related services to a child with a disability.

"(B) PROCEDURES.—An initial evaluation shall include procedures to—

~~"(i) determine whether a child is a child with a disability as defined in section 602(a)(4); and~~

~~"(ii) determine the educational needs of the child.~~

~~"(C) PARENTAL CONSENT.—~~

~~"(i) IN GENERAL.—A local educational agency proposing to conduct an initial evaluation to determine if a child qualifies as a child with a disability as defined in section 602(a)(4) shall, prior to the conduct of such evaluation, obtain informed consent from the parents of the child.~~

~~"(ii) REFUSAL.—If the parents of such child refuse to consent to an evaluation described in clause (i), a local educational agency may continue to pursue the evaluation by utilizing the mediation procedures under section 615(e) and due process procedures under section 615(f).~~

~~"(2) REEVALUATIONS.—~~

~~"(A) IN GENERAL.—A local educational agency shall ensure that a reevaluation of each child with a disability is conducted—~~

~~"(i) whenever the child's parents or teacher, other school personnel, or other appropriate individuals, request the re-evaluation; and~~

~~"(ii) a natural transition point for the child following the child's initial evaluation described under paragraph (1).~~

~~"(B) DEFINITION.—For the purpose of subparagraph (A), the term 'natural transition point' means the period that is close in time to the transition of a child with a disability—~~

~~"(ii) from preschool to elementary grades;~~

~~"(iii) from elementary grades to middle or junior high school grades;~~

~~"(iv) from middle or junior high school grades to high school grades (at least every 3 years); and~~

~~"(v) from high school grades to postschool activities.~~

~~"(C) CONDUCT OF REEVALUATION.—Each reevaluation shall be conducted in accordance with subsections (b) and (c).~~

~~"(b) EVALUATION PROCEDURES.—~~

~~"(1) IN GENERAL.—The local educational agency shall provide notice to the parents of a child with a disability, in accordance with section 615 (b)(3), (b)(4), and (c), that describes any evaluation procedures the local educational agency proposes to conduct.~~

~~"(2) METHOD OF EVALUATION.—In conducting the evaluation, the local educational agency shall—~~

~~"(A) use—~~

~~"(i) a variety of evaluation tools and strategies to gather relevant functional and developmental information (including evaluations and information provided by the child's parents) that may assist in determining whether the child is a child with a disability; and~~

~~"(ii) the content of the individualized education program of the child, including information related to enabling the child to participate and achieve in the general curriculum or, for a child who is in preschool, in developmentally appropriate activities; and~~

~~"(B) not use any single procedure as the sole criterion for determining—~~

~~"(i) whether a child is a child with a disability; or~~

~~"(ii) an appropriate educational program for the child.~~

~~"(3) EVALUATION TESTS AND MATERIALS.—Each local educational agency shall ensure that—~~

~~"(A) tests and other evaluation materials used to assess a child under this section are—~~

~~"(i) selected and administered so as not to be racially or culturally discriminatory;~~

~~"(ii) provided and administered in the native language of the child or other mode of communication unless it is clearly not feasible to do so; and~~

~~"(iii) consistent with generally accepted professional standards for assessments;~~

~~"(B) any standardized tests that are given to the child—~~

~~"(i) have been validated for the specific purpose for which the tests are used;~~

~~"(ii) are administered by trained personnel; and~~

~~"(iii) are administered in accordance with any instructions provided by the producer of the tests.~~

~~"(4) SPECIAL RULE ON TESTS.—Tests shall provide relevant information that directly assists persons involved in providing services to a child with a disability in determining the educational needs of the child, including information with respect to instructional strategies and content that should be reflected in the individualized education program of such child.~~

~~"(c) ADDITIONAL REQUIREMENTS FOR EVALUATIONS AND REEVALUATIONS.—~~

~~"(1) REVIEW OF EXISTING EVALUATION DATA.—As part of an initial evaluation (if appropriate) and as part of any reevaluation under this section, the following tasks shall be carried out:~~

~~"(A) A review of existing evaluation data on the child, including evaluations and information provided by the parents of the child, and current classroom-based assessments and teacher observation.~~

~~"(B) On the basis of the review, the professional judgment of appropriate individuals, and the input from the parents of the child, an~~

~~identification of what additional data, if any, are needed to determine the following:~~

~~"(i) Whether the child has a particular category of disability, as described in section 602(a)(4)(A)(i), or, in the case of a reevaluation of a child, whether the child continues to have such a disability.~~

~~"(ii) The present levels of performance and educational needs of the child.~~

~~"(iii) Whether the child needs special education and related services, or in the case of a reevaluation of a child, whether the child continues to need special education and related services.~~

~~"(iv) Whether any additions or modifications to the special education and related services are needed to enable the child to meet the objectives set out in the individualized education program of the child and to participate, as appropriate, in the general curriculum.~~

~~"(2) SOURCE OF DATA.—The local educational agency shall administer such tests and other evaluation materials as may be needed to produce the data identified under paragraph (1)(B).~~

"(3) ADDITIONAL DATA.—If it is determined by appropriate individuals based on their professional judgment, that no additional data are needed to determine whether the child is or continues to be a child with a disability, the local educational agency—

"(A) shall notify the parents of the child of—

"(i) the result of that determination and the reasons for the determination; and

"(ii) the right of the parents to request an evaluation to determine whether the child is or continues to be a child with a disability; and

"(B) is not required to conduct the evaluation described in clause (ii) of subparagraph (A) unless requested by the parents.

"(d) INDIVIDUALIZED EDUCATION PROGRAMS.—

"(1) IEP TO BE IN EFFECT AT THE BEGINNING OF EACH SCHOOL YEAR.—

"(A) IN GENERAL.—At the beginning of each school year, each local educational agency shall have in effect an individualized education program for each child with a disability within its jurisdiction.

~~"(B) IEP FOR A CHILD AGED 3 THROUGH 5.—In the case of a child with a disability aged 3 through 5 (or, at the discretion of the State educational agency, a 2-year-old child with disabilities who will turn age 3 during the school year), an IFSP that contains the material described in section 677(d) and that is developed in accordance with this section may serve as the IEP of the child if using the plan as the IEP is—~~

~~"(i) consistent with State policy; and~~

~~"(ii) agreed to by the agency and the parents of the child.~~

~~"(2) IEP TEAM.—The IEP of each child shall be developed in a meeting by a team (hereafter in this section referred to as the 'IEP team'), composed of—~~

~~"(A) a representative of the local educational agency who is qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of children with disabilities, and who is knowledgeable about the general curriculum;~~

~~"(B) at least one special education provider who is knowledgeable about the disability~~

of the child, including, if appropriate, the special education teacher of the child;

"(C) to the extent practicable, at least one regular education teacher who knows the child or is familiar with the curriculum of the child, if the child is, or may be, participating in the regular education environment;

"(D) the parents of the child;

"(E) whenever appropriate, the child;

"(F) an individual who is capable of interpreting the instructional implications of evaluation results; and

"(G) other individuals, at the discretion of the parents or the agency, including, as appropriate, related services personnel who are or will be working with the child.

The team member described in subparagraph (F) may be an existing team member described in subparagraphs (A) through (C), if the existing team member is qualified to interpret the results described in subparagraph (F).

"(3) DEVELOPMENT OF THE IEP.—

"(A) IN GENERAL.—In developing each child's IEP, the IEP team shall consider—

~~"(i) the strengths of the child and the concerns of the parents for enhancing the education of their child; and—~~

~~"(ii) the results of the initial evaluation or most recent reevaluation of the child.~~

~~"(B) CONSIDERATION OF SPECIAL FACTORS.—As appropriate, the IEP team shall—~~

~~"(i) in the case of a child whose behavior impedes the learning of the child or that of others, consider strategies, including behavior management plans, to address that behavior;—~~

~~"(ii) in the case of a child with limited English proficiency, consider the language needs of the child as the needs relate to the child's IEP;~~

~~"(iii) in the case of a child who is blind or visually impaired, consider whether the child needs instruction in braille or in the use of braille;—~~

~~"(iv) in the case of a child who is deaf or hard of hearing, consider the communication needs of the child, including op-~~

portunities to communicate directly with other individuals;

"(v) in the case of a child with expressive or receptive language deficits, consider techniques to ensure that the child understands what is being spoken; and

"(vi) in the case of a child with sensory or motor communication, or physical impairment, consider the provision of assistive technology devices and services.

"(c) CONTENT OF IEP.—

"(1) IN GENERAL.—The IEP of each child with a disability shall include the following:

"(A) PRESENT LEVELS OF EDUCATIONAL PERFORMANCE.—A statement of the present levels of educational performance of the child, including how the disability of the child affects the progress of the child in meeting the standards of the general curriculum (or, for a preschool child, as appropriate, how the disability of the child affects the progress of the child in developmentally appropriate activities related to transition to kindergarten and elementary school);

~~"(B) MEASURABLE ANNUAL OBJECTIVES.—A statement of measurable annual objectives related to meeting each of the educational needs of the child that result from the disability of the child, including objectives related to enabling the child to progress in meeting the standards of the general curriculum at the educationally appropriate level for the child.~~

~~"(C) SPECIAL EDUCATION AND RELATED SERVICES.—A statement of the special education and related services and supplementary aids and services to be provided to the child and any program modifications necessary for the child to attain the annual objectives, to progress in the general curriculum, to participate in extra-curricular and nonacademic activities and other educational activities, and to be educated and participate with nondisabled children in the activities described in this subparagraph.~~

~~"(D) EXTENT OF PARTICIPATION WITH NONDISABLED CHILDREN.—An explanation of the extent, if any, to which the child will not participate with nondisabled children in the regular class and in the activities described in subparagraph (C).~~

~~"(E) PARTICIPATION IN GENERAL ASSESSMENTS.—~~

~~"(i) MODIFICATIONS.—A statement of any modifications in the administration of State or districtwide assessments that are needed in order for the child to participate in the assessments.~~

~~"(ii) NONPARTICIPATION.—If a child will not participate in a particular State or districtwide assessment (or part of such assessment), a statement of why the assessment is not appropriate for the child and how the child will be assessed.~~

~~"(F) PROJECTED DATES, FREQUENCY, AND DURATION OF SERVICES.—The projected date for the beginning of the services and program modifications described in subparagraph (C), and the anticipated frequency and duration of such services and modifications.~~

~~"(G) INFORMATION ABOUT THE CHILD'S PROGRESS.—A statement of how the progress of the child toward the measurable annual objectives will be measured and how the parents of the child will be regularly informed of the~~

child's progress, in accordance with subsection (f).

"(2) ADDITIONAL IEP REQUIREMENTS FOR A CHILD WITH A DISABILITY WHO IS OF SECONDARY SCHOOL AGE.—The IEP for each student who is a child with a disability and who is of secondary school age (hereafter in this section referred to as the 'student') shall include additional information related to transition services and the transfer of rights at the age of majority, as described in subparagraphs (A) through (C).

"(A) ADDRESSING THE STUDENT'S TRANSITION NEEDS.—For a student aged 14 through 21 (or younger than age 14 if determined appropriate by the IEP team), the transition services needs of the student shall be considered and, as appropriate, addressed under the applicable components of the student's IEP described in paragraph (1) relating to present levels of educational performance, measurable annual objectives, special education and related services, and other applicable components.

"(B) STATEMENT OF TRANSITION SERVICES AND SUPPORTS.—

"(i) IN GENERAL.—In meeting the requirements of subparagraph (A), the IEP team shall give consideration to the student's participation in the general education curriculum (such as participation in advanced-placement courses or a vocational education or school-to-work program, or independent living skills training, which lead to successful transition from secondary school to postschool adult environments).

"(ii) TRANSITION SERVICES STATEMENT.—Beginning no later than age 16, the student's IEP shall include a statement of needed transition services as defined in subsection (i) including, when appropriate, a statement of the interagency responsibilities and needed linkages among agencies to ensure delivery of services before the student leaves the school setting.

"(C) TRANSFER OF RIGHTS AT THE AGE OF MAJORITY.—Beginning at least 1 year before the student reaches the age of majority under State law, the IEP shall include a statement about the rights under this Act, if any,

that will transfer to the student on reaching the age of majority under section 615(j).

"(f) REPORTING EACH CHILD'S PROGRESS TOWARD OBJECTIVES.—The local educational agency shall ensure that—

"(1) the parents of each child with a disability are regularly informed of the progress of the child, toward the measurable annual objectives, and the extent to which such progress is sufficient to enable the child to achieve the objectives by the end of the school year; and

"(2) in implementing the requirement in paragraph (1), the parents are informed (by periodic report cards or other appropriate means) at least as often as parents of nondisabled children are informed of the progress of their nondisabled children.

"(g) REVIEW AND REVISION OF IEP.—The local educational agency shall ensure that the IEP team for each child—

"(1) reviews the child's IEP periodically, but not less than annually, to determine whether the annual objectives for the child are being achieved; and

"(2) revises the IEP, as appropriate, to address—

~~"(A) continued progress in, or any lack of expected progress toward, achieving the annual objectives and in the general curriculum, where appropriate;~~

~~"(B) the results of any reevaluation conducted under this section;~~

~~"(C) information about the child provided to the parents under subsection (f);~~

~~"(D) the anticipated needs of the child; or~~

~~"(E) other matters, as appropriate.~~

~~"(h) FAILURE TO MEET TRANSITION OBJECTIVES.—If an entity (other than the local educational agency) involved in planning or providing transition services to a child with a disability fails to provide the transition services described in the IEP in accordance with subsection (c)(2)(A), the local educational agency shall reconvene the IEP team to identify alternative strategies to meet the transition objectives for the student set forth in the IEP.~~

~~"(i) DEFINITION OF TRANSITION SERVICES.—For the purpose of this section, the term 'transition services' means a coordinated set of activities for a student, designed within an outcome-oriented process, which promotes movement from school to postschool activities, including postsecondary education, vocational training, inte-~~

~~grated employment (including supported employment), continuing and adult education, adult services, independent living, or community participation. The coordinated set of activities shall be based upon the individual needs of the student, taking into account the preferences and interests of the student, and shall include instruction, community experiences, the development of employment and other postschool adult living objectives, and, when appropriate, acquisition of daily living skills and functional vocational evaluation.''.~~

~~''(j) CONSTRUCTION CLAUSE.—Nothing in this section shall be construed to require the IEP team to include information under one component of a child's IEP that is already contained under another component of such IEP.~~

~~''(k) PLACEMENTS.—Each local educational agency shall ensure that the parents of each child with a disability are members of any group that makes decisions on the educational placement of their child.~~

~~SEC. 205. CHAPTER 1 STATE AGENCIES.~~

~~Section 614A (20 U.S.C. 1414a) is repealed.~~

~~SEC. 206. PROCEDURAL SAFEGUARDS.~~

~~(a) PROCEDURES.—Section 615(a) (20 U.S.C. 1415(a)) is amended—~~

~~(1) by striking "Any State educational agency, any local educational agency, and any intermediate educational unit which" and inserting "Any State educational agency or local educational agency that";~~

~~(2) by striking "subsection (b) through subsection (e) of";~~

~~(3) by striking "or guardians"; and~~

~~(4) by striking "and units".~~

~~(b) TYPES OF PROCEDURES.—Section 615(b) (20 U.S.C. 1415(b) is amended—~~

~~(1) by striking paragraph (2);~~

~~(2) in paragraph (1)—~~

~~(A) in subparagraph (A), by striking "(A) an opportunity for the parents or guardian" and inserting "(1) an opportunity for the parents";~~

~~(B) in subparagraph (B)—~~

~~(i) by striking "(B) procedures" and inserting "(2) procedures";~~

~~(ii) by striking "or guardian" each place it appears; and~~

~~(iii) by striking "local educational agency, or intermediate educational unit"~~

~~and inserting "the local educational agency, or any other agency that is";~~

~~(C) in subparagraph (C)—~~

~~(i) by striking "(C) written prior notice to the parents or guardian of the child whenever such agency or unit" and inserting "(3) written prior notice in accordance with subsection (c) to the parents of the child whenever such agency";~~

~~(ii) by striking "(i) proposes" and inserting "(A) proposes";~~

~~(iii) by striking "(ii) refuses" and inserting "(B) refuses"; and~~

~~(iv) by striking "public education to the child" and inserting "public education to the child, in accordance with subsection (c)";~~

~~(D) in subparagraph (D), to read as follows:~~

~~"(4) procedures designed to ensure that the notice required by paragraph (3) is provided in the native language of the parents or other mode of communication used by the parents, unless it clearly is not feasible to do so;";~~

~~(E) in subparagraph (E), by striking "(E) an opportunity" and inserting "(6) an opportunity"; and~~

~~(F) by inserting after paragraph (4) (as so redesignated by subparagraph (D)) the following new paragraph:~~

~~"(5) an opportunity for mediation in accordance with subsection (e); and"; and~~

~~(3) by striking "(b)(1) The" and inserting "(b) The".~~

~~(c) OTHER PROVISIONS OF SECTION 615.—Section 615 (20 U.S.C. 1415) is amended—~~

~~(1) in subsection (c)—~~

~~(A) by striking "paragraph (2) of subsection (b)" and inserting "subsection (f)"; and~~

~~(B) by striking "or an intermediate educational unit";~~

~~(2) in subsection (d), by striking "subsections (b) and (c)" and inserting "subsections (f) and (g)";~~

~~(3) in subsection (e)—~~

~~(A) in paragraph (1), by striking "paragraph (2) of subsection (b)" and inserting "subsection (f)";~~

~~(B) in paragraph (2), by striking "decision made under subsection (b)" and inserting "decision made under subsection (f)";~~

~~(C) by striking "subsection (c)" each place it appears and inserting "subsection (g)";~~

~~(D) in paragraph (3)—~~

~~(i) by striking "or guardian" each place it appears; and~~

~~(ii) by striking "section 602(a)(20)" and inserting "section 602(a)(15);~~

~~(E) in paragraph (4)—~~

~~(i) in subparagraph (B), by striking "or guardian";~~

~~(ii) in subparagraph (C), by striking "For the purpose of this subsection, fees" and inserting "Fees";~~

~~(iii) in subparagraph (D)—~~

~~(I) by striking "No award of attorneys' fees and related costs may be made" and inserting "Except as provided in subparagraph (E), attorneys' fees may not be awarded and related costs may not be reimbursed"; and~~

~~(II) by striking "or guardian" each place it appears;~~

~~(iv) in subparagraph (E)—~~

~~(I) by striking "Notwithstanding the provisions of subparagraph (D)" and inserting "Notwithstanding subparagraph (D)"; and~~

~~(II) by striking "or guardian";~~

~~(v) in subparagraph (F)—~~

~~(I) by striking "(F) Whenever" and inserting "(F) Except as provided in subparagraph (G), whenever"; and~~

~~(II) by striking "or guardian";~~

~~(vi) in subparagraph (G), by striking "or there was a violation of section 615 of this Act"; and~~

~~(vii) by adding at the end thereof the following new subparagraphs:~~

~~"(H) For the purpose of this section, the determination of whether a party is a prevailing party under this section shall be made in accordance with the law established by the Supreme Court in Hensley v. Eckerhart, 461 U.S. 424 (1983).~~

~~"(I) For the purpose of this section, an IEP meeting shall not, in and of itself, be deemed to be a proceeding triggering the awarding of attorneys' fees.";~~

~~(4) by redesignating subsections (c) through (e) as subsections (g) through (i), respectively;~~

~~(5) redesignating subsection (f) as subsection (k);~~

~~(6) by inserting after subsection (b) the following new subsections:~~

~~"(c)(1) The notice required by subsection (b)(3) with respect to the proposal or refusal to initiate or change the identification, evaluation, or educational placement of a child described in such subsection or the provision of a free appropriate public education to such child shall—~~

~~"(A) include—~~

~~"(i) a description of the action proposed or refused by the agency;~~

~~"(ii) an explanation of why the agency proposes or refuses to take the action; and~~

~~"(iii) a description of any other options that the agency considered and the reasons why the options were not chosen;~~

~~"(B) describe each evaluation procedure, test, record, or report that the agency used as a basis for the proposed or refused action;~~

~~"(C) describe any other factors that are relevant to the proposal or refusal of the agency;~~

~~"(D) include a full explanation of the procedural safeguards available under this section, and under the regulations of the Secretary, relating to independent educational evaluations, notice, parental consent, mediation, and the placement of the child during the pendency of due process proceedings;~~

~~"(E) include at least a brief summary of the procedural safeguards under this section relating to due process hearings, State-level appeals (if applicable in that State), civil actions, and attorneys' fees;~~

~~"(F) include a statement that the agency will provide a full explanation of the procedural safeguards available to parents under this section, and under the regulations of the Secretary, relating to—~~

~~"(i) access to educational records, whenever requested by the parents; and~~

~~"(ii) the hearings, appeals, actions, and fees described in subparagraph (E) whenever the parents request such explanation or file a complaint under subsection (b)(6); and~~

~~"(G) include the name, address, and telephone number of the Parent Information and Training Center in the State and other resources in the State that will assist a parent understand protections and opportunities under this part.~~

~~"(2) Each State educational agency and each local educational agency that receives assistance under this part shall provide the explanation described in paragraph (1)(F) in the cases described in such paragraph.~~

~~"(d)(1) The parents of a child with a disability or a suspected disability shall provide to the local educational agency written notice of their intention to file a complaint under subsection (b)(6) regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child, 10 calendar days prior to the date of the filing of the complaint if—~~

~~"(A) the parents have new information regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child; or~~

~~"(B) the parents are initiating a complaint about the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child and the parents have signed the most recent IEP of the child.~~

~~"(2) Prior to filing a complaint, if the parents have new information regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child, the par-~~

~~ents shall provide the information to the local educational agency along with the notice of their intent to file a complaint.~~

~~"(3) If the parents were duly informed by the local educational agency with respect to their obligation to file a notice of intention to file a complaint under this subsection and the parents fail to provide such notice, the timeline for a final decision on the complaint shall be extended by 10 calendar days.~~

~~"(e)(1) Each State educational agency shall ensure that procedures are established and implemented to allow parties to disputes involving matters described in subsection (b)(6) to resolve such disputes through mediation.~~

~~"(2)(A) The procedures described in paragraph (1) shall ensure—~~

~~"(i) that whenever a hearing is requested on any matter in dispute under subsection (b)(6), the parents are offered an opportunity for mediation to resolve the dispute; and~~

~~"(ii) that mediation—~~

~~"(I) is voluntary on the part of the parents and may be waived by the parents at any time during such process;~~

~~"(II) is not used to deny a parent to the right of a, or delay access by a parent to, due~~

~~process hearings under subsection (f) or to deny the parents any other rights afforded under this part; and~~

~~"(III) is conducted by a qualified and impartial mediator who is not an employee of a local educational agency or State agency described in section 613(i) that is involved in the education or care of the child or who is not a person having a personal or professional conflict of interest;~~

~~"(iii) that mediators are appointed from the list described in subparagraph (B)(i);~~

~~"(iv) that whenever a mediator is not selected on a random basis, both the parents and the local educational agency are involved in selecting the mediator and are in agreement with the individual who is selected;~~

~~"(v) that each session in the mediation process shall be scheduled in a timely manner and shall be held in a location that is convenient and accessible to the parties to the dispute;~~

~~"(vi) that no statements made by either party during the mediation under this subsection shall be offered or used as evidence in any hearing, review of~~

~~a hearing decision, or civil action under this section; and~~

~~"(vii) that an agreement reached by the parties to the dispute in the mediation process shall be set forth in a written mediation agreement.~~

~~"(B)(i) Each State educational agency shall compile and maintain a list of individuals who are—~~

~~"(I) trained in mediation; and~~

~~"(II) knowledgeable about the educational needs of children with disabilities and applicable statutes and regulations relating to the educational rights of such children, including the requirements of this part and the regulations of the Secretary under this part.~~

~~"(ii) The State educational agency shall ensure that mediation will be provided to parents at no cost.~~

~~"(3) If a State has on file with the Secretary documentation that the State has an established mediation process that is comparable to the mediation process described in this subsection, the mediation process of the State shall be considered to be in compliance with this subsection. Within 4 years after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, such State shall establish a mediation~~

~~process program that complies with the requirements of this subsection.~~

~~"(4) Nothing in this part shall prohibit employees or former employees of a State educational agency from serving as mediators in resolving disputes about any matter described in subsection (b)(6), unless the dispute directly involves such agency.~~

~~"(f) Whenever a complaint has been received under subsection (b)(6), the parents shall have an opportunity for an impartial due process hearing that shall be conducted by the State educational agency or by the local educational agency, as determined by State law or by the State educational agency. No hearing conducted pursuant to the requirements of this subsection shall be conducted by an employee of such agency involved in the education or care of the child."; and~~

~~(7) by inserting after subsection (i) (as so redesignated by paragraph (4)) the following new subsection:~~

~~"(j)(1) Subject to the provisions of paragraph (2), any State that receives funds under this part may provide that, when a student with a disability reaches the age of majority under State law—~~

1 ~~"(A) the public agency shall provide any notice~~
2 ~~required by this section to both the individual and~~
3 ~~the parents;~~
4 ~~"(B) all other rights accorded to parents under~~
5 ~~this part transfer to the child; and~~
6 ~~"(C) the agency shall notify the individual and~~
7 ~~the parents of the transfer of rights.~~
8 ~~"(2)(A) If, under State law, a student described in~~
9 ~~paragraph (1) is determined to not have the ability to pro-~~
10 ~~vide informed consent with respect to the educational pro-~~
11 ~~gram of the student, the State shall have in effect proce-~~
12 ~~dures for appointing the parent or other individual to rep-~~
13 ~~resent the educational interests of the student throughout~~
14 ~~the student's eligibility under this part.~~
15 **~~SEC. 207. WITHHOLDING AND JUDICIAL REVIEW.~~**
16 ~~Section 616 (20 U.S.C. 1416) is amended to read as~~
17 ~~follows:~~
18 **~~"SEC. 616. WITHHOLDING AND JUDICIAL REVIEW.~~**
19 ~~"(a) WITHHOLDING.—~~
20 ~~"(1) IN GENERAL.—Whenever the Secretary,~~
21 ~~after reasonable notice and opportunity for hearing~~
22 ~~to the State educational agency involved (and to any~~
23 ~~local educational agency or State agency affected by~~
24 ~~any failure described in subparagraph (B)), finds—~~

~~"(A) that there has been a failure by the State to comply substantially with any provision of this part; or~~

~~"(B) that there is a failure to comply with any condition of a local educational agency's eligibility or State agency's eligibility under this part,~~

~~the Secretary shall, after notifying the State educational agency, withhold any further payments to the State under this part.~~

~~"(2) LIMITATIONS.—If the Secretary withholds further payments under paragraph (1), the Secretary may determine that such withholding will be limited to programs or projects, or portions thereof, affected by the failure, or that the State educational agency shall not make further payments under this part to specified local educational agencies or State agencies affected by the failure. Until the Secretary is satisfied that there is no longer any failure to comply with the provisions of this part, as specified in subparagraph (A) or (B) of paragraph (1), no further payments shall be made to the State under this part or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or~~

~~were not involved in the failure, as the case may be. Any State educational agency or local educational agency in receipt of a notice pursuant to paragraph (1) shall, by means of a public notice, take such measures as may be necessary to bring the pendency of an action pursuant to this subsection to the attention of the public within the jurisdiction of such agency.~~

~~"(b) APPEALS OF ELIGIBILITY DETERMINATIONS.—~~

~~"(1) PETITION.—If any State is dissatisfied with the Secretary's final action with respect to the eligibility of such State under section 612, such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings upon which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.~~

~~"(2) FINDINGS.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take fur-~~

~~ther evidence, and the Secretary may thereupon make new or modified findings of fact and may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall be conclusive if supported by substantial evidence.~~

~~"(3) COURT'S JUDGMENT.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".~~

~~SEC. 208. ADMINISTRATION.~~

~~Section 617 (21 U.S.C. 1417) is amended to read as follows:~~

~~"SEC. 617. ADMINISTRATION.~~

~~"(a) SECRETARY'S RESPONSIBILITIES.—In carrying out this part, the Secretary shall—~~

~~"(1) cooperate with, and (directly or through grant or contract) provide the technical assistance necessary to, the State in matters relating to—~~

~~"(A) the education of children with disabilities;~~

~~"(B) carrying out the requirements of this part;~~

~~"(2) provide short-term training programs and institutes; and~~

~~"(3) disseminate information about, and otherwise promote, the education of all children with disabilities within the States.~~

~~"(b) RULES AND REGULATIONS.—In carrying out the provisions of this part, the Secretary shall, not later than January 1, 1977, issue, amend, and revoke such rules and regulations as may be necessary. No other less formal method of implementing such provisions is authorized.~~

~~"(c) CONFIDENTIALITY.—The Secretary shall take appropriate action, in accordance with the provisions of section 444 of the General Education Provisions Act (20 U.S.C. 1232g), to ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary and by State and local educational agencies pursuant to the provisions of this part.~~

~~"(d) PERSONNEL.—The Secretary is authorized to hire qualified personnel necessary to conduct data collection and evaluation activities authorized by section 618, without regard to the provisions of title 5, United States~~

~~Code, relating to appointments in the competitive service and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates except that no more than 20 such personnel shall be employed at any time.~~

~~"(e) POLICY LETTERS AND STATEMENTS.—The Secretary may not, through policy letters or other statements, establish a new rule that is required for compliance with and eligibility under this part without following the requirements of section 553 of title 5, United States Code.~~

~~"(f) INTERPRETATIONS BY THE DEPARTMENT OF EDUCATION.—~~

~~"(1) IN GENERAL.—The Secretary shall, on a quarterly basis, publish in the Federal Register, and widely disseminate to interested entities through various additional forms of communication, a list of correspondence from the Department of Education received by persons during the previous quarter that describes the interpretations of the Department of Education of this part or the regulations implemented pursuant to this part.~~

~~"(2) ADDITIONAL INFORMATION.—For each item of correspondence published in a list under paragraph (1), the Secretary shall identify the topic addressed by the correspondence and shall include~~

~~such other summary information as the Secretary finds appropriate.''.~~

~~SEC. 209. EVALUATION AND PROGRAM INFORMATION.~~

~~(a) IN GENERAL.—Section 618 (20 U.S.C. 1418) is amended to read as follows:~~

~~''SEC. 618. EVALUATION AND PROGRAM INFORMATION.~~

~~''(a) PROGRAM INFORMATION.—Each State that receives assistance under this part, and the Secretary of the Interior, shall provide data each year to the Secretary—~~

~~''(1)(A) on the number of children with disabilities—~~

~~''(i) who are receiving a free appropriate public education;~~

~~''(ii) who are receiving early intervention services;~~

~~''(iii) who are participating in regular education;~~

~~''(iv) who are in separate classes, separate schools or facilities, or public or private residential facilities;~~

~~''(v) for each year of age from 14 through 21, who, because of program completion or for other reasons, stopped receiving special education and related services; and~~

~~"(vi) from birth through age 2, who, because of program completion or for other reasons, stopped receiving early intervention services; and~~

~~"(B) on the number of infants and toddlers who are at risk of having substantial developmental delays (as described in section 672) and who are receiving early intervention services under part H; and~~

~~"(2) any other information as may be required by the Secretary.~~

~~"(b) STUDIES EVALUATIONS, AND NATIONAL ASSESSMENTS.—The Secretary shall assess the progress in the implementation of this Act through the studies and evaluations, and assessment described in paragraphs (1) and (2).~~

~~"(1) STUDIES AND EVALUATIONS.—In carrying out the studies and evaluations required by this section, the Secretary shall, directly or through grant, contract, or cooperative agreement, conduct studies and evaluations necessary to—~~

~~"(A) assess, through quantitative and qualitative data and reporting modes, the effectiveness of State and local efforts to—~~

~~"(i) provide a free appropriate public education to children with disabilities;~~

~~"(ii) provide early intervention services to infants and toddlers with disabilities and infants and toddlers at risk for developmental delay;~~

~~"(B) assess the placement of children with disabilities by disability category; and~~

~~"(C) analyze measurable impact, outcomes, and results achieved by the State educational agencies and local educational agencies through the systems change activities of such agencies to reform policies, procedures, and practices designed to improve the educational and transitional services and results for children with disabilities.~~

~~"(2) NATIONAL ASSESSMENT.—The Secretary shall, directly or through grants, contracts, or cooperative agreements, conduct studies, investigations, and evaluations that shall measure the educational and transitional services and results of children with disabilities under this Act. Such grants, contracts, or cooperative agreements shall include—~~

~~"(A) the conduct of a 5-year longitudinal study or studies (utilizing both quantitative and qualitative data and reporting modes) that examines—~~

~~"(i) the educational and transitional services and results for children with disabilities aged 3 through 17, who are receiving special education and related services under this Act, using a national, representative sample of distinct age cohorts and disability categories; and~~

~~"(ii) the educational results, postsecondary placement, and employment status of individuals with disabilities, aged 18 through 21, who are receiving or have received special education and related services under this Act;~~

~~"(B) the annual collection of data (beginning on October 1, 1998 and every year thereafter) on the number of children with disabilities suspended, expelled, and subject to other disciplinary actions, including data disaggregated by age, sex, race, socio-economic status, disability category, and category of behavior subject to disciplinary action;~~

~~"(C) an analysis of State and local needs for professional development, parent training, and other appropriate activities regarding dis-~~

~~ciplinary actions involving children with disabilities; and~~

~~"(D) an assessment of the educational and transitional services and results for children with disabilities from unserved and underserved populations, including—~~

~~"(i) data on the number of children from unserved and underserved populations who—~~

~~"(I) are referred for special education evaluation;~~

~~"(II) are receiving special education and related services; and~~

~~"(III) graduated from secondary and post secondary education programs; and~~

~~"(ii) the performance of children with disabilities from unserved and underserved populations on State assessments and other performance indicators established for all students.~~

~~"(c) ANNUAL REPORT.—Not later than 120 days after the expiration of each fiscal year, the Secretary shall prepare and submit to Congress a report that includes—~~

~~"(1) an analysis and summary of the data reported by the States and the Secretary of the Interior under subsection (a);~~

~~"(2) the results of activities conducted under subsection (b);~~

~~"(3) the findings and determinations resulting from reviews of States with respect to the implementation of this Act; and~~

~~"(4) recommendations with respect to the implementation of this Act to improve the educational and transitional services and results for children with disabilities and their families.~~

~~"(d) ADDITIONAL SOURCES OF INFORMATION.—The Secretary may collect and use information collected from various sources for reporting to Congress, including the collection and use of State evaluation and available research studies, in carrying out this section.~~

~~"(e) RESERVATION FOR STUDIES AND EVALUATIONS.—Notwithstanding any provision of this Act, the Secretary may reserve, in addition to any funds appropriated under this section, up to one-half of one percent of the amount appropriated under this part and part H for each fiscal year to carry out the purposes of this section.~~

1 ~~"(f) AUTHORIZATION OF APPROPRIATIONS.—For~~
2 ~~purposes of carrying out this section, there are authorized~~
3 ~~to be appropriated such sums as may be necessary.~~
4 ~~"(g) APPLICABILITY OF DEFINITIONS.—Any term~~
5 ~~used in this section that is defined in section 602 (as~~
6 ~~amended by section 102 of the Individuals with Disabil-~~
7 ~~ities Education Act Amendments of 1996) shall have the~~
8 ~~meaning given such term in such section.".~~
9 ~~(b) REPEAL.—Section 618(g), as added by subsection~~
10 ~~(a), shall be repealed effective October 1, 1997.~~
11 ~~**SEC. 210. PRESCHOOL GRANTS.**~~
12 ~~Section 619 (21 U.S.C. 1419) is amended to read as~~
13 ~~follows:~~
14 ~~**"SEC. 619. PRESCHOOL GRANTS.**~~
15 ~~"(a) PURPOSE OF GRANTS.—The Secretary shall~~
16 ~~make grants to States and the outlying areas to assist in~~
17 ~~the provision of special education and related services, in~~
18 ~~accordance with this part—~~
19 ~~"(1) to children with disabilities aged 3 through~~
20 ~~5; and~~
21 ~~"(2) at the discretion of the State, to 2-year-old~~
22 ~~children with disabilities who will turn age 3 during~~
23 ~~the school year.~~

~~"(b) ELIGIBILITY.—A State or outlying area is eligible for a grant under this section if the State or outlying area—~~

~~"(1) has established its eligibility under section 612; and~~

~~"(2) makes a free appropriate public education available to all children with disabilities, aged 3 through 5, residing in the jurisdiction of the State or the outlying area.~~

~~"(c) ALLOCATIONS.—Of the funds made available under this section, the Secretary shall allocate to each eligible State and each outlying area, the State's or outlying area's pro rata share of the available funds based upon the count of the State of children with disabilities, aged 3 through 5, consistent with section 611(a)(3). The amount of any grant to any State or outlying area under this section for any fiscal year may not exceed $1,500 for each child with a disability in such State or outlying area, aged 3 through 5.~~

~~"(d) STATE-LEVEL ACTIVITIES.—~~

~~"(1) IN GENERAL.—A State may retain not more than 25 percent of the amount of the grant the State receives under this section for administration and other State-level activities in accordance with subsections (e) and (f).~~

~~"(2) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—A State may use funds the State retains under paragraph (1) without regard to—~~

~~"(A) the prohibition on commingling of funds under section 612(a)(18)(A)(ii); and~~

~~"(B) the prohibition on supplanting other funds under section 612(a)(18)(A)(iii).~~

~~"(e) STATE ADMINISTRATION.—~~

~~"(1) IN GENERAL.—Each State and outlying area may use not more than 5 percent of the amount of the grant the State receives under this section for any fiscal year for the purpose of administering this part, including the coordination of activities under this part with, and providing technical assistance to, other programs that provide services to children with disabilities.~~

~~"(2) ADMINISTRATION OF PART H.—Funds described in paragraph (1) may also be used for the administration of part H, if the State educational agency is the lead agency for the State under that part.~~

~~"(f) OTHER STATE-LEVEL ACTIVITIES.—A State shall use any funds the State retains under subsection (d) and does not use for administration under subsection (e)—~~

~~"(1) for support services (including establishing and implementing the mediation process required by section 615(c)), which may benefit children with disabilities younger than age 3 and older than age 5 as long as such services also benefit children with disabilities aged 3 through 5;~~

~~"(2) for direct services for children eligible for services under this section;~~

~~"(3) to develop and implement State systems change activities under part C;~~

~~"(4) for activities at the State and local levels to meet the performance goals established by the State under section 612(a)(16) and to support implementation of the State systems change activities under part C if the State receives funds under such part;~~

~~"(5) to supplement other funds used to develop and implement a fully integrated and coordinated Statewide system that links education, health, social welfare services, support systems, and other community entities, in a manner designed to improve the educational and transitional results for all children and their families (including children with disabilities and their families), but not to exceed 1 percent~~

of the amount received by the State under this section; or

"(6) for other activities deemed appropriate by the State educational agency;

"(g) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES.—

"(1) REQUIREMENT TO MAKE SUBGRANTS.—A State that receives a grant under this section for any fiscal year shall distribute at least 75 percent of the grant funds to local educational agencies in the State that have established the eligibility of the State under section 613, and to State agencies that received funds under section 614A (as such section was in effect on the day preceding the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996) for fiscal year 1995 and that have established their eligibility under section 613.

"(2) METHODS OF DISTRIBUTION.—From the amount of funds available to local educational agencies in any State under this section, each local educational agency shall be entitled to the pro rata share of the available funds based on the aggregate number of children with disabilities aged 3 through

~~5 who received special education and related services as determined under section 611.~~

~~"(h) PART H INAPPLICABILITY.—Part H does not apply to any child with a disability receiving a free appropriate public education, in accordance with this part, with funds received under this section.~~

~~"(i) OUTLYING AREAS.—The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a), permitting the consolidation of grants to outlying areas, shall not apply to funds such areas receive under this section.~~

~~"(j) DEFINITION OF 'STATE'.—For the purpose of this section, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.~~

~~"(k) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.".~~

~~SEC. 211. PAYMENTS.~~

~~Section 620 (20 U.S.C. 1420) is amended to read as follows:~~

~~"SEC. 620. PAYMENTS.~~

~~"(a) PAYMENTS TO STATES.—The Secretary shall make payments to each State that has demonstrated the eligibility of the State under section 612, in amounts that the Secretary determines under sections 611 and 619.~~

~~"(b) PAYMENTS TO LOCAL EDUCATIONAL AGENCIES AND STATE AGENCIES.—Any State educational agency receiving payments under this section shall distribute payments to local educational agencies (and to State agencies that received funds under section 614A, as such section was in effect on the day preceding the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, for fiscal year 1995) in the State that the State educational agency has determined are eligible under section 613, in amounts determined under sections 611 and 619.".~~

~~SEC. 212. APPLICABILITY OF DEFINITIONS.~~

~~(a) AMENDMENT.—Part B (20 U.S.C. 611 et seq.) is amended by adding at the end thereof the following new section:~~

~~"SEC. 621. APPLICABILITY OF DEFINITIONS.~~

~~"The definitions used in section 602 (as in effect on the day before the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996) shall apply to this part.".~~

~~(b) REPEAL.—Section 621, as added by subsection (a), shall be repealed effective January 1, 1998.~~

~~SEC. 213. EFFECTIVE DATES.~~

~~(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall take effect on January 1, 1998.~~

~~(b) EVALUATION AND PROGRAM INFORMATION.—The amendment made by section 209 shall take effect on October 1, 1996, except that section 618(a)(1)(B) of the Individuals with Disabilities Education Act, as added by section 209, shall not take effect until October 1, 1997.~~

~~(c) TRANSITION RULE.—~~

~~(1) IN GENERAL.—Subject to paragraph (2), a State that is eligible for assistance under part B (as such part was in effect on the day before the date of enactment of this Act) may begin carrying out the requirements of part B (as amended by this title) prior to January 1, 1998.~~

~~(2) NOTIFICATION AND APPROVAL.—A State that desires to carry out a requirement of part B (as amended by this title) under paragraph (1) shall notify the Secretary of which requirements of such part the State desires to carry out. In accordance with the procedure established by the Secretary, the Secretary shall notify the State—~~

~~(A) of whether the State may carry out a requirement of such part; and~~

~~(B) of any applicable procedure that the State shall comply with for the purposes of carrying out such requirement.~~

~~SEC. 214. CONFORMING AND TECHNICAL AMENDMENTS.~~

~~(a) SETTLEMENTS AND ALLOCATIONS.—Section 611 (20 U.S.C. 1411) is amended—~~

~~(1) by striking "SEC. 611. (a)" and all that follows through (1) Except as" and inserting the following:~~

~~"SEC. 611. (a)(1) Except as"; and~~

~~(2) in subsection (a) (amended by paragraph (1))—~~

~~(A) in paragraph (1)—~~

~~(i) by realigning the margins of subparagraphs (A) and (B) so as to align with subparagraphs (A) and (B) of subsection (b)(1); and~~

~~(ii) by realigning the margins of clauses (i) and (ii) so as to align with subclauses (I) and (II) of subsection (d)(2)(A)(i); and~~

~~(B) by realigning the margins of paragraph (2) so as to align with paragraph (3).~~

~~(b) ADVISORY PANELS.—Section 615(h) (20 U.S.C. 1415(h)), as so redesignated by section 206(c)(4), is~~

amended by striking "section 613(a)(12)" and inserting "section 612(a)(20)".

(c) PROCEDURAL SAFEGUARDS.—Section 615(k) (20 U.S.C. 1415(k)), as so redesignated by section 206(c)(5), is amended by striking "subsections (b)(2) and (c)" and inserting "subsections (f) and (g)".

TITLE III—SYSTEMS CHANGE

SEC. 301. SYSTEMS CHANGE.

Part C (20 U.S.C. 1421 et seq.) is amended to read as follows:

"PART C—PROMOTING SYSTEMS CHANGE TO IMPROVE EDUCATIONAL AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES

"SEC. 621. FINDINGS AND PURPOSE.

"(a) FINDINGS.—Congress finds the following:

"(1) States are responding with some success to multiple pressures to improve educational and transitional services and results for children with disabilities in response to growing demands imposed by ever-changing factors, such as demographics, social policies, and labor and economic markets.

"(2) In order for States to address such demands and to facilitate lasting systems change that is of benefit to all students, including children with

disabilities, States must involve local educational agencies, individuals with disabilities and their families, and other interested individuals and organizations in planning and implementation activities that affect education.

"(3) Targeted Federal financial resources are needed to support planning, needs assessment, implementation, and evaluation of better ways to address the needs of children with disabilities into the next century.

"(4) State educational agencies, in partnership with local educational agencies and other individuals and organizations, are in the best position to identify and design ways to meet emerging and expanding demands to improve education for children with disabilities and to address their special needs.

"(5) Research, demonstration, and practice over the past 20 years in special education and related disciplines have built a foundation of knowledge on which State and local systems change activities can now be based.

"(6) Such research, demonstration, and practice in special education and related disciplines have demonstrated that an effective educational system now and in the future must—

~~"(A) maintain high academic standards and clear performance goals for children with disabilities, consistent with the standards and expectations for all students in the educational system, and provide for appropriate and effective strategies and methods to ensure that students who are children with disabilities have maximum opportunities to achieve such standards and goals;~~

~~"(B) create a system that fully addresses the needs of all students, including students who are children with disabilities, by linking and coordinating the requirements of parts B and H with other systemic reform initiatives;~~

~~"(C) clearly define, in measurable terms, the school and post-school results that children with disabilities will achieve through their participation in general and special education programs;~~

~~"(D) promote service integration, and the coordination of State and local education, social, health, and mental health supports, and other interagency supports, in addressing the full range of student needs, particularly the needs of students who are children with disabil-~~

~~ities and have significant and multiple disabilities;~~

~~"(E) ensure that children with disabilities are provided assistance and support in making transitions as described in section 614(a)(2);~~

~~"(F) promote comprehensive programs of professional development to ensure that the persons responsible for the education or such a transition of children with disabilities possess the skills and knowledge necessary to address the educational and related needs of the children;~~

~~"(G) create school-based disciplinary strategies that will be used to reduce or eliminate the need to use suspension and expulsion as disciplinary options for children with disabilities;~~

~~"(H) establish placement-neutral funding formulas and cost-effective strategies for serving children with disabilities in special education and general education; and~~

~~"(I) involve individuals with disabilities and parents of children with disabilities in planning, implementing, and evaluating educational system innovations and reforms.~~

~~"(b) PURPOSE.—The purpose of this part is to assist and provide incentives to State educational agencies, working in partnership with local educational agencies, and other interested individuals, agencies, and organizations, described in section 623(a), to carry out systems change activities that will improve practices, procedures, policies, and training, and use of personnel, parents, and school-age peers of children with disabilities, and that will contribute to improved early intervention, educational and transitional results for children with disabilities in demonstrable and measurable ways.~~

~~"SEC. 622. GRANTS TO STATE EDUCATIONAL AGENCIES.~~

~~"(a) GRANT AWARD.—~~

~~"(1) IN GENERAL.—The Secretary shall award grants, on a competitive basis, to State educational agencies, working in partnership with local educational agencies and other individuals, agencies, and organizations described in section 623(a), to support systems change activities that benefit, in demonstrable and measurable ways, children with disabilities.~~

~~"(2) ACTIVITIES BENEFITING MULTIPLE STATES.—To pursue systems change activities that benefit children with disabilities and their families in more than 1 State, recipients of such grants may~~

~~collaborate in carrying out projects under this part through such activities as joint arrangements with 1 or more institutions of higher education, sharing of project staff, and joint use of consultants.~~

~~"(b) TYPES OF GRANTS.—~~

~~"(1) IN GENERAL.—In awarding grants under subsection (a), the Secretary may award either a planning grant or an implementation grant to a State educational agency applying for funds under this part that forms a partnership described in section 623(a) that applies for funds under this part.~~

~~"(2) PLANNING GRANTS.—~~

~~"(A) APPLICATION.—An applicant may apply under section 623(b) for a planning grant to develop systems change activities.~~

~~"(B) DURATION.—A planning grant referred to in paragraph (1) shall be for 1 year.~~

~~"(C) RENEWAL OF 1-YEAR GRANTS.—A grant that has been awarded for 1 year in accordance with subparagraph (B) may be renewed for 1 additional year.~~

~~"(3) IMPLEMENTATION GRANTS.—~~

~~"(A) APPLICATION.—An applicant may apply under section 623(c) for an implementa-~~

~~tion grant to carry out systems change activities.~~

~~"(B) DURATION.—An implementation grant referred to in paragraph (1) shall be awarded for a period of not to exceed 5 years.~~

~~"(c) AMOUNT OF AWARDS.—~~

~~"(1) CONSIDERATIONS.—In determining the amount of any award under this part for a State educational agency, the Secretary may consider such factors as the Secretary finds appropriate, which may include the size of the school-age population of the State in which the State educational agency is located.~~

~~"(2) LIMITATION AMOUNT.—Notwithstanding paragraph (1) and except as provided in subsection (d)(2) and section 624—~~

~~"(A) the annual amount of each planning grant referred to in subsection (b)(1) shall not exceed—~~

~~"(i) $100,000 for any State educational agency in a State; or~~

~~"(ii) $10,000 for any State educational agency in an outlying area; and~~

~~"(B) the annual amount of each implementation grant referred to in subsection (b)(1) shall be not less than—~~

~~"(i) $450,000 for any State educational agency in a State; or~~

~~"(ii) $40,000 for any State educational agency in an outlying area.~~

~~"(d) LIMITATIONS AND EXCEPTIONS.—~~

~~"(1) LIMITATION.—Except as provided in paragraph (2), no State educational agency may receive more than 1 award under this part for any fiscal year.~~

~~"(2) EXCEPTIONS.—In addition to applying for an individual implementation grant, a State educational agency may submit a joint application for an implementation grant referred to in subsection (b)(1) with other State educational agency or partnering entities to address systemic problems on a regional or national basis. In determining the amount of any award for such a grant, the Secretary may set aside the monetary limitations described in subsection (c).~~

~~"SEC. 623. APPLICATION.~~

~~"(a) IN GENERAL.—In order to be considered for a planning grant or an implementation grant under this~~

~~part, a State educational agency shall establish a partnership among members (referred to in this part as the 'partnering entities') consisting of local educational agencies, and other persons and organizations involved in, or concerned with, the education of children with disabilities, including—~~

~~"(1) parents of children with disabilities;~~

~~"(2) individuals with disabilities;~~

~~"(3) teachers and related services providers;~~

~~"(4) representatives of institutions of higher education;~~

~~"(5) representatives of other State agencies involved in the financing or delivery of special education and related services to children with disabilities and early intervention services to infants and toddlers with disabilities;~~

~~"(6) representatives of vocational, community, postsecondary, and business organizations concerned with the provision of transitional services to children with disabilities; and~~

~~"(7) other individuals as deemed appropriate by the State educational agency.~~

~~"(b) PLANNING GRANTS.—In order to be considered for a planning grant under this part, a State educational~~

~~agency, in partnership with the partnering entities, shall prepare and submit an application to the Secretary that—~~

~~"(1) describes the planning activities for which assistance is sought;~~

~~"(2) describes proposed changes in practices, procedures, policies, training, or uses of personnel;~~

~~"(3) describes a partnership agreement that—~~

~~"(A) specifies the nature and extent of the partnership, and the respective roles of the partnering entities in the partnership; and~~

~~"(B) shall be in effect for the period of the grant; and~~

~~"(4) includes such other information and assurances as the Secretary may reasonably require.~~

~~"(c) IMPLEMENTATION GRANTS.—In order to be considered for an implementation grant under this part, a State educational agency, in partnership with the partnering entities, shall prepare and submit an application to the Secretary that—~~

~~"(1) describes the critical aspects of practices, procedures, policies, and organizational structures that will be changed in order to improve educational and transitional results for children with disabilities, based on syntheses and analysis of available information, such as—~~

~~"(A) information on the performance of children with disabilities on State assessments and other performance indicators established for all children, such as drop-out rates and graduation rates;~~

~~"(B) information on State and local needs for professional development for personnel to serve children with disabilities; and~~

~~"(C) information provided to the State educational agency by the Secretary;~~

~~"(2) identifies the goals and objectives for the systems change activities to be carried out under the grant and how the goals and objectives relate to the goals established by the State under section 612(a)(16);~~

~~"(3) describes how grant funds will be used in undertaking the systems change activities, and the amount and nature of funds from other sources that will be committed to the systems change activities;~~

~~"(4) describes the performance indicators that will be adopted or used to measure progress made toward the goals of the systems change activities and toward improved educational and transitional results for children with disabilities;~~

1 ~~"(5) describes the approach that will be taken,~~
2 ~~on an annual basis, to disseminate information on~~
3 ~~the progress measured under paragraph (4) to inter-~~
4 ~~ested partnering entities within the State partner-~~
5 ~~ship and to the Secretary;~~
6 ~~"(6) describes a partnership agreement speci-~~
7 ~~fied in subsection (b)(3); and~~
8 ~~"(7) includes such other information and assur-~~
9 ~~ances as the Secretary may reasonably require.~~
10 ~~"(d) ADEQUATE PROGRESS.—The Secretary may ter-~~
11 ~~minate a grant to a State educational agency under this~~
12 ~~part, or require amendments to an approved application~~
13 ~~of a State educational agency, if the Secretary determines~~
14 ~~that the State educational agency is not making adequate~~
15 ~~progress toward the goals of the systems change activities~~
16 ~~of the State educational agency under this part.~~
17 **~~"SEC. 624. INCENTIVES.~~**
18 ~~"Notwithstanding section 622(c)(2), the Secretary~~
19 ~~may provide additional funds for systems change activi-~~
20 ~~ties, if the Secretary approved an application under this~~
21 ~~part relating to the activities and—~~
22 ~~"(1) the application, in addition to meeting the~~
23 ~~minimal application requirements, includes evidence~~
24 ~~of a significant and substantial level of collaboration~~
25 ~~among agencies, organizations, and individuals who~~

~~have an interest in the quality of educational services and opportunities and are committed to the full participation of children with disabilities;~~

~~"(2) the activities described in the application are connected with prereferral programs and other programs designed to prevent the educational failure of children (particularly children who are members of unserved, underserved, or inappropriately identified populations and who are from ethnic backgrounds and geographic areas with significant need) so that the children experience a high level of success in their educational experience; and~~

~~"(3) the application demonstrates, in addition to meeting the minimal application requirements, an ongoing effort to assess and address the needs of children with disabilities and ensure the full participation of such children in statewide or districtwide general education systems change activities.~~

~~"SEC. 625. AUTHORIZATION OF APPROPRIATIONS.~~

~~"For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for fiscal year 1998 and such sums as may be necessary for each of fiscal years 1999 through 2002.".~~

SEC. 302. REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF INDIVIDUALS WITH DISABILITIES.

(a) REGIONAL CENTERS FOR THE DEAF.—Section 625(a)(6) (20 U.S.C. 1424a(a)(6)) is amended—

(1) in the second sentence, by striking ''1994'' and inserting ''1997''; and

(2) by striking the third sentence.

(b) AUTHORIZATION OF APPROPRIATIONS.—Each of subsections (a) through (h) of section 628 of such Act (20 U.S.C. 1427) is amended by striking ''fiscal year 1994'' and inserting ''each of fiscal years 1994 through 1997''.

SEC. 303. EFFECTIVE DATE.

The amendments made by this title, other than the amendments made by section 302, shall take effect on October 1, 1997.

TITLE IV—RESEARCH AND PERSONNEL PREPARATION

SEC. 401. IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED RESEARCH AND PERSONNEL PREPARATION.

Part D (20 U.S.C. 1431 et seq.) is amended to read as follows:

~~"PART D—IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED RESEARCH AND PERSONNEL PREPARATION~~

~~"SEC. 631. FINDINGS AND PURPOSE.~~

~~"(a) FINDINGS.—Congress finds the following:~~

~~"(1) The Federal Government has an ongoing obligation to support programs, projects, and activities that contribute to positive results for children with disabilities, enabling the children—~~

~~"(A) to meet their early intervention, educational, and transitional goals and, to the maximum extent possible, educational standards that have been established for all children; and~~

~~"(B) to acquire the skills that will empower the children with disabilities to lead productive and independent adult lives.~~

~~"(2)(A) As a result of more than 20 years of Federal support for research, demonstration projects, and personnel preparation, there is an important knowledge base for improving results for children with disabilities.~~

~~"(B) Such knowledge should be used by States and local educational agencies to design and implement state-of-the-art educational systems that con-~~

~~sider the needs of, and include, children with disabilities, especially in environments in which the children can learn along with their peers and achieve results measured by the same standards as the results of their peers.~~

~~"(3)(A) Continued Federal support is essential for the development and maintenance of a coordinated and high-quality program of research, demonstration projects, dissemination of information, and personnel preparation.~~

~~"(B) Such support—~~

~~"(i) enables State educational agencies and local educational agencies to improve their educational systems and results for children with disabilities;~~

~~"(ii) enables State and local agencies to improve early intervention services and results for infants and toddlers with disabilities and their families; and~~

~~"(iii) enhances the opportunities for general and special education personnel, related services personnel, parents, and paraprofessionals to participate in preservice and inservice training, to col-~~

~~laborate, and to improve results for children with disabilities and their families.~~

~~"(4) The Federal Government plays a critical role in facilitating the availability of an adequate number of highly qualified personnel—~~

~~"(A) to serve effectively the over 5,000,000 children with disabilities;~~

~~"(B) to assume leadership positions in administrative and direct service capacities related to teacher training and research concerning the provision of early intervention services, special education, and related services; and~~

~~"(C) to work with children with low-incidence disabilities and their families.~~

~~"(5) The Federal Government performs the role described in paragraph (4)—~~

~~"(A) by supporting models of personnel development that reflect successful practice, including strategies for recruiting, preparing, and retaining personnel;~~

~~"(B) by promoting the coordination and integration of—~~

~~"(i) personnel development activities for teachers of children with disabilities; and~~

~~"(ii) personnel development activities supported under Federal law, other than this part;~~

~~"(C) by supporting the development and dissemination of information about teaching standards; and~~

~~"(D) by promoting the coordination and integration of personnel development activities through linkage with systems change activities within States and nationally.~~

~~"(b) PURPOSE.—The purpose of this part is to provide Federal funding for coordinated research, demonstration projects, outreach, and personnel preparation activities that—~~

~~"(1) are described in section 633 or 634;~~

~~"(2) are linked with, and positively affect, systems change outcomes; and~~

~~"(3) improve early intervention, educational, and transitional results for children with disabilities.~~

~~"SEC. 632. DEFINITIONS.~~

~~"As used in this part, the term 'developmental delay' has the meaning given such term by a State under section 676(b)(1).~~

~~"SEC. 633. RESEARCH AND INNOVATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES.~~

~~"(a) IN GENERAL.—The Secretary may make grants to, or enter into contracts or cooperative agreements with, eligible entities to produce and advance the use of knowledge to—~~

~~"(1)(A) improve services provided under this Act, including the practices of professionals and others involved in providing such services to children with disabilities; and~~

~~"(B) improve early intervention, educational, and transitional services and results, for children with disabilities;~~

~~"(2) address the special needs of infants and toddlers with disabilities including such infants and toddlers who are at risk of having substantial developmental delays if early intervention services are not provided;~~

~~"(3) address the specific problems of over-identification and under-identification of children with disabilities in the education of children with disabilities;~~

~~"(4) prevent children with emotional and behavioral problems from developing emotional disturb-~~

~~ances that require the provision of special education and related services; and~~

~~"(5) improve secondary and postsecondary education and educational results for children with disabilities.~~

~~"(b) NEW KNOWLEDGE PRODUCTION; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) expand understanding of the relationships between learning characteristics of children with disabilities and the diverse ethnic, cultural, linguistic, social, and economic backgrounds of children with disabilities and their families;~~

~~"(2) develop or identify innovative, effective, and efficient curricula designs, instructional approaches, and strategies, and develop or identify positive academic and social learning opportunities, that—~~

~~"(A) enable children with disabilities to make effective transitions described in section 643(d)(7) or transitions between educational settings; and~~

~~"(B) improve educational and transitional results for children with disabilities at all levels of the educational system in which the activities are carried out and, in particular, that improve the progress of the children, as measured by performance expectations within the general education curriculum involved;~~

~~"(3) advance the design of assessment tools and procedures that will accurately and efficiently determine the special instructional, learning, and behavioral needs of children with disabilities, especially within the context of general education;~~

~~"(4) study and promote improved alignment and compatibility of general and special education reforms concerned with curricular and instructional reform, evaluation and accountability of such reforms, and administrative procedures;~~

~~"(5) advance the design, development, and integration of technology, assistive technology devices, media, and materials, to improve early intervention, educational, and transitional services and results, for children with disabilities; and~~

~~"(6) improve designs, processes, and results, of personnel preparation for personnel who provide services to children with disabilities through the ac-~~

quisition of information on, and implementation of, research-based practices.

"(c) INTEGRATION OF RESEARCH AND PRACTICE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) demonstrate and apply research-based findings to facilitate systemic changes in policy, procedure, practice, and the training and use of personnel, related to the provision of services to children with disabilities;

"(2) promote and demonstrate the coordination of early intervention and educational services for children with disabilities with services provided by health, rehabilitation, and social service agencies;

"(3) identify solutions that overcome systemic barriers to the effective and efficient delivery of early intervention, educational, and transitional services to children with disabilities;

"(4) enable professionals, parents of children with disabilities, and other persons to learn about and implement the findings of research, and successful practices developed in model demonstration

~~projects, relating to the provision of services to children with disabilities; and~~

~~"(5) conduct outreach, and disseminate information, relating to successful approaches to overcoming systemic barriers to the effective and efficient delivery of early intervention, educational, and transitional services to personnel who provide services to children with disabilities.~~

~~"(d) IMPROVING THE USE OF PROFESSIONAL KNOWLEDGE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) synthesize professional knowledge bases that utilize rigorous methodologies and that relate to the provision of services to children with disabilities;~~

~~"(2) analyze such professional knowledge bases to advance an understanding of relationships, and effectiveness of practices, relating to the provision of services to children with disabilities; and~~

~~"(3) present such professional knowledge bases in a clear and meaningful manner to affected persons at all levels of the service systems that serve children with disabilities and their families.~~

~~"(e) APPLICATIONS.—Any eligible entity that wishes to receive a grant under this section shall submit an application to the Secretary at such time, in such a manner, and containing such information as the Secretary may require.~~

~~"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $63,000,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.~~

~~"SEC. 634. PERSONNEL PREPARATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES.~~

~~"(a) IN GENERAL.—~~

~~"(1) SUPPORT.—The Secretary may make grants to, or enter into contracts or cooperative agreements with, eligible entities and consortia of eligible entities, to help address State-identified needs for qualified personnel and to ensure that the personnel have the skills and knowledge reflecting successful practices determined through research and practice that are needed to serve children with disabilities.~~

~~"(2) PROJECTS.—In carrying out this section, the Secretary may support—~~

~~"(A) projects that address the need for personnel to serve children with high-incidence disabilities or children with low-incidence disabilities;~~

~~"(B) projects that address the need for leadership personnel;~~

~~"(C) special projects that have broad applicability in addressing the personnel needs described in paragraph (1); and~~

~~"(D) projects that improve the skills of personnel who serve children with disabilities who engage in or are likely to engage in behavior subject to disciplinary action.~~

~~"(b) HIGH-INCIDENCE DISABILITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities for children with high-incidence disabilities that are consistent with the objectives referred to in subsection (a), including activities that—~~

~~"(1) provide teachers, and related services personnel, from various disciplines with interdisciplinary training and training regarding innovative instructional methods for children with disabilities, especially methods that meet the diverse needs of individual children with disabilities and enable the children to be successful, as measured by performance~~

~~expectations within the general education curriculum involved;~~

~~"(2) prepare personnel in the use of strategies, techniques, methods, and practices that meet the needs, for early intervention, educational, and transitional services, of children with disabilities who are from unserved and underserved populations or from rural or urban areas;~~

~~"(3) develop career-ladder opportunities for paraprofessionals to receive training as special education teachers and related services personnel, including interdisciplinary training to enable the teachers and providers to improve early intervention, educational, and transitional results for children with disabilities;~~

~~"(4) enhance the ability of trainees, teachers, and others to acquire and use strategies, including behavior management plans, to address the conduct of children with disabilities that impedes their learning and the learning of other students in the classroom involved;~~

~~"(5) recruit and retain new, highly-qualified teachers and related services personnel, especially from groups that are unserved and underserved populations in the teaching profession and individuals~~

~~from rural or urban settings, to provide services to children with disabilities;~~

~~"(6) enhance the preparation of individuals who are teachers, early intervention services personnel, related services personnel, or paraprofessionals, by providing such individuals with interdisciplinary training to develop the collaborative skills needed to appropriately teach children with disabilities, particularly in accordance with a general education curriculum; and~~

~~"(7) support universities and institutions of higher education with minority enrollments of at least 25 percent for the purpose of preparing personnel to work with unserved and underserved populations of children with disabilities.~~

~~"(c) LEADERSHIP PREPARATION; AUTHORIZED ACTIVITIES.—In carrying out this section the Secretary may support any leadership preparation activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) prepare personnel at the advanced graduate, doctoral, and post-doctoral levels of training to administer, enhance, or provide services to children with disabilities, with emphasis on preparation of personnel who are involved with, or will be involved~~

~~with, efforts to address the needs of unserved and underserved populations, children with low-incidence disabilities, and children from rural or urban areas;~~

~~"(2) provide interdisciplinary training for personnel from various disciplines, including teacher preparation faculty, administrators, researchers, supervisors, and other persons, affecting the early intervention, educational, and transitional services of children with disabilities;~~

~~"(3) prepare professionals at the doctoral and postdoctoral levels at institutions of higher education that are working toward integrating professional development of general education, special education, and other disciplines; and~~

~~"(4) prepare professionals at the doctoral and postdoctoral levels at institutions of higher education that are successfully recruiting and preparing—~~

~~"(A) individuals with disabilities; and~~

~~"(B) individuals from groups that are underrepresented in education leadership positions.~~

~~"(d) LOW-INCIDENCE DISABILITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities for children with low-incidence~~

~~disabilities that are consistent with the objectives described in subsection (a), including—~~

~~"(1) preparing persons who—~~

~~"(A) have prior training in educational and other related service fields; and~~

~~"(B) are studying to obtain certificates or licensure that will enable the persons to assist children with disabilities to achieve the objectives set out in their individualized education programs described in section 614 and to assist infants and toddlers with disabilities to achieve the outcomes described in their individualized family service plans described in section 677;~~

~~"(2) providing personnel from various disciplines with interdisciplinary training that will contribute to early intervention, educational, and transitional results for children with disabilities;~~

~~"(3) preparing personnel in the innovative uses and application of technology to enhance learning through early intervention, educational, and transitional services, by children with disabilities;~~

~~"(4) preparing personnel to provide early intervention services to children with disabilities;~~

~~"(5) providing scholarships, with necessary stipends and allowances, to individuals to assist the in-~~

~~dividuals in preparing to provide services to children with disabilities; and~~

~~"(6) preparing personnel who work with visually impaired or blind children with disabilities to teach and use braille in the provision of services to such children.~~

~~"(c) PROJECTS OF NATIONAL SIGNIFICANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) develop and demonstrate effective and efficient practices for preparing personnel to provide services to children with disabilities, including practices that address needs identified through systems change activities funded under part C;~~

~~"(2) demonstrate the application of significant knowledge derived from research and other sources in the development of programs to prepare personnel to provide services to children with disabilities;~~

~~"(3) demonstrate models for the preparation of special education and general education personnel, to enable the personnel—~~

~~"(A) to acquire the collaboration skills necessary to assist children with disabilities; and~~

~~"(B) to achieve results that meet challenging standards of performance expectations, particularly performance expectations within the general education curriculum involved;~~

~~"(4) demonstrate models that—~~

~~"(A) provide interdisciplinary training to individuals within collaborative teams of special education and general education personnel, related services personnel, and family members of children with disabilities; and~~

~~"(B) enhance the educational experience of children with disabilities;~~

~~"(5) demonstrate models that reduce shortages of teachers, and personnel from other relevant disciplines, who serve children with disabilities through reciprocity arrangements between States related to licensure and certification;~~

~~"(6) develop, evaluate, and disseminate model teaching standards for persons working with children with disabilities; and~~

~~"(7) promote the transferability, across State and local jurisdictions, of licensure and certification of teachers and administrators working with such children.~~

~~"(f) APPLICATIONS.—~~

~~"(1) IN GENERAL.—Any eligible entity that wishes to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.~~

~~"(2) IDENTIFIED STATE NEEDS.—Any such application shall include information demonstrating to the satisfaction of the Secretary that the activities described in the application will address needs identified by the States the applicant proposes to serve.~~

~~"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $81,000,000 to carry out this section for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.".~~

~~SEC. 402. CONFORMING AMENDMENTS.~~

~~(a) HIGHER EDUCATION ACT OF 1965.—~~

~~(1) Section 409A(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a–51(2)) is amended by striking "refer students with disabilities and their families to the postsecondary clearinghouse that is authorized under section 633(c) of the Individuals with Disabilities Education Act" and inserting "refer students with disabilities and their families to the activities addressing information preparation and~~

~~dissemination needs relating to postsecondary services that are authorized under section 644(e)(4) of the Individuals with Disabilities Education Act''.~~

~~(2) The third sentence of section 483(d) of the Higher Education Act of 1965 (20 U.S.C. 1090(d)) is amended by striking ''refer such students to the national clearinghouse on postsecondary education that is authorized under section 633(e) of the Individuals with Disabilities Education Act'' and inserting ''refer such students to the activities addressing information preparation and dissemination needs relating to postsecondary services that are authorized under section 644(e)(4) of the Individuals with Disabilities Education Act''.~~

~~(b) GOALS 2000: EDUCATE AMERICA ACT.—Section 402(a)(2)(H) of the Goals 2000: Educate America Act (20 U.S.C. 5912(a)(2)(H)) is amended by striking clause (ii) and inserting the following:~~

~~''(ii) parent training and information centers and community parent training and information programs authorized under subsections (b) and (c), respectively, of section 643 of the Individuals with Disabilities Education Act;''.~~

~~(c) REHABILITATION ACT OF 1973.—~~

~~(1) Section 105(b)(1)(A)(ii) of the Rehabilitation Act of 1973 (29 U.S.C. 725(b)(1)(A)(ii)) is amended by striking "a parent training and information center established pursuant to section 631(e)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1431(e)(1))" and inserting "a parent training and information center or community parent training and information program authorized under subsection (b) or (c), respectively, of section 643 of the Individuals with Disabilities Education Act".~~

~~(2) Paragraphs (4)(A)(i) and (6) of section 803(c) of the Rehabilitation Act of 1973 (29 U.S.C. 797b(c)) are amended by striking "parent training and information centers established under section 631 of the Individuals with Disabilities Education Act (20 U.S.C. 1431)" and inserting "parent training and information centers and community parent training and information programs authorized under subsections (b) and (c), respectively, of section 643 of the Individuals with Disabilities Education Act".~~

~~SEC. 403. REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO TRAINING PERSONNEL FOR THE EDUCATION OF INDIVIDUALS WITH DISABILITIES.~~

~~(a) AUTHORIZATION OF APPROPRIATIONS.—Each of paragraphs (1) through (4) of section 635(a) of such Act (20 U.S.C. 1435(a)) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".~~

~~(b) CONFORMING AMENDMENTS.—Each of paragraphs (1) and (3) of section 635(a) of such Act is amended by striking "631(d)" and inserting "631(e)".~~

~~SEC. 404. EFFECTIVE DATE.~~

~~The amendments made by this title, other than the amendments made by section 403, shall take effect on October 1, 1997.~~

~~TITLE V—TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION~~

~~SEC. 501. IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION.~~

~~The Act (29 U.S.C. 1400 et seq.) is amended—~~

~~(1) by striking parts E, F, and G; and~~

~~(2) by inserting the following:~~

~~"PART E—IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION~~

~~"SEC. 641. FINDINGS AND PURPOSES.~~

~~"(a) IN GENERAL.—Congress finds that—~~

~~"(1) national technical assistance, support, and dissemination activities are necessary to ensure that the provisions of parts B and H are fully implemented and achieve early intervention, educational,~~

~~and transitional results for children with disabilities and their families;~~

~~"(2) parents, teachers, administrators, and related services personnel need technical assistance and information in a timely, coordinated, and accessible manner in order to improve early intervention, educational, and transitional services and results, at the State and local levels for children with disabilities and their families;~~

~~"(3) parent training and information activities have taken on increased importance in efforts to assist parents of a child with a disability in dealing with the multiple pressures of rearing such a child and are of particular importance in—~~

~~"(A)(i) ensuring the involvement of such parents in planning and decisionmaking with respect to early intervention, educational, and transitional services; and~~

~~"(ii) achieving early intervention, educational, and transitional results for children with disabilities;~~

~~"(B) providing such parents information on their rights and protections under this Act to ensure improved early intervention, edu-~~

~~cational, and transitional results for children with disabilities;~~

~~"(C) assisting such parents in the development of skills to participate effectively in the education and development of their children and in the transitions described in section 643(d)(7);~~

~~"(D) supporting the roles of such parents as participants within systems change partnerships seeking to improve early intervention, educational, and transitional services and results, for children with disabilities and their families; and~~

~~"(E) ensuring that such parents who have limited access to services and supports, due to economic, cultural, or linguistic barriers, are provided with access to appropriate parent training and information activities;~~

~~"(4) children with disabilities need information that helps the children to understand their rights and responsibilities under part B;~~

~~"(5) the provision of coordinated technical assistance and dissemination of information to State and local agencies, institutions of higher education,~~

~~and other providers of services to children with disabilities are essential in—~~

~~"(A) supporting the process of achieving systems change outcomes;~~

~~"(B) supporting actions in areas of priority specific to the improvement of early intervention, educational, and transitional results for children with disabilities;~~

~~"(C) conveying information and assistance that are—~~

~~"(i) based on current research (as of the date the information and assistance are conveyed);~~

~~"(ii) accessible and meaningful for use in supporting systems change activities of State and local partnerships; and~~

~~"(iii) linked directly to improving early intervention, educational, and transitional services and results, for children with disabilities and their families; and~~

~~"(D) organizing systems and information networks for such information, based on modern technology related to—~~

~~"(i) storing and gaining access to information; and~~

~~"(ii) distributing information in a systematic manner to parents, students, professionals, and policymakers;~~

~~"(6) Federal support for carrying out technology research, technology development, and educational media services and activities has resulted in major innovations that have significantly improved early intervention, educational, and transitional services and results, for children with disabilities and their families; and~~

~~"(7) such Federal support is needed to—~~

~~"(A) stimulate the development of software, interactive learning tools, and devices to address early intervention, educational, and transitional results for children with disabilities who have certain disabilities;~~

~~"(B) make information available on technology research, technology development, and educational media services and activities to individuals involved in the provision of early intervention, educational, and transitional services to children with disabilities;~~

~~"(C) promote the integration of technology into curricula to improve early intervention,~~

~~educational, and transitional results for children with disabilities;~~

~~"(D) provide incentives for the development of technology and media devices and tools that are not readily found or available because of the small size of potential markets;~~

~~"(E) make resources available to pay for such devices and tools and educational media services and activities;~~

~~"(F) promote the training of personnel to—~~

~~"(i) provide such devices, tools, services, and activities in a competent manner; and~~

~~"(ii) assist children with disabilities and their families in using such devices, tools, services, and activities; and~~

~~"(G) coordinate the provision of such devices, tools, services, and activities—~~

~~"(i) among State human services programs; and~~

~~"(ii) between such programs and private agencies.~~

~~"(b) PURPOSES.—The purposes of this part are to provide funding to ensure that—~~

~~"(1) children with disabilities, and their parents, receive training and information on their rights and protections under the Act, in order to develop the skills necessary to effectively participate in planning and decisionmaking relating to early intervention, educational, and transitional services and in systems change activities;~~

~~"(2) parents, teachers, administrators, early intervention personnel, related services personnel, and transition personnel receive coordinated and accessible technical assistance and information to assist such persons through systems change activities and other efforts, to improve early intervention, educational, and transitional services and results, for children with disabilities and their families;~~

~~"(3) appropriate technology and media are researched, developed, demonstrated, and made available in timely and accessible formats to parents, teachers, and all types of personnel providing services to children with disabilities to support their roles as partners in the improvement and implementation of early intervention, educational, and transitional services and results, for children with disabilities and their families;~~

~~"(4) children with disabilities understand (on reaching the age of majority specified under appropriate State law) their rights and responsibilities under part B, if the State provides for the transfer of parental rights under section 615(j); and~~

~~"(5) the general welfare of deaf and hard-of-hearing individuals is protected by—~~

~~"(A) bringing to such individuals understanding and appreciation of the films and television programs that play an important part in the general and cultural advancement of hearing individuals;~~

~~"(B) providing through the films and television programs enriched educational and cultural experiences through which deaf and hard-of-hearing individuals can better understand the realities of their environment; and~~

~~"(C) providing wholesome and rewarding experiences that deaf and hard-of-hearing individuals may share.~~

~~"SEC. 642. DEFINITIONS.~~

~~"As used in this part:~~

~~"(1) INDIVIDUAL WITH A DISABILITY; INDIVIDUALS WITH DISABILITIES.—The terms 'individual with a disability' and 'individuals with disabilities'~~

have the meanings given the terms in section 3 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2202).

"(2) PARTNERING ENTITY.—The term 'partnering entity' means an entity of a partnership described in section 623(a).

"SEC. 643. PARENT TRAINING AND INFORMATION.

"(a) IN GENERAL.—

"(1) GRANTS.—

"(A) AUTHORITY.—The Secretary may make grants to, or enter into contracts or cooperative agreements with, private, nonprofit organizations for the purpose of providing parent training and information activities for parents of children with disabilities, and persons who work with such parents, to enable the parents and persons to participate in, and conduct advocacy for, effective ways, including mediation, to meet the needs of and improve early intervention, educational, and transitional results for children with disabilities.

"(B) CENTERS AND PROGRAMS.—Such activities may be provided—

"(i) by an organization that operates or intends, if funded, to operate a parent

~~training and information center described in subsection (b); and~~

~~"(ii) by a parent organization that operates or intends, if funded, to operate a community parent training and information program described in subsection (c) that is designed specifically to build capacity of persons who work with parents of children with disabilities who are members of unserved and underserved populations, to demonstrate and assist in the replication of models for such activities, and to provide such activities to address the needs of such parents.~~

~~"(C) PROPOSAL.—The Secretary shall make such a grant to an organization that proposes activities that are designed to meet the unique training and information needs, as determined by needs assessment data, of parents of children with disabilities who are living in the area to be served under the grant, particularly parents of children with disabilities who are members of unserved and underserved populations.~~

1 ~~"(2) ELIGIBLE ORGANIZATIONS; MEMBERSHIP~~
2 ~~AND GOVERNANCE.—To be eligible to apply for a~~
3 ~~grant under this section, an organization—~~
4 ~~"(A) shall be governed by a board of direc-~~
5 ~~tors that—~~
6 ~~"(i) represents a coalition, of which a~~
7 ~~majority of the members are parents of~~
8 ~~children with disabilities, particularly par-~~
9 ~~ents of children with disabilities who are~~
10 ~~members of unserved and underserved pop-~~
11 ~~ulations; and~~
12 ~~"(ii) includes—~~
13 ~~"(I) professionals in fields related~~
14 ~~to the provision of early intervention~~
15 ~~services, special education, and related~~
16 ~~services; and~~
17 ~~"(II) individuals with disabilities;~~
18 ~~or~~
19 ~~"(B) shall have a membership that rep-~~
20 ~~resents the interests of individuals with disabil-~~
21 ~~ities, and shall establish a special governing~~
22 ~~committee—~~
23 ~~"(i) of which a majority of the mem-~~
24 ~~bers are parents of infants and toddlers~~

~~with disabilities or of children with disabilities;~~

~~"(ii) that includes—~~

~~"(I) professionals in fields related to the provision of early intervention services, special education, and related services; and~~

~~"(II) individuals with disabilities; and~~

~~"(iii) of which the parent and professional members are broadly representative of the population to be served by the organization.~~

~~"(3) ELIGIBLE ORGANIZATIONS; CAPACITY AND EXPERTISE.—To be eligible to apply for a grant under this section, an organization shall demonstrate the capacity and expertise necessary—~~

~~"(A) to conduct the parent training and information activities described in paragraph (1); and~~

~~"(B) to work with partnering entities carrying out State systems change activities under part C, seeking to improve early intervention, educational, and transitional services and results, for children with disabilities.~~

1 ~~"(b) PARENT TRAINING AND INFORMATION CEN-~~
2 ~~TERS; AUTHORIZED ACTIVITIES.—Each organization that~~
3 ~~receives a grant under subsection (a) to operate a parent~~
4 ~~training and information center shall—~~
5 ~~"(1) provide parent training and information~~
6 ~~activities that meet the training and information~~
7 ~~needs of all parents of children with disabilities liv-~~
8 ~~ing in the area to be served under the grant, par-~~
9 ~~ticularly parents of children with disabilities who are~~
10 ~~members of unserved and underserved populations;~~
11 ~~"(2) serve the parents of children with disabil-~~
12 ~~ities who, collectively, have the full range of disabil-~~
13 ~~ities;~~
14 ~~"(3) assist the parents of children with disabil-~~
15 ~~ities in better understanding the nature of the dis-~~
16 ~~abilities of their children and the needs of their chil-~~
17 ~~dren to obtain improved early intervention, edu-~~
18 ~~cational, and transitional services and results;~~
19 ~~"(4) assist such parents in communicating ef-~~
20 ~~fectively with early intervention services personnel,~~
21 ~~general and special education personnel, administra-~~
22 ~~tors, and other relevant persons;~~
23 ~~"(5) assist such parents in participating in deci-~~
24 ~~sionmaking processes, including the development of~~
25 ~~individualized education programs under part B and~~

~~individualized family service plans under part H, for children with disabilities;~~

~~"(6) assist such parents in obtaining appropriate information about the range of options, programs, supports, and resources available at national, State, and local levels to assist children with disabilities and their families;~~

~~"(7) assist such parents in understanding provisions of this Act relating to the education of, and provision of early intervention services for, children with disabilities;~~

~~"(8) assist such parents in participating as informed participants in State systems change activities, especially systems change activities funded under part C;~~

~~"(9) ensure that parents of children who are members of unserved and underserved populations, or of inappropriately identified populations, and who are being referred for or are receiving special education services, are informed about problems connected with inappropriately identifying such children as described in section 602(a)(13);~~

~~"(10) assist children with disabilities, particularly such children who are members of unserved and underserved populations, in understanding their~~

~~rights and responsibilities under this Act on reaching the age of majority for the State in which such a child resides, if the State provides for the transfer of parental rights under section 615(j) to the children;~~

~~"(11) report to the Secretary on—~~

~~"(A) the number of such parents for whom the organization provided parent training and information activities; and~~

~~"(B) the effectiveness of strategies used to reach and serve such parents, including low-income parents from urban areas, low-income parents from rural areas, parents of children with disabilities with limited-English proficiency, and parents with disabilities;~~

~~"(12) establish cooperative partnerships with all other entities operating parent training and information centers, including community parent training and information programs described in subsection (c), in the State in which the organization is operating a parent training and information center; and~~

~~"(13) consult and establish networks with appropriate national, regional, and local agencies and organizations, such as protection and advocacy agencies, within the geographic area served by the orga-~~

~~nization, that serve or assist children with disabilities and their families.~~

~~"(c) COMMUNITY PARENT TRAINING AND INFORMATION PROGRAMS; AUTHORIZED ACTIVITIES.—~~

~~"(1) IN GENERAL.—Each parent organization that receives a grant under subsection (a) to carry out a community parent training and information program shall build the capacity, demonstrate and assist in the replication of the models, and provide the activities described in subsection (a)(1)(B)(ii).~~

~~"(2) PARENTS ASSISTED.—Each such grant recipient shall build such capacity, demonstrate and assist in the replication of such models, and provide such activities, in a manner that will help ensure that parents of children with disabilities who are members of unserved and underserved populations participate in parent training and information activities.~~

~~"(3) OBJECTIVES.—The services described in paragraph (1) shall result in new capacity, demonstrated and replicated models, and training and information activities, needed to enable the parents described in paragraph (2) to participate effectively in helping their children with disabilities and to serve as informed participants in systems change~~

~~partnerships within their State, leading to improved early intervention, educational, and transitional services and results, for all children with disabilities and their families.~~

~~"(4) COMMUNITY TRAINING AND INFORMATION ACTIVITIES.—Such services shall—~~

~~"(A) include capacity building, demonstration and replication of models, and the provision of training and information activities, that meet the needs of parents of children with disabilities who are members of unserved and underserved populations;~~

~~"(B) include activities carried out through cooperative partnerships with the parent training and information centers;~~

~~"(C) include accommodations and strategies to meet the specific needs of families who experience significant isolation from available sources of information and support;~~

~~"(D) demonstrate, utilize, and document the use and effectiveness of, model approaches to address the multiple needs of children with disabilities who are members of unserved and underserved populations; and~~

~~"(E) ensure that parents of children who are members of unserved and underserved populations, or of inappropriately identified populations, and who are being referred for or are receiving special education services, are informed about problems connected with inappropriately identifying such children as described in section 602(a)(13).~~

~~"(5) REPORT.—Each parent organization that receives a grant under subsection (a) to operate a community parent training and information program shall report to the Secretary on—~~

~~"(A) the number of parents of children with disabilities who are members of unserved and underserved populations for whom the organization provided parent training and information activities;~~

~~"(B) the effectiveness and impact of strategies used to reach and serve such parents; and~~

~~"(C) the impact of the increased capacity described in subsection (a)(1)(B)(ii) the provision of parent training and information activities and improved early intervention, educational, and transitional results for such children.~~

~~"(d) TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—The Secretary may provide technical assistance to organizations to develop, coordinate, and disseminate the following priority parent training and information activities:~~

~~"(1) Coordinating parent training efforts.~~

~~"(2) Providing or helping to disseminate information to centers funded under this part.~~

~~"(3) Assisting the centers in evaluating their activities under this part.~~

~~"(4) Promoting the use of technology by the centers to make information available.~~

~~"(5) Reaching parents of children with disabilities who are members of unserved and underserved populations.~~

~~"(6) Including children with disabilities in general education programs.~~

~~"(7)(A) Supporting the transition of children with disabilities from—~~

~~"(i) early intervention services to preschool;~~

~~"(ii) preschool to elementary school; and~~

~~"(iii) secondary school to postsecondary school and employment.~~

1 ~~"(B) Promoting mediation and alternative~~
2 ~~methods of dispute resolution for children with dis-~~
3 ~~abilities.~~
4 ~~"(8) Assisting parent training and information~~
5 ~~centers in becoming effective partners in State sys-~~
6 ~~tems change activities, leading to improved early~~
7 ~~intervention, educational, and transitional results for~~
8 ~~children with disabilities.~~
9 ~~"(c) APPLICATIONS.—Any eligible entity that wishes~~
10 ~~to receive a grant under this section shall submit an appli-~~
11 ~~cation to the Secretary at such time, in such manner, and~~
12 ~~containing such information as the Secretary may require.~~
13 ~~"(f) AUTHORIZATION OF APPROPRIATIONS.—There~~
14 ~~are authorized to be appropriated to carry out this section~~
15 ~~$13,600,000 for fiscal year 1998, and such sums as may~~
16 ~~be necessary for each of fiscal years 1999 through 2002.~~
17 **~~"SEC. 644. COORDINATED TECHNICAL ASSISTANCE AND~~**
18 **~~DISSEMINATION.~~**
19 ~~"(a) IN GENERAL.—The Secretary may, directly or~~
20 ~~through grants, contracts, and cooperative agreements~~
21 ~~with eligible entities, provide technical assistance and in-~~
22 ~~formation through institutes, resource centers, clearing-~~
23 ~~houses, and programs that support States and local enti-~~
24 ~~ties in building capacity to improve early intervention,~~
25 ~~educational, and transitional services and results, for chil-~~

~~dren with disabilities and their families, and address systems change goals and priorities.~~

~~"(b) SYSTEMIC TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any technical assistance activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) assist States, local educational agencies, and partnering entities with the process of planning systemic changes that will promote improved early intervention, educational, and transitional results for children with disabilities;~~

~~"(2) promote change through a multistate or regional framework that benefits States, local educational agencies, and partnering entities that are in the process of achieving systems change outcomes;~~

~~"(3) increase the depth and utility of information in ongoing and emerging areas of priority identified as needs by States, local educational agencies, and partnering entities, that are in the process of achieving systems change outcomes;~~

~~"(4) develop long-term working relationships with States, local educational agencies, and other partnering entities, by—~~

~~"(A) developing familiarity with the practices, procedures, and policies of the States, agencies, and entities;~~

~~"(B) providing services that are based on the needs and concerns identified by the partnering entities, rather than on externally imposed criteria or topics;~~

~~"(C) focusing on accountability of the States, agencies, and entities for improved early intervention, educational, and transitional results for children with disabilities; and~~

~~"(D) coordinating with clearinghouses to disseminate information and data on needs and results of children with disabilities.~~

~~"(e) INTERORGANIZATIONAL TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities for States, local educational agencies, and other partnering entities, that—~~

~~"(1) focus on major requirement areas of this Act in which interorganizational issues are present and are perceived to be barriers to systemic change and to improved early intervention, educational, and transitional results for children with disabilities;~~

~~"(2) facilitate interorganizational collaboration at Federal, State, and local levels in order to achieve such change and such improved results; and~~

~~"(3) consist of extensive collaboration with non-education entities (such as entities that provide services for infants, early intervention services, mental health services, health services, and vocational rehabilitation services) in order to facilitate systems change outcomes and the improvement of early intervention, educational, and transitional results for children with disabilities.~~

~~"(d) SPECIALIZED TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) focus on specific areas of high priority need that—~~

~~"(A) are identified by States, local educational agencies, and other partnering entities;~~

~~"(B) require the development of new knowledge, or the analysis and synthesis of substantial bodies of information not readily available to the States, agencies, and entities; and~~

~~"(C) will contribute significantly to the improvement of early intervention, educational, and transitional services and results, for children with disabilities and their families;~~

~~"(2) focus on needs and issues that are specific to a population of children with disabilities, such as the provision of single State and multi-State technical assistance and inservice training to—~~

~~"(A) schools and agencies serving deaf-blind children and their families; and~~

~~"(B) programs and agencies serving other groups of children with low-incidence disabilities and their families; and~~

~~"(3) address the postsecondary education needs of individuals who are deaf or hard of hearing through the operation of 4 model regional center programs.~~

~~"(e) NATIONAL INFORMATION DISSEMINATION AND REFERRAL; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support information dissemination and referral activities that are consistent with the objectives described in subsection (a), including activities that address national needs for the preparation and dissemination of information relating to eliminating barriers to systems change outcomes and improving~~

~~early intervention, educational, and transitional results for children with disabilities, including information relating to—~~

~~"(1) infants and toddlers with disabilities and their families, and children with disabilities (including youth with disabilities) and their families;~~

~~"(2) the provision of services and supports to deaf-blind children;~~

~~"(3) the provision of services to blind and print disabled children;~~

~~"(4) the provision of postsecondary services to individuals with disabilities; and~~

~~"(5) the need for and use of personnel to provide services to children with disabilities.~~

~~"(f) NATIONAL TECHNICAL ASSISTANCE AND DISSEMINATION COORDINATION ACTIVITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities that—~~

~~"(1) link and coordinate activities of—~~

~~"(A) all information and technical assistance programs funded under this Act; and~~

~~"(B) other programs that support systems change outcomes, including programs that in-~~

~~volve early intervention, educational, or transitional services;~~

~~"(2) coordinate national level information on issues that—~~

~~"(A) are of critical interest to State educational agencies and local educational agencies, other agency personnel, parents of children with disabilities, and individuals with disabilities; and~~

~~"(B) include issues relating to—~~

~~"(i) educational reform and systemic change within States;~~

~~"(ii) interorganizational collaboration and service provision;~~

~~"(iii) personnel recruitment, retention, and preparation;~~

~~"(iv) services for populations of children with low-incidence disabilities, including deaf-blind children, and targeted age groupings;~~

~~"(v) promoting schools that are safe and conducive to learning; and~~

~~"(vi) State lead agencies that serve infants and toddlers with disabilities;~~

~~"(3) provide information on organizing systems and information networks, concerning information retrieval and dissemination; and~~

~~"(4) provide information concerning the value and effectiveness of technical assistance and dissemination activities and their impact on improved early intervention, educational, and transitional services and results, for children with disabilities and their families.~~

~~"(g) APPLICATIONS.—An eligible entity that wishes to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.~~

~~"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $49,434,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.~~

~~"SEC. 645. TECHNOLOGY DEVELOPMENT, DEMONSTRATION, AND UTILIZATION AND MEDIA SERVICES.~~

~~"(a) IN GENERAL.—The Secretary may make grants to, and enter into contracts and cooperative agreements with, eligible entities and consortia of eligible entities, to support activities described in subsections (b) and (c).~~

~~"(b) TECHNOLOGY DEVELOPMENT, DEMONSTRATION AND UTILIZATION; AUTHORIZED ACTIVITIES.—In~~

~~carrying out this section, the Secretary may support activities that consist of—~~

~~"(1) conducting research and development activities on the use of innovative and emerging technologies for children with disabilities;~~

~~"(2) promoting the demonstration and use of innovative and emerging technologies for children with disabilities by improving and expanding the transfer of technology from research and development to practice;~~

~~"(3) providing technical assistance to recipients of assistance under this section in the development of accessible, effective, and usable products;~~

~~"(4) communicating information on available technology and the uses of such technology to assist children with disabilities;~~

~~"(5) supporting the implementation of research programs on captioning or video description;~~

~~"(6) supporting research, development, and dissemination of technology with universal design features, so that the technology is accessible to children with disabilities without further modification or adaptation; and~~

~~"(7) demonstrating the use of publicly funded telecommunications systems to provide parents and~~

~~teachers with information and training concerning early diagnosis of, intervention for, and effective teaching strategies for young children with reading disabilities.~~

~~"(c) EDUCATIONAL MEDIA SERVICES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support activities that consist of—~~

~~"(1) carrying out educational media activities that are designed to be of educational value to children with disabilities;~~

~~"(2) providing video description, open captioning, or closed captioning of television programs, videos, or educational materials;~~

~~"(3) distributing captioned and described videos or educational materials;~~

~~"(4) providing, through the national education library for the blind and print-disabled, recorded free educational materials, including textbooks, for visually impaired and print-disabled students in elementary, secondary, postsecondary, and graduate schools;~~

~~"(5) providing, through the National Theater of the Deaf and other means, cultural experiences—~~

~~"(A) enriching the lives of deaf and hard-of-hearing children and adults;~~

~~"(B) increasing public awareness and understanding of deafness and of the artistic and intellectual achievements of deaf and hard-of-hearing persons; and~~

~~"(C) promoting the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences; and~~

~~"(6) compiling and evaluating appropriate data relating to the activities described in paragraphs (1) through (5).~~

~~"(d) APPLICATIONS.—Any eligible entity that wishes to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.~~

~~"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $30,000,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.".~~

~~SEC. 502. CONFORMING AMENDMENTS.~~

~~(a) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 715 (20 U.S.C. 1491n) is amended by striking "nothing in parts A through H of this title" and inserting "no provision of this title, other than a provision of this part,".~~

~~(b) DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT.—Section 124(c)(4)(F)(ii) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024(c)(4)(F)(ii)) is amended by striking "part D" and inserting "part E".~~

~~SEC. 503. REAUTHORIZATIONS FOR FISCAL YEAR 1997.~~

~~(a) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO RESEARCH IN THE EDUCATION OF INDIVIDUALS WITH DISABILITIES.—Section 643 of the Individuals with Disabilities Education Act (20 U.S.C. 1443) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".~~

~~(b) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO INSTRUCTIONAL MEDIA FOR INDIVIDUALS WITH DISABILITIES.—Section 653 of the Individuals with Disabilities Education Act (20 U.S.C. 1454) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".~~

~~(c) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR INDIVIDUALS WITH DISABILITIES.—Section 662 of the Individuals with Disabilities Education Act (20 U.S.C. 1462) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".~~

SEC. 504. EFFECTIVE DATE.

The amendments made by this title, other than the amendments made by section 503, shall take effect on October 1, 1997.

TITLE VI—INFANTS AND TODDLERS WITH DISABILITIES

SEC. 601. FINDINGS AND POLICY.

Section 671(b) (20 U.S.C. 1471(b)) is amended—

(1) in paragraph (1), by striking "program" and inserting "system";

(2) at the end of paragraph (2), by striking "and";

(3) in paragraph (3), by striking the period and inserting ", and"; and

(4) by adding at the end the following:

"(4) to encourage States to expand opportunities for infants and toddlers with disabilities who are at risk of having substantial developmental delays if early intervention services are not provided to the infants and toddlers.".

SEC. 602. DEFINITIONS.

(a) INFANT OR TODDLER WITH A DISABILITY.—Section 672(1) (20 U.S.C. 1472(1)) is amended—

(1) by striking "(1)" and inserting "(4) INFANT OR TODDLER WITH A DISABILITY.—";

(2) in the matter preceding subparagraph (A)—

~~(A) by striking "The term 'infants and toddlers with disabilities' means individuals" and inserting "The term 'infant or toddler with a disability' means a child"; and~~

~~(B) by striking "birth to age 2, inclusive, who need early intervention services because they" and inserting "birth through age 2 needs early intervention services because the child";~~

~~(3) in subparagraph (A), by striking "are experiencing developmental delays" and inserting "is experiencing a developmental delay";~~

~~(4) in subparagraph (B)—~~

~~(A) by striking "have" and inserting "has"; and~~

~~(B) by striking "which" and inserting "that"; and~~

~~(5) by striking the second sentence and inserting the following: "Such term may also include, at the discretion of a State, a child from birth through age 2 who is at risk of having a substantial developmental delay if early intervention services are not provided (referred to individually in this part as an 'at risk infant or toddler' and collectively in this part as 'at risk infants and toddlers').".~~

~~(b) HEADINGS.—Section 672 (20 U.S.C. 1472) is amended—~~

~~(1) by striking all that precedes paragraph (4) (as redesignated in subsection (a)) and inserting the following:~~

~~"SEC. 672. DEFINITIONS.~~

~~"As used in this part:";~~

~~(2) in paragraph (2), by striking "(2)" and inserting "(3) EARLY INTERVENTION SERVICES.—";~~

~~(3) in paragraph (3), by striking "(3)" and inserting "(2) DEVELOPMENTAL DELAY.—";~~

~~(4) in paragraph (4), by striking "(4)" and inserting "(1) COUNCIL.—";~~

~~(5) by moving paragraph (2) (as redesignated in paragraph (3)) to the end of the section;~~

~~(6) by moving paragraph (3) (as redesignated in paragraph (2)) to the end of the section; and~~

~~(7) by moving paragraph (4) (as redesignated in subsection (a)) to the end of the section.~~

~~(c) INFANTS AND TODDLERS WITH DISABILITIES.—Section 672 (20 U.S.C. 1472) is amended by adding at the end the following:~~

~~"(5) INFANTS AND TODDLERS WITH DISABILITIES.—The term 'infants and toddlers with disabil-~~

~~ities' means more than 1 infant or toddler with a disability.''.~~

~~SEC. 603. GENERAL AUTHORITY.~~

~~Section 673 (20 U.S.C. 1473) is amended by striking ''develop'' and inserting ''implement''.~~

~~SEC. 604. ELIGIBILITY.~~

~~Section 674 (20 U.S.C. 1474) is amended—~~

~~(1) by striking the heading and inserting the following:~~

~~''ELIGIBILITY'';~~

~~and~~

~~(2) by striking ''State has established'' and all that follows and inserting ''State has in effect the statewide system that is required by section 676.''.~~

~~SEC. 605. CONTINUING ELIGIBILITY.~~

~~Section 675 (20 U.S.C. 1475) is repealed.~~

~~SEC. 606. REQUIREMENTS FOR STATEWIDE SYSTEM.~~

~~(a) IN GENERAL.—Section 676(a) (20 U.S.C. 1476(a)) is amended—~~

~~(1) by striking ''statewide system of'' and inserting ''statewide,''; and~~

~~(2) by striking ''programs providing'' and inserting ''system that provides''.~~

~~(b) MINIMUM COMPONENTS.—Section 676(b) (20 U.S.C. 1476(b) is amended—~~

~~(1) in paragraph (1), by striking "developmentally delayed" and inserting "developmental delay";~~

~~(2) by striking paragraph (2) and inserting the following:~~

~~"(2) a State policy in effect ensuring that appropriate early intervention services are available to all infants and toddlers with disabilities (including Indian infants and toddlers with disabilities on reservations) in the State and their families,";~~

~~(3) in paragraph (6), by striking "infants with" and inserting "infants and toddlers with";~~

~~(4) in paragraph (8)—~~

~~(A) in the matter preceding subparagraph (A), by striking "613(a)(3)" and inserting "612(a)(14)";~~

~~(B) in subparagraph (C), by inserting after "rural areas" the following: "and inner city areas"; and~~

~~(C) in subparagraph (D), by striking "a preschool program under section 619 of part B." and inserting "preschool or other appropriate services,";~~

~~(5) at the end of paragraph (13), by striking "and";~~

~~(6) in paragraph (14), by striking "on the numbers of infants" and all that follows and inserting "that is requested by the Secretary under section 618 and that relates to this part, and"; and~~

~~(7) by adding at the end the following:~~

~~"(15) a Council that meets the requirements of section 682.".~~

~~SEC. 607. INDIVIDUALIZED FAMILY SERVICE PLAN.~~

~~Section 677 (20 U.S.C. 1477) is amended—~~

~~(1) in subsection (a)(3), by striking "or guardian";~~

~~(2) in subsection (d)(8)—~~

~~(A) by striking "supporting" and inserting "to support"; and~~

~~(B) by striking "services provided" and all that follows and inserting "preschool or other appropriate services."; and~~

~~(3) in subsection (e), by striking "or guardian" each place it appears.~~

~~SEC. 608. STATE APPLICATION AND ASSURANCES.~~

~~(a) APPLICATION.—Section 678(a) (20 U.S.C. 1478(a)) is amended—~~

~~(1) in paragraph (3), by striking the comma at the end and inserting the following: ", including—~~

~~"(A) information demonstrating to the satisfaction of the Secretary that the State has in effect a statewide system required by section 676, and~~

~~"(B) a description of services to be provided to infants and toddlers with disabilities and their families under this part,";~~

~~(2) by striking paragraph (4) and inserting the following:~~

~~"(4) a statement regarding whether the State will serve at risk infants and toddlers as infants and toddlers with disabilities,";~~

~~(3) in paragraph (6), by striking ", for the fifth and succeeding fiscal years,"; and~~

~~(4) by striking paragraph (8) and inserting the following:~~

~~"(8) a description of the policies and procedures to be used—~~

~~"(A) to ensure a smooth transition for children who are infants and toddlers with disabilities receiving early intervention services under this part to preschool or other appropriate services, including a description of—~~

~~"(i) how the family of such a child will be included in the transition plans required by subparagraph (C), and~~

~~"(ii) how the lead agency designated or established under section 676(b)(9) will—~~

~~"(I) notify the local educational agency for the area in which such a child resides that the child will shortly reach the age for eligibility for preschool services under part B, as determined in accordance with State law,~~

~~"(II) in the case of such a child who may be eligible for such preschool services, with the approval of the family of the child, convene a conference among the lead agency, the family, and the local educational agency at least 90 days (and at the discretion of all such parties, up to 6 months) before the child is eligible for the preschool services, to discuss any such services that the child may receive, and~~

~~"(III) in the case of such a child who may not be eligible for such preschool services, with the approval of the family, make reasonable efforts to convene a conference among the lead agency, the family, and providers of other appropriate services for children who are not eligible for preschool services under part B, to discuss the appropriate services that the child may receive,~~

~~"(B) to review the program options for the child for the period beginning on the third birthday of the child and ending on the last day of the school year in which such birthday occurs, and~~

~~"(C) to establish a transition plan for the child, and".~~

~~(b) STATEMENT OF ASSURANCES.—Section 678(b)(7) (20 U.S.C. 1478(b)(7)) is amended—~~

~~(1) by striking "beginning in fiscal year 1992,"; and~~

~~(2) by striking "and rural" and inserting "rural, and inner city".~~

~~SEC. 609. USES OF FUNDS.~~

~~Section 679 (20 U.S.C. 1479) is amended—~~

~~(1) in the matter preceding paragraph (1), by striking "plan, develop, and";~~

~~(2) at the end of paragraph (2), by striking "and";~~

~~(3) in paragraph (3), by striking the period and inserting ", and"; and~~

~~(4) by adding at the end is the following:~~

~~"(4) in any State that does not provide services for at risk infants and toddlers under section 676(a), to strengthen the statewide system by initiating, expanding, or improving collaborative efforts related to at risk infants and toddlers, including establishing linkages with appropriate public, and private, community-based organizations, services, and personnel, for the purposes of—~~

~~"(A) identifying and evaluating at risk infants and toddlers,~~

~~"(B) making referrals of the infants and toddlers identified and evaluated under subparagraph (A), and~~

~~"(C) conducting periodic followup on each such referral to determine if the status of the infant or toddler involved has changed with re-~~

~~spect to the eligibility of the infant or toddler under this part.''.~~

~~SEC. 610. PROCEDURAL SAFEGUARDS.~~

~~Section 680 (20 U.S.C. 1480) is amended by striking the matter preceding ''The procedural'' and inserting the following:~~

~~''SEC. 680. PROCEDURAL SAFEGUARDS.~~

~~''(a) MINIMUM PROCEDURES.—''.~~

~~(b) PROCEDURES.—Section 680(a) (20 U.S.C. 1480(a)) (as designated in subsection (a)) is amended—~~

~~(1) in the matter preceding paragraph (1), by striking ''The'' and all that follows through ''following:'' and inserting ''To meet the requirement of section 672(b)(12), each State, in providing a statewide system under this part, shall, through State statute, regulation, or other written policy, provide at a minimum for the following:'';~~

~~(2) in the second sentence of paragraph (1), by striking '', which action may be brought'';~~

~~(3) in paragraph (2), by striking ''or guardians'';~~

~~(4) in paragraph (3), by striking ''or guardian'';~~

~~(5) in paragraph (4), by striking ''or a guardian'';~~

~~(6) in paragraph (5), by striking "or guardian" each place it appears;~~

~~(7) in paragraph (6), by striking "or guardian";~~

~~(8) in paragraph (7)—~~

~~(A) by striking "or guardian"; and~~

~~(B) by striking "or guardian's";~~

~~(9) in paragraph (8)—~~

~~(A) by striking "or guardian"; and~~

~~(B) by striking the following:~~

~~"(8) During" and inserting the following:~~

~~"(b) SERVICES DURING PENDENCY OF PROCEEDINGS.—The procedural safeguards required to be included in a statewide system under section 676(b)(12) shall also include a measure to ensure that during"; and~~

~~(10) by inserting after paragraph (7) the following:~~

~~"(8) The right to use mediation in accordance with section 615(e), except that—~~

~~"(A) a reference in such section to the State educational agency shall be considered to refer to the lead agency of the State designated or established under section 676(b)(9), and~~

~~"(B) a reference in such section to a public agency shall be understood to refer to a local~~

~~services provider or the lead agency, as the case may be.''.~~

~~SEC. 611. STATE INTERAGENCY COORDINATING COUNCIL.~~

~~(a) COMPOSITION.—Section 682(b)(1) (20 U.S.C. 1482(b)(1)) is amended—~~

~~(1) in subparagraph (E)—~~

~~(A) by striking ''At least one member shall be'' and inserting ''There shall be at least one member'';~~

~~(B) by striking ''families and'' and inserting the following: ''families, and from any other State agency involved in the provision of services to at risk infants and toddlers, and each such member''; and~~

~~(C) by striking ''such agencies'' and inserting ''the appropriate agency''; and~~

~~(2) by adding after subparagraph (G) the following:~~

~~''(H) At least one member shall be a representative from a Head Start agency or Head Start program in the State.~~

~~''(I) At least one member shall be a representative from the State agency responsible for child care.''.~~

~~(b) FUNCTIONS OF COUNCIL.—Section 682(e) (20 U.S.C. 1482(e)) is amended—~~

~~(1) in paragraph (1)(C), by striking "services provided" and all that follows and inserting "preschool or other appropriate services, and";~~

~~(2) in paragraph (2), by striking "children" and all that follows and inserting "children from birth through age 5."; and~~

~~(3) by inserting after paragraph (2) the following:~~

~~"(3) The Council may advise appropriate agencies in the State with respect to the integration of services for infants and toddlers with disabilities (including at risk infants and toddlers) and their families, regardless of whether at risk infants and toddlers are eligible for early intervention services in the State.".~~

~~(c) EXISTING COUNCILS.—Section 682 (20 U.S.C. 1482) is amended by striking subsection (g).~~

~~SEC. 612. CONFORMING AMENDMENT.~~

~~Section 683(3) (20 U.S.C. 1483(3)) is amended by striking "intermediate educational agencies" and inserting "educational service agencies".~~

~~SEC. 613. ALLOCATION OF FUNDS.~~

~~(a) RESERVATION.—Section 684(a) (20 U.S.C. 1484(a)) is amended—~~

~~(1) by striking "(a)" and inserting "(a)(1)";~~

~~(2) by inserting after "reserve" the following: "up to"; and~~

~~(3) by adding at the end the following:~~

~~"(2) The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a) (relating to permitting the consolidation of grants to insular areas referred to in such section) shall not apply to funds the areas receive under this part.".~~

~~(b) TRIBES.—Section 684(b) (20 U.S.C. 1484(b)) is amended—~~

~~(1) in paragraph (2)—~~

~~(A) by striking "The Secretary" and all that follows through "tribal organization shall receive an amount based" and inserting "For each fiscal year, the Secretary of the Interior shall distribute the entire amount of a payment received under paragraph (1) by providing to each such tribe or tribal organization an amount based";~~

~~(B) by striking "the reservation" and inserting "the reservation involved"; and~~

~~(C) by striking "all tribes" and inserting "all such tribes"; and~~

~~(2) in paragraph (4)—~~

~~(A) in the first sentence, by striking "children aged 0-2, inclusive," and inserting "children from birth through age 2"; and~~

~~(B) in the third sentence, by striking "public or private nonprofit organizations" and inserting "public or private nonprofit agencies or organizations".~~

~~(c) FEDERAL INTERAGENCY COORDINATING COUNCIL AND PANEL OF EXPERTS.—Section 684 (20 U.S.C. 1484) is amended—~~

~~(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and~~

~~(2) by inserting after subsection (b) the following:~~

~~"(c) The Secretary shall reserve up to .0005 of the amount appropriated under section 687 for any fiscal year for the operation of the Federal Interagency Coordinating Council established under section 685, other than activities of the panel of experts carried out under section 686.~~

~~"(d) The Secretary may reserve up to $100,000 for the expenses of the panel of experts established under section 686.".~~

~~(d) REMAINDER.—Section 684 (20 U.S.C 1484) is amended in subsection (c) (as redesignated in subsection (c)(1))—~~

~~(1) in paragraph (1)—~~

~~(A) by striking "(3), (4), and (5)" and inserting "(2), (3), and (4)"; and~~

~~(B) by striking "(a) and (b)" and inserting "(a) through (d) and section 618(e)";~~

~~(2) by striking paragraph (2);~~

~~(3) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively;~~

~~(4) in paragraph (2) (as redesignated in paragraph (3))—~~

~~(A) in the text preceding subparagraph (A), by striking "paragraphs (4) and (5)" and inserting "paragraphs (3) and (4)"; and~~

~~(B) in subparagraph (A), by striking ", excluding" and all that follows and inserting a semicolon;~~

~~(5) in paragraph (3) (as redesignated in paragraph (3)), in subparagraph (A), by striking "(5)" and inserting "(4)"; and~~

~~(6) in paragraph (5) (as redesignated in paragraph (3))—~~

~~(A) in the text preceding subparagraph (A), by striking "paragraph (1)" and inserting "this subsection";~~

~~(B) in subparagraph (A), by striking "children from birth to age 2, inclusive," and inserting "children from birth through age 2;"; and~~

~~(C) in subparagraph (B), by striking "does not include" and all that follows and inserting "means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.".~~

~~(c) REALLOTMENT.—Section 684(f) (20 U.S.C. 1484(f)) is amended by striking "(c)(1)" and inserting "(c)(1)".~~

~~SEC. 614. FEDERAL INTERAGENCY COORDINATING COUNCIL.~~

~~(a) ESTABLISHMENT AND PURPOSE.—Section 685(a)(1)(A) (20 U.S.C. 1484a(a)(1)(A)) is amended by striking "relating to early intervention" and all that follows and inserting "across Federal, State, and local agencies, relating to—~~

~~"(i) early intervention services for infants and toddlers with disabilities (including at risk infants and toddlers) and their families; and~~

~~"(ii) preschool or other appropriate services for children with disabilities;".~~

~~(b) COMPOSITION.—Section 685(b) (20 U.S.C. 1484a(b)) is amended—~~

~~(1) in paragraph (2), by inserting before the semicolon the following: "and a representative of the Office of Educational Research and Improvement;";~~

~~(2) in paragraph (15), by inserting after "a representative of" the following: "the Children's Bureau, and a representative of the Head Start Bureau, of";~~

~~(3) in paragraph (16), by striking "Alcohol, Drug Abuse and Mental Health Administration" and inserting "Substance Abuse and Mental Health Services Administration";~~

~~(4) in paragraph (17), by striking "Aids" and inserting "AIDS"; and~~

~~(5) in paragraph (18)—~~

~~(A) by striking "at least 3"; and~~

~~(B) by inserting after "12 or under" the following: "(which parents shall constitute at least 20 percent of the members of the council)".~~

~~(c) FUNCTIONS OF THE COUNCIL.—Section 685(d)(1) (20 U.S.C. 1484a(d)(1)) is amended by striking "Secretary in the performance" and all that follows and inserting "Secretary of Education, Secretary of Health~~

~~and Human Services, Secretary of Defense, Secretary of the Interior, Secretary of Agriculture, and Commissioner of Social Security in the performance of their responsibilities related to serving children from birth through age 5 who are eligible for services under this part or under part B;''.~~

~~(d) FEDERAL ADVISORY COMMISSION ACT INAPPLICABLE.—Section 685 (20 U.S.C. 1484a) is amended by adding at the end the following:~~

~~''(f) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the establishment or operation of the council.''.~~

~~SEC. 615. STUDY OF DEFINITION OF DEVELOPMENTAL DELAY.~~

~~Part H (20 U.S.C. 1471 et seq.) is amended—~~

~~(1) by striking section 686; and~~

~~(2) by adding at the end the following:~~

~~''SEC. 686. STUDY OF DEFINITION OF DEVELOPMENTAL DELAY.~~

~~''(a) PANEL OF EXPERTS.—~~

~~''(1) IN GENERAL.—Not later than 3 months after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, the Federal Interagency Coordinating Council established under section 685 shall convene a panel of ex-~~

~~perts to develop recommendations to the Secretary for a model definition of the term 'developmental delay', to assist States in implementing section 676(b)(1).~~

~~"(2) MEMBERS.—The panel shall include recognized experts in—~~

~~"(A) health and child development, whose work includes—~~

~~"(i) the evaluation and assessment of infants and toddlers with disabilities;~~

~~"(ii) the study of congenital or perinatal disorders in children; or~~

~~"(iii) the measurement of developmental milestones in infants and toddlers;~~

~~"(B) the administration of disability programs for young children; and~~

~~"(C) other fields that the Secretary finds to be appropriate.~~

~~"(3) OTHER MEMBERSHIP REQUIREMENTS.—The panel shall—~~

~~"(A) have no more than 12 members; and~~

~~"(B) include at least 1 parent of a child with a disability who is younger than age 6.~~

~~"(b) DUTIES.—In developing the recommendations referred to in subsection (a)(1), the panel shall—~~

~~"(1) review the definition of infants and toddlers with disabilities specified in section 672(1);~~

~~"(2) conduct an analysis of the criteria that are used by States under this part to determine whether an individual has a developmental delay or a diagnosed physical or mental condition, for purposes of ascertaining whether the individual is an infant or toddler with a disability; and~~

~~"(3) consider the appropriateness of defining the term 'developmental delay' to include the combination of a multiplicity of factors that, when taken together, have a high probability of resulting in developmental delay (as specified in the remainder of the definition) if early intervention services are not provided.~~

~~"(c) PANEL RECOMMENDATIONS.—The panel shall prepare and submit to the Secretary a report containing the recommendations developed under subsection (a) not later than 9 months after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996.~~

~~"(d) MODEL DEFINITION.—After receiving the recommendations, the Secretary shall—~~

~~"(1) publish the recommendations in the Federal Register;~~

~~"(2) give interested parties an opportunity to submit written comments on the recommendations; and~~

~~"(3) disseminate a model definition based on the recommendations, along with a summary of comments received.~~

~~"(e) FEDERAL ADVISORY COMMISSION ACT INAPPLICABLE.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the establishment or operation of the panel.".~~

~~SEC. 616. AUTHORIZATION OF APPROPRIATIONS.~~

~~Part H (20 U.S.C. 1471 et seq.) (as amended in section 615) is further amended by adding at the end the following:~~

~~"SEC. 687. AUTHORIZATION OF APPROPRIATIONS.~~

~~"There are authorized to be appropriated to carry out this part such sums as may be necessary for each of the fiscal years 1996 through 2002.".~~

~~SEC. 617. EFFECTIVE DATE.~~

~~This title, and the amendments made by this title, shall take effect on October 1, 1997.~~

SECTION 1. SHORT TITLE.

This Act may be cited as the "Individuals with Disabilities Education Act Amendments of 1996".

1 ***SEC. 2. TABLE OF CONTENTS.***

2 *The table of contents for this Act is as follows:*

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.

TITLE I—GENERAL PROVISIONS

Sec. 101. Findings.
Sec. 102. Definitions.
Sec. 103. Office of Special Education Programs.
Sec. 104. Requirements for prescribing regulations.
Sec. 105. Eligibility for financial assistance.
Sec. 106. Administrative provisions applicable to discretionary assistance programs.
Sec. 107. Repeals.
Sec. 108. Transition rule.
Sec. 109. Effective date.

TITLE II—ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES

Sec. 201. Entitlements and allocations.
Sec. 202. State eligibility.
Sec. 203. Local educational agency and State agency eligibility.
Sec. 204. Evaluations, individualized education programs, and educational placements.
Sec. 205. Chapter 1 State agencies.
Sec. 206. Procedural safeguards.
Sec. 207. Withholding and judicial review.
Sec. 208. Administration.
Sec. 209. Evaluation and program information.
Sec. 210. Preschool grants.
Sec. 211. Payments.
Sec. 212. Applicability of definitions.
Sec. 213. Conforming and technical amendments.
Sec. 214. Effective dates.

TITLE III—SYSTEMS CHANGE

Sec. 301. Systems change.
Sec. 302. Reauthorization for fiscal year 1997 of authorities relating to centers and services to meet special needs of individuals with disabilities.
Sec. 303. Effective date.

TITLE IV—RESEARCH AND PERSONNEL PREPARATION

Sec. 401. Improving early intervention, educational, and transitional services and results for children with disabilities through coordinated research and personnel preparation.
Sec. 402. Conforming amendments.
Sec. 403. Reauthorization for fiscal year 1997 of authorities relating to training personnel for the education of individuals with disabilities.
Sec. 404. Effective date.

TITLE V—TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION

Sec. 501. Improving early intervention, educational, and transitional services and results for children with disabilities through coordinated technical assistance, support, and dissemination of information.
Sec. 502. Conforming amendments.
Sec. 503. Reauthorizations for fiscal year 1997.
Sec. 504. Effective date.

TITLE VI—INFANTS AND TODDLERS WITH DISABILITIES

Sec. 601. Findings and policy.
Sec. 602. Definitions.
Sec. 603. General authority.
Sec. 604. Eligibility.
Sec. 605. Continuing eligibility.
Sec. 606. Requirements for statewide system.
Sec. 607. Individualized family service plan.
Sec. 608. State application and assurances.
Sec. 609. Uses of funds.
Sec. 610. Procedural safeguards.
Sec. 611. State Interagency Coordinating Council.
Sec. 612. Conforming amendment.
Sec. 613. Allocation of funds.
Sec. 614. Federal Interagency Coordinating Council.
Sec. 615. Study of definition of developmental delay.
Sec. 616. Authorization of appropriations.
Sec. 617. Effective date.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

Section 601 (20 U.S.C. 1400) is amended to read as follows:

"SEC. 601. SHORT TITLE; FINDINGS; PURPOSES.

"(a) SHORT TITLE.—This title may be cited as the 'Individuals with Disabilities Education Act'.

"(b) FINDINGS.—With respect to this Act, Congress finds the following:

"(1)(A) That disability is a natural part of the human experience and in no way diminishes the right of individuals to fully participate in all aspects of American society, including education.

"(B) That the right to equal educational opportunities for all children with disabilities is guaranteed by the equal protection clause of the 14th amendment to the United States Constitution.

"(C) That improving educational results for children with disabilities is an essential element in ensuring equality of opportunity in all aspects of society.

"(D) That it is in the national interest that students with disabilities leave school with the skills necessary to be included and integrated in the economic and social fabric of society and to live independently.

"(2) That prior to the enactment of the Education for All Handicapped Children Act of 1975 (Public Law 94–142), 1,000,000 children with disabilities in the United States were excluded entirely from the public school system, and more than one-half

of all children with disabilities in the United States did not receive appropriate educational services, either because their disabilities were undetected, or because of the lack of adequate services within the public school system.

"(3) That since the enactment of the Education for All Handicapped Children Act of 1975 (Public Law 94–142), significant progress has been made in addressing problems that existed at the time the law was enacted. Progress has been made in the following manner:

"(A) Every State now ensures a free appropriate public education to all children with disabilities within the State between the ages of 3 and 18, and most States extend that provision of a free appropriate public education through age 21.

"(B) Over 5,000,000 children with disabilities are receiving special education and related services.

"(C) All States now provide early intervention services to infants and toddlers with disabilities from birth through age 2 and to families of such infants and toddlers.

"(4) That based on 20 years of experience and research in the education of children with disabilities, there is a general recognition of the following:

"(A) The provision of quality education and services to children with disabilities must be based on an individualized assessment of each child's unique needs and abilities.

"(B) To the maximum extent appropriate, children with disabilities should be educated with children who are not disabled and children with disabilities should be removed from the regular educational environment only when the nature and severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

"(C) Students with disabilities achieve at significantly higher levels when schools have high expectations (and establish high goals) for such students, ensure the access of such students to the general curriculum (whenever appropriate), and provide such students with the necessary services and supports.

"(D) That including children with disabilities in State and districtwide assessment sys-

tems is an effective accountability mechanism and a critical strategy for improving educational results for such children.

"(E) The provisions of this Act should be aligned with general educational reforms with respect to the improvement of education for all children, so that children with disabilities have the opportunity to benefit from such reforms.

"(F) Parent participation is a crucial component in the education of children with disabilities, and parents should have meaningful opportunities, through appropriate training, dissemination of information and other supports, to participate as partners with teachers and other school staff in assisting their children to achieve to high standards.

"(G) School administrators must have the resources and skills needed to ensure that school environments are safe and conducive to learning.

"(5)(A) That State and local educational agencies must be responsive to the increasing racial, ethnic, and linguistic diversity that prevails in the Nation's public schools today.

"(B)(i) Greater efforts are needed to prevent the intensification of problems connected with inappro-

priately identifying and mislabeling children from minority backgrounds as children with disabilities.

"(ii) More minority children continue to be served in special education than would be expected from the percentage of such children in the general school population.

"(iii) Poor African American students are 2.5 times more likely to be identified by their school as mentally retarded than are their white counterparts, and such students are also more likely to be educated in segregated settings.

"(iv) A disproportionate number of such students drop out of school, fail to enroll in postsecondary programs, and fail to participate in competitive long-term employment.

"(v) Disproportionality in the identification of such students as children with disabilities may be explained in part by the relationship between poverty and disability, which is well documented. Poor prenatal care and nutrition are factors that contribute to higher rates of disability within minority populations. However, disproportionality may be due to misclassification of minority children as disabled and inappropriate placement of minority children, par-

ticularly in separate settings, which raises civil rights concerns.

"(C) Children with limited English proficiency continue to be underidentified as needing special education services than would be expected from the percentage of such children in the general school population.

"(D) Based on 20 years of experience in both general and special education, there is general recognition today that the problems associated with ensuring an appropriate education for children from diverse backgrounds can be effectively addressed when the following are done:

"(i) The procedures used for referring and evaluating children with disabilities include appropriate safeguards to prevent the overidentification or underidentification of minority students requiring special education.

"(ii) Prereferral intervention strategies are adopted, as appropriate, especially in elementary schools.

"(iii) Services, supports, and other assistance are provided in a culturally sensitive manner.

"(iv) Greater efforts are made to improve post-school results among minority students with disabilities.

"(6) That it is in the national interest that the Federal Government has a role with respect to the following:

"(A) Assisting State and local efforts to educate children with disabilities in order to improve educational and transitional results for such children, and to ensure equal protection of the law.

"(B) Assisting States in the provision of early intervention services.

"(C) Promoting the improvement of educational and transitional services and results for children with disabilities and early intervention services for infants and toddlers with disabilities by supporting systems change activities carried out by the State educational agency, coordinated research and personnel preparation, coordinated technical assistance, dissemination, and support, and technology development and media services.

"(c) PURPOSES.—The purposes of this Act are to—

"(1)(A) ensure that all children with disabilities have available to them a free appropriate public edu-

cation that emphasizes special education and related services designed to meet the unique needs of such children and enable such children to lead productive, independent adult lives;

"(B) ensure that the rights of children with disabilities and their parents are protected; and

"(C) assist States and localities to provide for the education of all children with disabilities;

"(2) assist States in the implementation of a statewide, comprehensive, coordinated, multidisciplinary, interagency system of early intervention services for infants and toddlers with disabilities and their families;

"(3) promote the improvement of educational and transitional services and results for children with disabilities and early intervention services for infants and toddlers with disabilities by supporting—

"(A) systems change activities carried out by State educational agencies in partnership with other interested parties;

"(B) coordinated research and personnel preparation; and

"(C) coordinated technical assistance, dissemination, and support, and technology development and media services; and

"(4) assess and promote the effectiveness of efforts to educate children with disabilities and to provide early intervention services for infants and toddlers with disabilities.".

SEC. 102. DEFINITIONS.

(a) SECTION HEADING.—Section 602 (20 U.S.C. 1401) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 602. DEFINITIONS.";

and

(2) by striking "SEC. 602.".

(b) TERMS.—Section 602(a) (20 U.S.C. 1401(a)) is amended—

(1) in paragraph (1)(A)—

(A) by striking "(1)(A) The term" and all that follows through "children—" and inserting the following:

"(1) CHILD WITH A DISABILITY; CHILD WITH A DISABILITY AGED 3 THROUGH 5; CHILDREN WITH DISABILITIES.—

"(A) CHILD WITH A DISABILITY.—The term 'child with a disability' means a child—";

(B) in clause (i)—

(i) by striking "hearing impairments" and inserting "a hearing impairment";

(ii) by striking "speech or language impairments, visual impairments" and inserting "a speech or language impairment, a visual impairment";

(iii) by striking "orthopedic impairments" and inserting "an orthopedic impairment"; and

(iv) by striking "other health impairments, or specific learning disabilities" and inserting "other health impairment, or a specific learning disability";

(C) in clause (ii), by striking "need" and inserting "needs"; and

(D) by realigning the margins of clauses (i) and (ii) so as to align with clauses (i) and (ii) of paragraph (21)(A);

(2) in paragraph (1)(B)—

(A) by striking "(B) The term" and all that follows through "include children—" and inserting the following:

"(B) CHILD WITH A DISABILITY AGED 3 THROUGH 5.—At the discretion of the State, the

term 'child with a disability' includes a child aged 3 through 5—";

(B) in clause (i), by striking "(i) experiencing developmental delays" and inserting "(i) who is experiencing a developmental delay";

(C) in clause (ii), by striking "need" and inserting "needs";

(D) by realigning the margin of subparagraph (B) so as to align with subparagraph (B) of paragraph (11); and

(E) by realigning the margins of clauses (i) and (ii) so as to align with clauses (i) and (ii) of paragraph (21)(A);

(3) by inserting after paragraph (1)(B), the following new subparagraph:

"(C) CHILDREN WITH DISABILITIES.—The term 'children with disabilities' means more than 1 child with a disability.";

(4) in paragraph (4), by striking "The term" and inserting "CONSTRUCTION.—The term";

(5) in paragraph (5), by striking "The term" and inserting "EQUIPMENT.—The term";

(6) in paragraph (6), to read as follows:

"(6) STATE.—The term 'State' means each of the 50 States, the District of Columbia, the Common-

wealth of Puerto Rico, and each of the outlying areas.";

(7) in paragraph (7), by striking "The term" and inserting "STATE EDUCATIONAL AGENCY.—The term";

(8) in paragraph (8), to read as follows:

"(8) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' means—

"(A) a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for—

"(i) public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State; or

"(ii) a combination of school districts or counties as are recognized in a State as an administrative agency for the public elementary or secondary schools of the State;

"(B) any other public institution or agency having administrative control and direction of a public elementary or secondary school; or

"(C) an educational service agency, as defined in paragraph (7).";

(9) in paragraph (9), by striking "The term" and inserting "ELEMENTARY SCHOOL.—The term";

(10) in paragraph (10), by striking "The term" and inserting "SECONDARY SCHOOL.—The term";

(11) in paragraph (11), to read as follows:

"(11) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education'—

"(A) has the meaning given to such term by section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)); and

"(B) includes any community college receiving funding from the Secretary of the Interior under the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 et seq.).";

(12) in paragraph (12), by striking "The term" and inserting "NONPROFIT.—The term";

(13) by striking paragraph (13);

(14) in paragraph (14), by striking "The term" and inserting "SECRETARY.—The term";

(15) in paragraph (15), to read as follows:

"(15) SPECIFIC LEARNING DISABILITY.—The term 'specific learning disability'—

"(A) means a disorder—

"(i) in one or more of the basic psychological processes involved in understanding or in using language, spoken or written; and

"(ii) that may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations;

"(B) includes such conditions as perceptual disabilities, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia; and

"(C) does not include a learning problem that is primarily the result of visual, hearing, or motor disabilities, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic disadvantage.";

(16) in paragraph (16)—

(A) by striking "The term" and inserting "SPECIAL EDUCATION.—The term"; and

(B) by striking "or guardians";

(17) in paragraph (17)—

(A) by striking "The term" and inserting "RELATED SERVICES.—The term";

(B) by striking "speech pathology and audiology" and inserting "speech-language pathology services and audiology services"; and

(C) by striking "rehabilitation counseling," and inserting "rehabilitation counseling, orientation and mobility services,";

(18) in paragraph (18)—

(A) by striking "The term" and inserting "FREE APPROPRIATE PUBLIC EDUCATION.—The term"; and

(B) in subparagraph (D), by striking "required under section 614(a)(5)" and inserting "requirements of subsections (d) through (i) of section 614 (as amended by section 204 of the Individuals with Disabilities Education Act Amendments of 1996)";

(19) in paragraph (20), to read as follows:

"(20) INDIVIDUALIZED EDUCATION PROGRAM; IEP.—The term 'individualized education program' and the term 'IEP' mean a written statement for each child with a disability that is developed, reviewed, and revised in accordance with subsections (d) through (i) of section 614 (as amended by section 204 of the Individuals with Disabilities Education Act Amendments of 1996).";

(20) in paragraph (21)—

(A) by striking "The term" and inserting "EXCESS COSTS.—The term";

(B) in subparagraph (A)—

(i) in clause (i), by striking "this part" and inserting "part B";

(ii) in clause (ii), by striking "under title I" and inserting "under part A of title I"; and

(iii) in clause (iii), by striking "title VII" and inserting "part A of title VII"; and

(C) in subparagraph (B), by striking "such part, chapter, or title" and inserting "a part referred to in subparagraph (A)";

(21) in paragraph (22)—

(A) by striking "The term" and inserting "NATIVE LANGUAGE.—The term"; and

(B) by striking "section 7003(a)(2)" and inserting "section 7501(11)";

(22) in paragraph (23)—

(A) by striking "The term 'intermediate educational unit' means" and inserting "EDUCATIONAL SERVICE AGENCY.—The term 'educational service agency' means"; and

(B) by striking "local educational agency," and inserting "local educational agency described in subparagraphs (A) and (B) of paragraph (19),";

(23) in paragraph (24), to read as follows:

"(24) INDIAN; INDIAN TRIBE.—

"(A) INDIAN.—The term 'Indian' means an individual who is a member of an Indian tribe.

"(B) INDIAN TRIBE.—The term 'Indian tribe' means any Federal or State Indian tribe, band, rancheria, pueblo, colony, or community, including any Alaska Native village or regional village corporation (as defined in or established under the Alaska Native Claims Settlement Act).";

(24) in paragraph (25), by striking "The term" and inserting "ASSISTIVE TECHNOLOGY DEVICE.—The term";

(25) in paragraph (26), by striking "The term" and inserting "ASSISTIVE TECHNOLOGY SERVICE.—The term";

(26) in paragraph (27), to read as follows:

"(27) UNSERVED AND UNDERSERVED.—The terms 'unserved' and 'underserved', with respect to populations include populations such as individuals

with disabilities who are from racial and ethnic minority backgrounds, who are poor individuals, who are individuals with limited English proficiency, and who are individuals from underserved geographic areas, both urban and rural.";

(27) by redesignating paragraphs (1), (4), (5), (6), (7), (8), (9), (10), (11), (12), (14), (15), (16), (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), and (27) as paragraphs (4), (5), (9), (29), (30), (19), (8), (25), (18), (21), (26), (28), (27), (24), (11), (33), (15), (10), (20), (7), (14), (1), (2), and (35), respectively, and transferring each such redesignated paragraph to the appropriate place in the section so as to arrange the paragraphs in the section in numerical order;

(28) by inserting after paragraph (2) (as so redesignated by paragraph (27)) the following new paragraph:

"(3) BEHAVIOR MANAGEMENT PLAN.—The term 'behavior management plan' means a plan, developed by the State educational agency or local educational agency, consisting of strategies and services to address the behavior of a child with a disability and to help the child learn appropriate behavior in the school and other community-based educational settings.";

(29) by inserting after paragraph (5) (as so redesignated by paragraph (27)) the following new paragraph:

"(6) DISABILITY.—The term 'disability', except with respect to an infant or toddler with a disability, means an impairment or other condition described in paragraph (4) (relating to the definition of a child with a disability).";

(30) by inserting after paragraph (11) (as so redesignated by paragraph (27)) the following new paragraphs:

"(12) GENERAL EDUCATION CURRICULUM.—The term 'general education curriculum' means the curriculum adopted by the local educational agency for all children from preschool through secondary school.";

"(13) INAPPROPRIATELY IDENTIFIED.—The term 'inappropriately identified' with respect to population means a population of students from racial or ethnic minority backgrounds in which students are overidentified or underidentified as having disabilities.";

(31) by inserting after paragraph (15) (as so redesignated by paragraph (27)) the following new paragraphs:

"(16) INDIVIDUALIZED FAMILY SERVICE PLAN; IFSP.—The term 'individualized family service plan' and the term 'IFSP' mean a written plan for providing early intervention services to each infant and toddler with a disability that meets the requirements of section 677(d).

"(17) INFANT OR TODDLER WITH A DISABILITY; INFANTS AND TODDLERS WITH DISABILITIES.—The terms 'infant or toddler with a disability' and 'infants and toddlers with disabilities' have the meanings given the terms in section 672.";

(32) by inserting after paragraph (21) (as so redesignated by paragraph (27)), the following new paragraphs:

"(22) OUTLYING AREAS.—The term 'outlying areas' means the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia, and the Republic of Palau.

"(23) PARENT.—The term 'parent' includes a legal guardian.";

(33) by inserting after paragraph (30) (as so redesignated by paragraph (27)) the following new paragraphs:

"(31) SUPPLEMENTARY AIDS AND SERVICES.—The term 'supplementary aids and services' means aids, services, and other supports that are provided to enable children with disabilities to be educated with nondisabled children to the maximum extent appropriate, in accordance with section 612(a)(5) (as amended by section 202 of the Individuals with Disabilities Education Act Amendments of 1996).";

"(32) SYSTEMS CHANGE ACTIVITIES; SYSTEMS CHANGE OUTCOMES.—

"(A) SYSTEMS CHANGE ACTIVITIES.—The term 'systems change activities' means efforts to design, implement, and evaluate strategies and activities leading to systems change outcomes.

"(B) SYSTEMS CHANGE OUTCOMES.—The term 'systems change outcomes' means systemswide changes in policies, procedures, practices, training, or use of personnel, parents, and school-age peers of children with disabilities that benefit and improve the early intervention, educational, and transitional services and results of children with disabilities.";

(34) by inserting after paragraph (33) (as so redesignated by paragraph (27)) the following new paragraph:

"(34) TRANSITIONAL SERVICES.—The term 'transitional services' includes transition services."; and

(35) by striking "(a) As used in this title—" and inserting the following:

"(a) TERMS.—Except as otherwise provided, the following terms have the following meanings as used in this Act:".

(c) YOUTH WITH A DISABILITY.—Section 602(b) (20 U.S.C. 1401(b)) is amended to read as follows:

"(b) REFERENCES TO ACT OR TITLE.—If a provision of this title refers to the term 'this title' or 'this Act', the provision shall be deemed to refer to the Individuals with Disabilities Education Act.".

(d) CONFORMING AMENDMENTS.—

(1) REFERENCES TO CHILDREN WITH DISABILITIES.—

(A) TITLE 10.—Section 2164(f)(3) of title 10, United States Code, is amended—

(i) by striking "section 602(a)(1)" and inserting "section 602(a)(4)(C)"; and

(ii) by striking "1401(a)(1)" and inserting "1401(a)(4)(C)".

(B) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 14603(2) of the

Elementary and Secondary Education Act of 1965 (20 U.S.C. 8923(1)) is amended by striking "section 602(a)" and inserting "section 602(a)(4)(C)".

(C) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—Section 101(21) of the National and Community Service Act of 1990 (42 U.S.C. 12511(21)) is amended—

(i) by striking "section 602(a)(1)" and inserting "section 602(a)(4)(C)"; and

(ii) by striking "1401(a)(1)" and inserting "1401(a)(4)(C)".

(2) REFERENCE TO TRANSITION SERVICES.—Section 563(d)(2) of the Public Health Service Act (42 U.S.C. 290ff-2(d)(2)) is amended by striking "section 602(a)(19)" and inserting "section 602(a)(33)".

SEC. 103. OFFICE OF SPECIAL EDUCATION PROGRAMS.

Section 603 (20 U.S.C. 1402) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding section 1342 of title 31, United States Code, the Secretary is authorized to accept voluntary and uncompensated services in furtherance of the purposes of this Act.".

SEC. 104. REQUIREMENTS FOR PRESCRIBING REGULATIONS.

Section 608(a) (20 U.S.C. 1407(a)) is amended by striking "(a) For purposes" and all that follows through "days." and inserting the following: "(a) The Secretary shall provide a public comment period of at least 90 days on any regulation proposed under part B for which a time period for an opportunity for public comment is otherwise required.".

SEC. 105. ELIGIBILITY FOR FINANCIAL ASSISTANCE.

Section 609 (20 U.S.C. 1408) is amended to read as follows:

"SEC. 609. ELIGIBILITY FOR FINANCIAL ASSISTANCE.

"The Secretary may not make a grant under parts C through E to a State, or to any local educational agency or other public institution or agency in the State, that relates exclusively to programs, projects, and activities pertaining to children aged 3 through 5, unless the State is eligible to receive a grant under section 619 (as amended by section 210 of the Individuals with Disabilities Education Act Amendments of 1996).".

SEC. 106. ADMINISTRATIVE PROVISIONS APPLICABLE TO DISCRETIONARY ASSISTANCE PROGRAMS.

Section 610 (20 U.S.C. 1409) is amended to read as follows:

"SEC. 610. ADMINISTRATIVE PROVISIONS FOR DISCRETIONARY ASSISTANCE PROGRAMS.

"(a) FINDINGS WITH RESPECT TO ADDRESSING DIVERSITY UNDER PARTS D AND E.—With respect to this section and parts D and E, Congress finds the following:

"(1)(A) The Federal Government must be responsive to the growing needs of an increasingly more diverse society. A more equitable allocation of resources is essential for the Federal Government to meet its responsibility to provide an equal educational opportunity for all individuals.

"(B) Recent data indicate that the number of African American and Hispanic children in schools, and in special education, continues to rise, and the number of minority teachers and related services personnel produced in the colleges and universities of the United States continues to decrease.

"(2) There is a compelling national interest in aiding institutions of higher education that have historically served students who have been denied access to postsecondary education because of race or national origin and whose participation in the United States system of higher education is in the interest of the United States so that the access to, and the quality of, postsecondary education are enhanced for all students.

"(3)(A) Historically Black Colleges and Universities and other institutions of higher education with substantial minority enrollments have an important role in the development of a professional workforce in special education and related services that reflects the full participation of all members of society by providing access and high-quality education to low-income and minority students who will enter the field of special education and other related fields. Upon completing their education at such colleges and universities and institutions, many low-income and minority students become teachers or professionals in related fields and provide services to children with disabilities in inner-city urban and rural areas that have experienced significant shortages in qualified personnel.

"(B) Recent data indicate that the Historically Black Colleges and Universities enroll nearly 50 percent of the African American teacher trainees in the United States. However, during the time period covered by the data, such colleges and universities received only 4 percent of the discretionary funds for special education and related services personnel training under this Act.

"(b) COMPREHENSIVE PLAN.—

"(1) IN GENERAL.—The Secretary shall develop and implement a comprehensive plan for activities carried out under parts D and E in order to enhance the provision of educational, related, and early intervention services to children with disabilities under parts B and H. Such plan shall include mechanisms to address early intervention, educational, and transitional needs identified by States in applications submitted for systems change grants under part C.

"(2) PARTICIPANTS IN PLAN DEVELOPMENT.—In developing the plan described in paragraph (1), the Secretary shall involve—

"(A) individuals with disabilities;

"(B) parents of children with disabilities;

"(C) appropriate professionals; and

"(D) representatives of State and local educational agencies, private schools, institutions of higher education, other Federal agencies, the National Council on Disabilities, and national organizations with an interest in, and expertise in, providing services to children with disabilities and their families.

The Secretary shall publish the plan in the Federal Register for public comment.

"(3) DISTRIBUTION OF FUNDS.—In implementing the plan described in paragraph (1), the Secretary shall, to the extent appropriate, ensure that funds are awarded to recipients under parts D and E to carry out activities that benefit, directly or indirectly, children with disabilities of all ages.

"(c) ELIGIBLE APPLICANTS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection and parts D and E, the following entities are eligible to apply for a grant, contract, or cooperative agreement under part D or E:

"(A) A State educational agency.

"(B) A local educational agency.

"(C) An institution of higher education.

"(D) Any other public agency.

"(E) A private nonprofit organization.

"(F) An outlying area.

"(G) An Indian tribe or tribally controlled school funded by the Department of the Interior.

"(H) A for-profit organization, if the Secretary determines that such organization is an appropriate entity to be eligible to apply for a grant, contract, or cooperative agreement under part D or E.

"(2) SPECIAL RULE.—The Secretary may limit the entities eligible for an award of a grant, contract, or cooperative agreement to 1 or more categories of eligible entities described in paragraph (1). In the case of the award of a grant, contract, or cooperative agreement under section 634, an eligible entity shall demonstrate the capacity to conduct personnel preparation activities.

"(3) USE OF FUNDS BY THE SECRETARY.—

"(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), the Secretary may use not more than 20 percent of the total funds available under parts D and E (other than section 643) to carry out, through a grant, contract, or cooperative agreement, a project that consists of, or a combination of—

"(i) a research or innovation activity that meets an objective described in section 633(a) or a personnel preparation activity that meets an objective described in section 634(a); and

"(ii) a technical assistance or information dissemination activity that meets an objective described in section 644(a) or a

technology development, demonstration, or utilization activity, or an educational media service, that meets an objective described in section 645(a);

subject to such conditions as the Secretary determines are appropriate to effectively meet the objectives involved.

"(B) SPECIAL RULES.—In carrying out a project or combination under subparagraph (A), the Secretary shall use funds made available under—

"(i) section 633 if the project or combination involves a research or innovation activity;

"(ii) section 634 if the project or combination involves a personnel preparation activity;

"(iii) section 644 if the project or combination involves a technical assistance or information dissemination activity; and

"(iv) section 645 if the project or combination involves a technology development, demonstration, or utilization activity, or an educational media service.

"(d) SPECIAL POPULATIONS.—

"(1) APPLICATION REQUIREMENT.—In making an award of a grant, contract, or cooperative agreement under part D or E, the Secretary shall, as appropriate, require an applicant to demonstrate how the applicant will address the needs of children with disabilities from unserved, underserved, or inappropriately identified populations.

"(2) OUTREACH AND TECHNICAL ASSISTANCE.—Notwithstanding any other provision of this Act, the Secretary—

"(A) shall ensure that at least 1 percent of the total amount of funds appropriated for parts D and E is used—

"(i) for providing outreach and technical assistance to Historically Black Colleges and Universities, and to institutions of higher education with minority enrollments of at least 25 percent, to promote the participation of such colleges, universities, and institutions in activities under such parts; and

"(ii) to enable the Historically Black Colleges and Universities and the institutions described in clause (i) to assist other colleges, universities, institutions, and agen-

cies in improving educational and transitional results for children with disabilities; and

"(B) may reserve funds appropriated under parts D and E to meet the requirement of subparagraph (A).

"(e) PRIORITIES.—

"(1) IN GENERAL.—The Secretary shall ensure that a grant, contract, or cooperative agreement awarded under part D or E is awarded only for activities that are designed to benefit children with disabilities or their families or the personnel employed to work with such children or their families or to benefit other individuals with disabilities whom such part is intended to benefit.

"(2) ELIGIBLE ACTIVITIES.—Subject to paragraph (1), the Secretary, in making an award of a grant, contract, or cooperative agreement under part D or E, may, without conducting rulemaking under section 553 of title 5, United States Code, limit the entities eligible for the grant, contract, or cooperative agreement to, or otherwise give priority to, eligible entities that carry out the following activities:

"(A) IN GENERAL.—Activities relating to personnel preparation, training, research, dis-

semination of information, technical assistance, technology development, and educational media services that address 1 or more of the following:

"(i) The age ranges of children with disabilities.

"(ii) The types of disabilities of children.

"(iii) The school grades of children with disabilities.

"(iv) The types of educational placements or early intervention environments of children with disabilities.

"(v) The types of services provided to children with disabilities.

"(vi) Content areas such as reading.

"(vii) Effective strategies for helping children with disabilities learn appropriate behavior in the school and other community-based educational settings.

"(B) ACTIVITIES RELATED TO SEVERITY OF DISABILITY.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development, and educational media services that

address the needs of children based on the severity of the disability of the children.

"(C) OTHER RELATED ACTIVITIES.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development, and educational media services that address the needs of the following individuals and areas:

"(i) Low-achieving students.

"(ii) Underserved populations.

"(iii) Children from low-income families.

"(iv) Children with limited English proficiency.

"(v) Unserved and underserved areas.

"(vi) Children whose behavior interferes with their learning and socialization.

"(vii) Inappropriately identified populations.

"(D) NATIONAL ACTIVITIES.—Activities relating to personnel preparation, training, research, dissemination of information, technical assistance, technology development, and educational media services that are carried out in

particular areas of the country, to ensure broad geographic coverage.

"(E) AUTHORIZED ACTIVITIES.—Any activity that is expressly authorized in the applicable part.

"(f) APPLICANT AND RECIPIENT RESPONSIBILITIES.—

"(1) DEVELOPMENT AND ASSESSMENT OF PROJECTS.—The Secretary shall require that an applicant for, and a recipient of, a grant, contract, or cooperative agreement for a project under part D or E—

"(A) involve individuals with disabilities or parents of individuals with disabilities in planning, implementing, and evaluating the project; and

"(B) where appropriate, determine whether the project has any potential for replication and adoption by other entities.

"(2) ADDITIONAL RESPONSIBILITIES.—The Secretary may require a recipient of a grant, contract, or cooperative agreement under part D or E to—

"(A) share in the cost of the project of the recipient;

"(B) prepare the research and evaluation findings and products from the project in for-

mats that are useful for specific audiences, including parents, administrators, teachers, early intervention personnel, related services personnel, and individuals with disabilities;

"(C) disseminate such findings and products; and

"(D) collaborate with other such recipients in carrying out the activities described in subparagraphs (B) and (C).

"(g) APPLICATION MANAGEMENT.—

"(1) STANDING PANELS.—

"(A) IN GENERAL.—The Secretary shall establish and use standing panels of experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under parts D and E that, individually, request more than $75,000 a year in assistance.

"(B) FEDERAL EMPLOYMENT LIMITATION.—A majority of the individuals on each panel described in subparagraph (A) shall be individuals who are not employees of the Federal Government.

"(2) SELECTION AND PARTICIPATION OF PANEL MEMBERS.—

"(A) IN GENERAL.—The Secretary shall establish criteria to use in the selection of the panel members. Such criteria shall ensure that the membership of standing panels includes—

"(i) individuals with knowledge and expertise on the issues addressed by the activities authorized by parts D and E; and

"(ii) to the extent practicable, parents of children with disabilities, individuals with disabilities, and persons from diverse racial, ethnic, and cultural backgrounds.

"(B) MEMBERSHIP.—Standing panel membership shall include, at a minimum—

"(i) individuals who are representatives of institutions of higher education that plan, develop, and carry out programs of personnel preparation;

"(ii) individuals who design and carry out programs of research targeted to the improvement of special education programs and services;

"(iii) individuals who have recognized experience, and knowledge, necessary to integrate and apply research findings to im-

prove educational and transitional results for children with disabilities;

"(iv) individuals who administer programs at the State or local level in which children with disabilities participate;

"(v) individuals who prepare parents of children with disabilities to participate in making decisions about the education of their children;

"(vi) individuals who establish policies that affect the delivery of services to children with disabilities;

"(vii) individuals who are parents of children with disabilities who are benefiting or have benefited from coordinated research, personnel preparation, and technical assistance; and

"(viii) individuals who are individuals with disabilities.

"(C) TRAINING.—The Secretary shall provide training to the individuals who are selected as members of the standing panels under this paragraph.

"(D) TERM.—Membership on any such standing panel shall be for a period of not more than 3 consecutive years.

"(3) SECRETARY'S DISCRETION OVER LIMITED USE OF DISCRETIONARY FUNDS FOR ADMINISTRATIVE PURPOSES.—

"(A) EXPENSES AND FEES OF NON-FEDERAL PANEL MEMBERS.—The Secretary may use funds available under parts D and E to pay the expenses and fees of the panel members who are not members of the Federal Government.

"(B) ADMINISTRATIVE SUPPORT.—The Secretary may use not more than 1 percent of the funds available under parts D and E to pay non-Federal entities for administrative support related to management of applications submitted under part D or E.

"(C) MONITORING.—The Secretary may use funds available under parts D and E to pay the expenses of Federal employees to conduct onsite monitoring of projects receiving $500,000 or more, for any fiscal year under part D or E.

"(h) PROGRAM EVALUATION.—The Secretary may use funds appropriated to carry out parts D and E to evaluate activities carried out under such parts.

"(i) RULES OF CONSTRUCTION.—

"(1) REFERENCES TO EARLY INTERVENTION SERVICES.—

"(A) CHILD WITH A DISABILITY.—If a provision of this section or part C, D, or E refers to services for a child with a disability (or a family member of the child), and the services include early intervention services or services provided under part H, the provision shall be deemed to refer to—

"(i) early intervention services or services provided under part H, respectively, for an infant or toddler with a disability (or a family member of the infant or toddler, as appropriate); and

"(ii) the other services referred to in the provision for a child with a disability (or a family member of the child, as appropriate).

"(B) PERSON WITH A RELATIONSHIP TO A CHILD WITH A DISABILITY.—If a provision of this section or part C, D, or E refers to a benefit (such as training or research) for a person (such as a parent or education professional) with a relationship to a child with a disability (or a fam-

ily member of the child), and the benefit is provided with respect to services that include early intervention services or services provided under part H, the provision shall be deemed to refer to—

"(i) the benefit, provided with respect to early intervention services or services provided under part H, respectively, for a person with a relationship to an infant or toddler with a disability (or a family member of the infant or toddler, as appropriate); and

"(ii) the benefit, provided with respect to the other services referred to in the provision, for a person with a relationship to a child with a disability (or a family member of the child, as appropriate).

"(2) REFERENCES TO EARLY INTERVENTION RESULTS.—

"(A) CHILD WITH A DISABILITY.—If a provision of this section or part C, D, or E refers to results for a child with a disability, and the results include early intervention results, the provision shall be deemed to refer to—

"(i) early intervention results for an infant or toddler with a disability; and

"(ii) the other results referred to in the provision for a child with a disability.

"(B) PERSON WITH A RELATIONSHIP TO A CHILD WITH A DISABILITY.—If a provision of this section or part C, D, or E refers to a benefit (such as training or research) for a person described in paragraph (1)(B)(ii) that is provided to achieve results for a child with a disability, and the results include early intervention results, the provision shall be deemed to refer to—

"(i) the benefit, provided to achieve early intervention results, for a person with a relationship to an infant or toddler with a disability; and

"(ii) the benefit, provided to achieve other results referred to in the provision, for a person with a relationship to a child with a disability.".

SEC. 107. REPEALS.

(a) PROVISIONS.—Section 605 (20 U.S.C. 1404) and section 607 (20 U.S.C. 1406) are repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

SEC. 108. TRANSITION RULE.

(a) RULE.—The Secretary of Education shall use funds appropriated under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) for fiscal year 1997 to carry out such administrative activities as may be necessary (including activities described in section 610 of such Act (as amended in section 106), the evaluation of applications for financial assistance for fiscal year 1998 under subsection (d)(2) of such section 610 and parts C, D, and E of such Act (as amended in titles III, IV, and V), the selection of recipients for such assistance, and the promulgation of regulations), to ensure the efficient implementation by October 1, 1997, of—

(1) such parts C, D, and E; and

(2) the provisions of part A of such Act that relate to activities carried out under such part C, D, or E, with respect to such activities, and subsection (d)(2) of such section 610.

(b) CONSTRUCTION.—Nothing in this section or the amendments made by section 106 shall be construed to grant the Secretary the authority to provide assistance to any person, prior to October 1, 1997, to carry out any ac-

tivity under section 610(d)(2) of the Individuals with Disabilities Education Act (as amended in section 106) or part C, D, or E (as amended in titles III, IV and V) of such Act.

(c) FISCAL YEARS 1996 AND 1997.—Section 610 of the Individuals with Disabilities Education Act (as in effect on the day before the date of enactment of this Act) shall apply with respect to administrative activities related to the provision of financial assistance for fiscal years 1996 and 1997 under parts C through G of such Act (as in effect on such date).

(d) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

SEC. 109. EFFECTIVE DATE.

Except as provided in section 107, the amendments made by this title shall take effect on October 1, 1997.

TITLE II—ASSISTANCE FOR EDUCATION OF ALL CHILDREN WITH DISABILITIES

SEC. 201. ENTITLEMENTS AND ALLOCATIONS.

(a) WITHIN STATE DISTRIBUTIONS.—Section 611 (20 U.S.C. 1411) is amended—

(1) in the matter immediately following subsection (b)(3)(B), by striking "(c)" and all that fol-

lows through "(1) Of the funds" and inserting the following:

"(c)(1) Of the funds";

(2) in the matter immediately following subsection (c)(1) (as amended by paragraph (1)), by striking "(2)" and all that follows through "(A) From the funds" and inserting the following:

"(2)(A) From the funds"; and

(3) in subsection (c) (as amended by paragraphs (1) and (2))—

(A) in paragraph (1)—

(i) by realigning the margins of subparagraphs (A) and (B) so as to align with clause (i) of paragraph (4)(A); and

(ii) in subparagraph (B)—

(I) by striking "paragraph (4)" and inserting "subsection (d)(3)";

(II) by striking "and intermediate educational units"; and

(III) by striking ", for use in accordance with priorities established under section 612(3)";

(B) in paragraph (2)(A) (as so redesignated by paragraph (2))—

(i) by realigning the margins of clauses (i) and (ii) so as to align with clause (i) of paragraph (4)(A);

(ii) by realigning the margins of subclauses (I) and (II) of clause (ii) so as to align with subclause (I) of subsection (d)(2)(A)(i);

(iii) in clause (i), by striking "administrative costs related to carrying out sections 612 and 613; and" and inserting "the purposes of administering this part;"; and

(iv) in clause (ii)—

(I) in subclause (I), by striking "in accordance with priorities established under section 612(3); and" and inserting a semicolon;

(II) in subclause (II), by striking the period at the end thereof and inserting a semicolon; and

(III) by adding at the end thereof the following:

"(III) to establish and implement the mediation process required by section 615(e); and

"(IV) for activities at the State and local levels to meet the performance goals established by the State under section 612(a)(16); and

"(iii) may use the remainder—

"(I) to develop and implement systems change activities under part C;

"(II) to supplement other funds used to develop and implement a statewide fully integrated and coordinated services system that links education, health, social welfare services, support systems, private entities, and community entities in a manner designed to improve the educational and transitional results for children and families (including children with disabilities and their families), but not to exceed 1 percent of the amount received by the State under this section; or

"(III) for other appropriate activities, at the discretion of the State educational agency, that are consistent with the purposes described in paragraphs (1) and (4) of section 601(c).

The system described in subclause (II) of clause (iii) shall be coordinated with, and to the extent appropriate, support the coordinated, services developed by the State under part H.";

(C) in paragraph (3), by striking "section 613(a)(9)" and inserting "section 612(a)(18)(A)(ii) and (iii)"; and

(D) by striking paragraph (4).

(b) SUBGRANTS.—Section 611(d) (20 U.S.C. 1411(d)) is amended—

(1) in paragraph (1)—

(A) by striking "or intermediate educational unit";

(B) by striking "or unit"; and

(C) by striking "and units"; and

(2) by adding at the end thereof the following new paragraphs:

"(3)(A) A State may elect not to distribute funds to any local educational agency under this section or under section 619 for any fiscal year if the total amount the local educational agency would receive, from the combination of funds under this section and section 619, is less than $7,500.

"(B) When a State elects to use its authority under subparagraph (A), the State shall use the funds that would otherwise be provided to the local educational agency to ensure the provision of a free appropriate public education to children with disabilities residing in the area served by that agency.

"(C) A State's authority under subparagraph (A) does not apply to a State agency that is eligible for a payment under paragraph (2) or section 619(g).

"(4) If a State educational agency determines that a local educational agency is adequately providing a free appropriate public education to all children with disabilities residing in the area served by that agency with State and local funds, the State educational agency may reallocate any portion of the funds under this part that are not needed by that local agency to provide a free appropriate public education to other local educational agencies in the State that are not adequately providing special education and related services to all children with disabilities residing in the areas such other local educational agencies serve.".

(c) OUTLYING AREAS.—Section 611 (20 U.S.C. 1411) is amended—

(1) in the matter immediately following subsection (d), by striking "(e)" and all that follows through "effect)." and inserting the following:

"(e)(1)(A) The jurisdictions to which this subsection applies are the outlying areas as defined in section 602."; and

(2) in paragraph (2)—

(A) by striking "such jurisdictions are so" and inserting "such outlying areas are so";

(B) by striking "such jurisdiction" and inserting "of the outlying areas"; and

(C) by striking "(2) Each jurisdiction" and inserting "(B) Each of the outlying areas";

(3) in paragraph (3)—

(A) by striking "each jurisdiction" and inserting "each of the outlying areas";

(B) by striking "such jurisdiction" and inserting "each of the outlying areas"; and

(C) by striking "(3) The" and inserting "(2) The"; and

(4) by adding at the end thereof the following new paragraph:

"(3) The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a), permitting the consolidation of grants to outlying areas, shall not apply to funds such areas receive under this section.".

(d) SECRETARY OF THE INTERIOR.—Section 611(f) (20 U.S.C. 1411(f)) is amended—

(1) in paragraph (1)—

(A) by striking "for these children" and inserting "for children with disabilities aged 3 through 21, who are enrolled in programs affiliated with the BIA"; and

(B) by striking "aggregate amounts available for all States under this section for that fiscal year" and inserting "amount appropriated under subsection (h) for that fiscal year";

(2) in paragraph (3)—

(A) by striking "an application that—" and inserting "information that—";

(B) in subparagraph (A), to read as follows: "(A) demonstrates that the Department of the Interior meets the appropriate requirements, as determined by the Secretary of Education, of sections 612 (including monitoring and evaluation activities) and 613;";

(C) in subparagraph (D), by striking "section 618(b)(1)" and all that follows through "required in section 618(g)" and inserting "section 618";

(D) in subparagraph (E), by striking "an assurance that, by October 1, 1992, the Secretary of the Interior and the Secretary of Health and Human Services" and all that follows through "memorandum of agreement" and inserting "information that describes the activities undertaken with regard to the memorandum of agreement

between the Secretaries of the Interior and of Health and Human Services"; and

(E) in subparagraph (F)—

(i) by striking "its exercise of" and inserting "the Department of Education's";

(ii) by striking "of this application" and inserting "related to information submitted to the Secretary of Education under this paragraph"; and

(iii) by striking "its duties" and inserting "the duties of the Department of the Interior";

(3) in the matter immediately following paragraph (3)(F), by striking "application." and inserting the following: "information. The Secretary of the Interior shall submit annually to the Secretary of Education a report on the status on the activities described in subparagraphs (A) through (F) that the Secretary of the Interior is carrying out.";

(4) in paragraph (4)—

(A) in subparagraph (A)—

(i) by striking "Beginning with" and all that follows through "under section 611(a) for fiscal year 1992," and inserting

"With funds appropriated under subsection (h),"; and

(ii) by striking "aggregate amounts available for all States under this section" and inserting "amount appropriated under subsection (h)";

(B) in subparagraph (B), to read as follows:

"(B) The Secretary of the Interior shall distribute the total amount of the 0.25 percent under subparagraph (A) by allocating to each tribe or tribal organization an amount based on the number of children with disabilities, aged 3 through 5, residing on reservations as reported annually divided by the total of such children served by all tribes or tribal organizations.";

(C) in subparagraph (D)—

(i) by striking "is encouraged to" and inserting "shall";

(ii) by striking "The above entities" and inserting "The tribe and tribal organization"; and

(iii) by striking "diagnosis" and inserting "diagnosis of the children";

(D) in subparagraph (E)—

(i) by striking "a biennial report" and inserting "an annual report";

(ii) by striking "following the one in which" and inserting "following the year in which";

(iii) by striking "a biennial basis" and inserting "an annual basis"; and

(iv) by striking "under this subsection" and inserting "under paragraph (3)"; and

(E) in subparagraph (F)—

(i) by striking "(where appropriate, intermediate educational units)"; and

(ii) by striking "its divisions and offices" and inserting "any appropriate division or office of the Department of the Interior";

(5) in paragraph (5)—

(A) by striking "January 1, 1992" and inserting "June 1, 1997";

(B) by striking "Committee on Education and Labor" and inserting "Chairman of the Committee on Economic and Educational Opportunities";

(C) by striking "Committee on Labor" and inserting "Chairman of the Committee on Labor";

(D) by striking "interested and involved parties" and inserting "interested and involved parties, including parents of Indian children with disabilities"; and

(E) by striking "interested parties" and inserting "interested agencies, organizations, or individuals"; and

(6) in paragraph (6)—

(A) by striking "sections 613(a)(12) of this Act" and inserting "section 612(a)(20)";

(B) by striking ", within 6 months" and all that follows through "Bureau of Indian Affairs (BIA),";

(C) in subparagraph (A), by striking "children, and youth" and inserting "and children";

(D) in subparagraph (D), by striking "and;" and inserting a semicolon;

(E) in subparagraph (E), by striking the period at the end thereof and inserting "and;"; and

(F) by adding at the end thereof the following new subparagraph:

"(F) prepare a status report on the educational and transitional results for Indian children with dis-

abilities, to be submitted to the Secretary of the Interior on January 2, 1997.".

(e) REPORTING DATES FOR FUNDING ESTIMATES.—Section 611(g) (20 U.S.C. 1411(g)) is amended—

(1) in paragraph (1)(C)(i), by striking "and intermediate educational units"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "or intermediate educational unit"; and

(B) in subparagraph (B)—

(i) by striking "and intermediate educational units" each place it appears; and

(ii) by striking "or unit" each place it appears.

(f) CHILD COUNT.—Section 611(a)(3) is amended by striking "December 1" and inserting "the last Friday of October or December 1".

SEC. 202. STATE ELIGIBILITY.

Section 612 (20 U.S.C. 1412) is amended to read as follows:

"SEC. 612. STATE ELIGIBILITY.

"(a) IN GENERAL.—A State is eligible for assistance under this part for any fiscal year if the State demonstrates to the satisfaction of the Secretary that the State has in

effect policies and procedures to ensure that the State meets each of the following conditions:

"(1) FREE APPROPRIATE PUBLIC EDUCATION.—

"(A) IN GENERAL.—A free appropriate public education is available to all children with disabilities aged 3 through 21 who are residing in the State.

"(B) APPLICABILITY.—Subparagraph (A) does not apply with respect to children aged 3 through 5 and 18 through 21 in a State to the extent that the application of such subparagraph to such children would be inconsistent with State law or practice, or the order of any court, respecting the provision of public education to children in such age ranges.

"(2) FULL EDUCATIONAL OPPORTUNITY GOAL.—The State has established a goal of providing full educational opportunity to all children with disabilities and a detailed timetable for accomplishing the goal.

"(3) CHILD FIND.—

"(A) IN GENERAL.—All children with disabilities residing in the State are identified, located, and evaluated, regardless of the severity of the disability of the children.

"(B) CONSTRUCTION.—Nothing in this Act requires that children be classified by their disability so long as each child who has a disability listed in section 602(a)(4)(A)(i) and who, by reason of that disability, needs special education and related services is regarded as a child with a disability under this part.

"(4) INDIVIDUALIZED EDUCATION PROGRAM.—An individualized education program (or an individualized family service plan that meets the content requirements of section 677(d)) is developed, reviewed, and revised in accordance with subsections (d) through (i) of section 614.

"(5) LEAST RESTRICTIVE ENVIRONMENT.—

"(A) IN GENERAL.—To the maximum extent appropriate, children with disabilities (including children in public or private institutions or other care facilities) are educated with children who are not disabled, and special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature or severity of a child's disability is such that education in regular classes with the use of special education and related services and supplementary

aids and services cannot be achieved satisfactorily.

"(B) FUNDING.—

"(i) IN GENERAL.—If the State uses a funding mechanism by which the State distributes State funds on the basis of the type of setting in which a child is served, the funding mechanism does not result in placements that violate the requirements of subparagraph (A).

"(ii) ASSURANCE.—If the State does not have policies and procedures to ensure compliance with clause (i), the State shall provide the Secretary with an assurance that the State will revise the funding mechanism used by the State as soon as feasible to ensure that the funding mechanism does not result in such placements.

"(C) DISPROPORTIONALITY.—

"(i) IN GENERAL.—Data are examined by the State educational agency to determine if significant racial disproportionality is occurring in the identification of children as children with disabilities (including the classification of such children according to

a particular impairment described in section 602(a)(4)) or in the placement of such children in particular types of settings.

"(ii) REVIEW AND REVISION OF POLICIES.—In the case of an occurrence described in clause (i), the placement and evaluation policies, procedures, and practices are reviewed and, if appropriate, revised, to ensure that such policies, procedures, and practices comply with the requirements of this Act.

"(6) PROCEDURAL SAFEGUARDS.—Children with disabilities and their parents are afforded the procedural safeguards required by section 615 and 615A.

"(7) EVALUATION.—Children with disabilities are evaluated in accordance with subsections (a) through (c) of section 614.

"(8) CONFIDENTIALITY.—Agencies in the State comply with section 617(c), relating to the confidentiality of records and information.

"(9) TRANSITION FROM PART H TO PRESCHOOL PROGRAMS.—

"(A) IN GENERAL.—Children who are participating in early intervention programs under part H and who will participate in preschool

programs assisted under this part, are provided an effective transition to such preschool programs.

"(B) TRANSITION PLANNING.—Local educational agency personnel will participate in transition planning conferences convened by the designated or established lead agency under section 678(a)(8)(A)(ii)(II).

"(C) INDIVIDUALIZED EDUCATION PROGRAM; INDIVIDUALIZED FAMILY SERVICE PLAN.—By the third birthday of a child who participates in the programs described in subparagraph (A), an individualized education program or, if consistent with section 614(d)(1)(B) or 677(d), an individualized family service plan, has been developed and is being implemented.

"(10) CHILDREN IN PRIVATE SCHOOLS.—

"(A) CHILDREN PLACED IN PRIVATE SCHOOLS BY THEIR PARENTS.—To the extent consistent with the number and location of children with disabilities in the State who are enrolled by their parents in private elementary and secondary schools, provision is made for the participation of such children in the program assisted or carried out under this part by pro-

viding special education and related services for such children.

"(B) CHILDREN PLACED IN, OR REFERRED TO, PRIVATE SCHOOLS BY PUBLIC AGENCIES.—

"(i) IN GENERAL.—Children with disabilities in private schools and facilities are provided special education and related services, in accordance with individualized education programs, at no cost to their parents, if such children are placed in, or referred to, such schools or facilities by the State or a local educational agency in order to comply with this part or with any other law requiring the provision of special education and related services to all children with disabilities in the State.

"(ii) STANDARDS.—In all cases described in clause (i), children with disabilities are placed in, or referred to, only private schools and facilities that meet standards that apply to State and local educational agencies, and children with disabilities served in such schools and facilities have all the rights such children would have if served by such agencies.

"(C) PAYMENT FOR EDUCATION OF CHILDREN PLACED IN PRIVATE SCHOOLS WITHOUT CONSENT OF OR REFERRAL BY THE PUBLIC AGENCY.—

"(i) IN GENERAL.—Subject to subparagraph (A), this part does not require a local educational agency to pay for the cost of education, including special education and related services, of a child with a disability at a private school or facility if that agency made a free appropriate public education available to the child and the parents elected to place the child in such private school or facility.

"(ii) LIMITATION ON REIMBURSEMENT FOR SERVICES.—If, as a result of mediation described in section 615(e), or as a result of a decision rendered under the procedural safeguards of section 615, the parents of a child with a disability who previously received special education and related services under the authority of a local educational agency enroll their child in a private elementary or secondary school without the consent of, or a referral by the local edu-

cational agency, any reimbursement for the cost of that enrollment that the local educational agency may otherwise be required to make to the parents may be reduced or denied—

"(I) if, 10 business days (including any holidays that occur on a business day) prior to the removal of the child from the public school, the parents do not provide a written statement rejecting the placement proposed by the local educational agency to provide a free appropriate public education to the child; or

"(II) upon a judicial finding of unreasonableness with respect to actions taken by the parents.

"(11) SEA RESPONSIBLE FOR GENERAL SUPERVISION.—

"(A) IN GENERAL.—The State educational agency is responsible for ensuring the following:

"(i) REQUIREMENTS.—The requirements of this part are carried out.

"(ii) EDUCATIONAL PROGRAMS.—All educational programs for children with dis-

abilities in the State, including all such programs administered by any other State or local agency, are under the general supervision of the persons in the State educational agency who are responsible for educational programs for children with disabilities and meet educational standards of the State educational agency.

"(B) SPECIAL RULE.—Subparagraph (A) shall not be construed as limiting the obligations of agencies other than educational agencies to provide, or pay for some or all of the costs of, a free appropriate public education for any child with a disability in the State.

"(12) OBLIGATIONS RELATED TO AND METHODS OF ENSURING SERVICES.—

"(A) ESTABLISHING RESPONSIBILITY FOR SERVICES.—The Chief Executive Officer of the State or designee of the Chief Executive Officer shall ensure that an interagency agreement or other mechanism for interagency coordination is in effect between each public agency described in subparagraph (B) and the appropriate educational agency within the State, in order to ensure that all services described in subparagraph

(B)(i) that are needed to ensure a free appropriate public education are provided, including the provision of such services during the pendency of any dispute under clause (iii). Such agreement or mechanism shall include the following:

"(i) AGENCY FINANCIAL RESPONSIBILITY.—An identification of, or a method for defining, the financial responsibility of each agency for providing all services described in subparagraph (B)(i) to ensure a free appropriate public education to children with disabilities provided that the financial responsibility of each public agency described in subparagraph (B) including the State Medicaid agency, and other public or private insurers of children with disabilities (if the filing of claims with such insurers is voluntary on the part of the parents) shall precede the financial responsibility of the local educational agency (or the State agency responsible for developing the child's IEP).

"(ii) CONDITIONS, TERMS, AND PROCEDURES OF REIMBURSEMENT.—The condi-

tions, terms, and procedures under which a local educational agency shall be reimbursed by other agencies.

"(iii) INTERAGENCY DISPUTES.—Procedures for resolving interagency disputes (including procedures under which local educational agencies may initiate proceedings) under the agreement or other mechanism to secure reimbursement from other agencies or otherwise implement the provisions of the agreement or mechanism.

"(iv) COORDINATION OF SERVICES PROCEDURES.—Policies and procedures for agencies to determine and identify the interagency coordination responsibilities of each agency to promote the coordination and timely delivery of services described in subparagraph (A)(i).

"(B) OBLIGATION OF PUBLIC AGENCY.—

"(i) IN GENERAL.—If any public agency other than an educational agency is otherwise obligated under Federal or State law, or assigned responsibility under State policy or under subparagraph (A), to provide or pay for any services that are also consid-

ered as special education or related services (such as, but not limited to, services described in sections 602(a)(1) relating to assistive technology devices, 602(a)(2) relating to assistive technology services, 602(a)(24) relating to related services, 602(a)(31) relating to supplementary aids and services, and section 602(a)(33) relating to transition services) that are necessary for ensuring a free appropriate public education to children with disabilities within the State, such public agency shall fulfill that obligation or responsibility, either directly or through contract or other arrangement.

"(ii) REIMBURSEMENT FOR SERVICES BY PUBLIC AGENCY.—In a case in which a public agency other than an educational agency fails to fulfill the agency's financial responsibility described in subparagraph (A)(i) to provide or pay for the special education or related services described in clause (i) for children with disabilities and the local educational agency (or State agency responsible for developing the child's IEP)

provides or pays for such services to such children, the local educational agency (or State agency responsible for developing the child's IEP) may claim reimbursement from such public agency for such services. Such public agency shall reimburse the local educational agency (or State agency responsible for developing the child's IEP) pursuant to the terms of the interagency agreement or other mechanism in effect under subparagraph (A)(i) according to the procedures established pursuant to subparagraph (A)(ii).

"(C) SPECIAL RULE.—The requirements of subparagraph (A) may be met through—

"(i) State statute or regulation;

"(ii) signed agreements between respective agency officials that clearly identify the responsibilities of each agency relating to the provision of services; or

"(iii) other appropriate methods as determined by the Chief Executive Officer of the State or designee of the Chief Executive Officer.

"(13) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—The State educational agency will not make a final determination that a local educational agency is not eligible for assistance under this part without first affording the local educational agency reasonable notice and an opportunity for a hearing.

"(14) COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.—The State has in effect, consistent with the purposes of this Act and with section 676(b)(8), a comprehensive system of personnel development that is designed to ensure an adequate supply of qualified special education and related services personnel necessary to carry out this part and that includes the following:

"(A) STATEWIDE DATA.—Statewide data that include the number of personnel providing special education and related services, and of that number, the number of individuals with temporary certification, and the number of vacancies.

"(B) PERSONNEL DEVELOPMENT PLAN.—A personnel development plan that meets the following requirements:

"(i) CONSULTATIONS.—The plan is developed in consultation with parents of chil-

dren with disabilities, State and local educational agencies, institutions of higher education, and professional associations.

"(ii) PERSONNEL.—The plan addresses or includes the following:

"(I) PERSONNEL NEEDS.—The current and projected needs for special education and related services personnel throughout the State.

"(II) SERVICE PREPARATION OF PERSONNEL.—The plan addresses the need for the preservice and inservice preparation of personnel throughout the State, including regular education, special education, and related services personnel, to provide educational and related services to children with disabilities.

"(III) RECRUITMENT.—The plan includes a system or procedures for recruiting, preparing, and retaining qualified personnel, including personnel with disabilities and personnel from groups that are underrepresented

in the field of special education and related services.

"(IV) INTEGRATION WITH OTHER PLANS.—The plan is integrated, to the maximum extent possible, with other professional development plans and activities, including plans and activities developed or carried out under other Federal law and State law that address personnel recruitment and training.

"(iii) REVISION.—The plan is revised every 3 years.

"(15) PERSONNEL STANDARDS.—The State educational agency has established policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out the purposes of this part are appropriately and adequately prepared and trained, including the following:

"(A) STANDARDS.—The establishment and maintenance of standards that are consistent with any State approved or recognized certification, licensing, registration, or other comparable requirements that apply to the area in

which such personnel are providing special education or related services.

"(B) RETRAINING AND HIRING.—To the extent such standards described in subparagraph (A) are not based on the highest requirements in the State applicable to a specific profession or discipline, the State is carrying out measures to require the retraining or hiring of personnel that meet appropriate professional requirements in the State.

"(C) USE OF PARAPROFESSIONALS.—Nothing in this Act, including subparagraphs (A) and (B), prohibits the use of paraprofessionals who are appropriately trained and supervised by qualified personnel (in accordance with State law, regulations, or written policy), in meeting the requirements of this part.

"(16) PERFORMANCE GOALS AND INDICATORS.—

"(A) GOALS.—The State has established goals for the performance of children with disabilities in the State that are consistent with the purposes of section 601(c)(1) and that are consistent, to the maximum extent appropriate, with other goals and standards established by the State.

"(B) PERFORMANCE INDICATORS.—The State has established performance indicators that the State will use to assess the progress toward achieving the goals described in subparagraph (A) and that, at a minimum, address the performance of children with disabilities on assessments and the dropout rates and graduation rates of such children.

"(C) REPORT.—The State will report every 2 years to the Secretary and the public on the progress of the State, and of children with disabilities in the State, toward meeting the goals established under subparagraph (A).

"(17) PARTICIPATION IN ASSESSMENTS.—

"(A) ASSESSMENTS.—

"(i) STATE AND DISTRICTWIDE ASSESSMENTS.—Children with disabilities are included in general State and districtwide assessment programs, with appropriate accommodations, where necessary.

"(ii) ALTERNATE ASSESSMENTS.—The State educational agency or local educational agency, as appropriate, will develop guidelines for the participation of children with disabilities in alternate as-

sessments for such children who cannot participate in State and districtwide assessment programs and as soon as feasible, but not later than July 1, 1999, will conduct such alternate assessments.

"(B) PUBLIC INFORMATION.—The State educational agency shall, as soon as feasible, but not later than July 1, 2000, make reports to the public, with the same frequency and in the same detail as the State makes reports on the assessment of nondisabled children, on the following information with respect to children with disabilities:

"(i) REGULAR ASSESSMENTS.—The number of children with disabilities participating in regular assessments.

"(ii) ALTERNATE ASSESSMENTS.—The number of such children participating in alternate assessments.

"(iii) PERFORMANCE.—The performance of children with disabilities on regular assessments and on alternate assessments when doing so meets generally accepted professional standards and would not result in

the disclosure of performance results identifiable to individual children.

"(18) USE OF FUNDS.—

"(A) IN GENERAL.—

"(i) EXPENDITURES.—Funds paid to the State under this part will be expended in accordance with all provisions of this part.

"(ii) NONCOMMINGLING.—The funds described in clause (i) will not be commingled with State funds.

"(iii) SUPPLEMENT—NOT SUPPLANT.—Except as provided in subparagraph (B), the funds described in clause (i) will be used to supplement State, local, and other Federal funds (including funds not under the direct control of State or local educational agencies) expended for special education and related services, and not to supplant such funds.

"(B) WAIVER.—The Secretary may waive, in part, the requirements of clause (iii) of subparagraph (A) if the Secretary determines that the State has provided clear and convincing evidence that all children with disabilities in the

State have available a free appropriate public education.

"(19) PUBLIC PARTICIPATION.—Prior to the adoption of any policies and procedures needed to comply with this section (including any amendments to such policies and procedures), there are public hearings, adequate notice of the hearings, and an opportunity for comment available to the general public, including individuals with disabilities and parents of children with disabilities. In a case in which policies and procedures have been developed by a State educational agency or through a State legislative hearing and comment process that provides an opportunity for comment by the general public prior to the adoption of any policies and procedures by the State, no further public review or public comment period is required.

"(20) STATE ADVISORY PANEL.—

"(A) IN GENERAL.—The State has an advisory panel, appointed by the Governor or any other official authorized under State law to make such appointments, that is representative of the State population and that is composed of individuals involved in, or concerned with, the edu-

cation of children with disabilities, including the following:

"(i) Parents of children with disabilities.

"(ii) Individuals with disabilities.

"(iii) Teachers.

"(iv) Representatives of institutions of higher education that prepare special education and related services personnel.

"(v) State and local education officials.

"(vi) Administrators of programs for children with disabilities.

"(vii) Representatives of other State agencies involved in the financing or delivery of related services to children with disabilities.

"(viii) At least one representative of a vocational, community, or business organization concerned with the provision of transition services to children with disabilities.

"(ix) Any other individual, as determined by the State educational agency.

"(B) DUTIES.—The advisory panel shall carry out the following duties:

"(i) Advise the State educational agency of unmet needs within the State in the education of children with disabilities.

"(ii) Comment publicly on any rules or regulations proposed by the State regarding the following:

"(I) The education of children with disabilities.

"(II) The procedures for distribution of funds received by the State under this part.

"(iii) Advise the State educational agency with respect to developing evaluations and reporting on data to the Secretary under section 618.

"(iv) Advise the State educational agency with respect to developing corrective action plans to address findings identified in Federal monitoring reports under this part.

"(v) Advise the State educational agency with respect to developing and implementing policies relating to the coordination of services for children with disabilities.

"(C) CONSOLIDATION OF PANELS.—Any State panel that meets the requirement of section 306 of the Goals 2000: Educate America Act (20 U.S.C. 5886), or any committee of practitioners created under section 1603(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6513(b)), may also serve as the State advisory panel under this part if such State panel or committee meets the requirements of this part.

"(b) STATE EDUCATIONAL AGENCY AS PROVIDER OF SERVICES.—If a State educational agency provides free appropriate public education to children with disabilities, or provides such children direct services, the State educational agency—

"(1) shall comply with any additional requirements of section 613(a) as if the State educational agency were a local educational agency; and

"(2) may use funds that are otherwise available to the State educational agency under this part to serve such children without regard to section 613(a)(3)(B) relating to excess costs.

"(c) SUBMISSION OF ELIGIBILITY INFORMATION.—

"(1) SUBMISSION OF INFORMATION.—Except as provided in paragraph (2), a State that wishes to establish its eligibility under this section shall submit

to the Secretary such information as the Secretary may reasonably require.

"(2) EXISTING INFORMATION ON POLICIES AND PROCEDURES.—If a State has on file with the Secretary policies and procedures that demonstrate that the State meets any requirement of this section, including any policies and procedures filed under this part as in effect prior to the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, the Secretary shall consider the State as meeting that requirement.

"(3) MODIFICATIONS OF POLICIES AND PROCEDURES.—The Secretary may require a State to submit additional eligibility information if the State modifies the policies and procedures that the State has filed with the Secretary consistent with paragraphs (1) and (2).

"(d) SECRETARIAL APPROVAL.—

"(1) IN GENERAL.—If the Secretary determines that a State is eligible under this section, the Secretary shall notify the State of the determination.

"(2) LIMITATIONS.—The Secretary shall make a final determination that a State is not eligible under this section only after providing the State—

"(A) reasonable notice; and

"(B) an opportunity for a hearing.

"(e) ASSISTANCE UNDER OTHER FEDERAL PROGRAMS.—Nothing in this Act shall be construed to permit a State to reduce medical and other assistance available, or to alter eligibility, under titles V and XIX of the Social Security Act with respect to the provision of a free appropriate public education for children with disabilities within the State.

"(f) BYPASS FOR CHILDREN IN PRIVATE SCHOOLS.—

"(1) IN GENERAL.—If, on the date of enactment of the Education of the Handicapped Act Amendments of 1983, a State educational agency was prohibited by law from providing for the participation in special programs of children with disabilities enrolled in private elementary and secondary schools as required by subsection (a)(10)(A), the Secretary shall waive such requirement, and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of subsection (a)(10)(A).

"(2) FUNDING.—

"(A) IN GENERAL.—When the Secretary arranges for services pursuant to this subsection, the Secretary, after consultation with the appropriate public and private school officials, shall

pay to the provider of such services an amount per child that does not exceed the amount determined by dividing—

"(i) the total amount received by the State under this part; by

"(ii) the number of children with disabilities served by the State in the preceding year as reported to the Secretary under section 618.

"(B) WITHHOLDING OF FUNDS.—Pending final resolution of any investigation or complaint that could result in a determination under this subsection that the State is prohibited from complying with subsection (a)(10)(A) by State law, the Secretary may withhold from the allocation of the affected State educational agency the amount the Secretary estimates would be necessary to pay the cost of such services.

"(C) DETERMINATIONS BY THE SECRETARY.—Any determination by the Secretary under this subsection shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State educational agency to meet the requirements of subsection (a)(10)(A).

"(3) FINAL ACTION.—

"(A) OBJECTIONS.—The Secretary may not take any final action under this subsection until the State educational agency affected by such action has had an opportunity, for at least 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why such action should not be taken.

"(B) PETITION FOR REVIEW.—If a State educational agency is dissatisfied with the Secretary's final action after a proceeding under subparagraph (A), the State educational agency may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the Secretary's action, as provided in section 2112 of title 28, United States Code.

"(C) FINDINGS.—The findings of fact by the Secretary, if supported by substantial evidence,

shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary may thereupon make new or modified findings of fact and may modify the Secretary's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(D) COURT'S ACTION.—Upon the filing of a petition under subparagraph (B), the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".

SEC. 203. LOCAL EDUCATIONAL AGENCY AND STATE AGENCY ELIGIBILITY.

Section 613 (20 U.S.C. 1413) is amended to read as follows:

"SEC. 613. LOCAL EDUCATIONAL AGENCY AND STATE AGENCY ELIGIBILITY.

"(a) IN GENERAL.—A local educational agency is eligible for assistance under this part for any fiscal year if

the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency meets each of the following conditions:

"(1) CONSISTENCY WITH STATE POLICIES.—The local educational agency, in providing for the education of children with disabilities within the jurisdiction of the local educational agency, has in effect policies, procedures, and programs that are consistent with the State policies and procedures established under section 612 with respect to the following:

"(A) The availability of a free appropriate public education under section 612(a)(1).

"(B) The goal of providing full educational opportunity to all children with disabilities under section 612(a)(2).

"(C) The identification, location, and evaluation of children with disabilities under section 612(a)(3).

"(D) Individualized education programs under section 612(a)(4).

"(E) Education of children in the least restrictive environment under section 612(a)(5).

"(F) Procedural safeguards under section 612(a)(6).

"(G) Evaluation under section 612(a)(7).

"(H) Confidentiality under section 612(a)(8).

"(I) Transition of children from early intervention programs under part H to preschool programs under section 612(a)(9).

"(J) Children in private schools under section 612(a)(10).

"(2) COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.—The local educational agency, to the extent appropriate, contributes to and uses the State's comprehensive system of personnel development established under section 612(a)(14).

"(3) USE OF FUNDS.—Funds provided to the local educational agency under this part will be expended or used in the following manner:

"(A) EXPENDITURES.—Funds will be expended in accordance with the applicable provisions of this part.

"(B) EXCESS COSTS.—Funds will be used only to pay the excess costs of providing special education and related services to children with disabilities.

"(C) SUPPLEMENT—NOT SUPPLANT.—Funds will be used to supplement State, local,

and other Federal funds and not to supplant such funds.

"(D) LEVEL OF EXPENDITURES.—Except as provided in subparagraph (E), funds will not be used to reduce the level of expenditures for the education of children with disabilities made by the local educational agency from State or local funds below the level of such expenditures for the preceding fiscal year.

"(E) EXCEPTION.—Notwithstanding the limitation in subparagraph (D), a local educational agency may reduce the level of expenditures for the education of children with disabilities if such reduction is the result of—

"(i) the voluntary departure, by retirement or otherwise, of special education personnel who are paid at or near the top of the agency's salary scale;

"(ii) decreases in enrollment of children with disabilities;

"(iii) the end of the agency's obligation, consistent with this part, to provide an exceptionally costly program of special education to a particular child with a disability because the child—

"(I) has left the agency's jurisdiction;

"(II) has reached the age at which the agency's obligation to provide a free appropriate public education to the child terminates; or

"(III) no longer needs the program; or

"(iv) the termination of unusually large expenditures for such long-term purposes as the acquisition of equipment and the construction of school facilities.

"(4) PERMISSIVE USE OF FUNDS.—Notwithstanding paragraph (3)(B) or section 612(a)(18)(A)(ii) (relating to commingled funds), funds provided to the local educational agency under this part may be used for the following activities:

"(A) SERVICES AND AIDS THAT ALSO BENEFIT NONDISABLED CHILDREN.—For the costs of special education and related services and supplementary aids and services provided in a regular class to a child with a disability in accordance with the individualized education program of the child, even if one or more nondisabled children benefit from such services.

"(B) SERVICES AND AIDS THAT ALSO BENEFIT OTHER DISABLED CHILDREN.—For the costs of special education and related services and supplementary aids and services provided to a child with a disability in accordance with the individualized education program of the child, even if one or more children with disabilities who are protected by section 504 of the Rehabilitation Act of 1973 and title II of the Americans with Disabilities Act of 1990 benefit from such services.

"(C) INTEGRATED AND COORDINATED SERVICES SYSTEM.—To develop and implement a fully integrated and coordinated services system in accordance with subsection (f).

"(D) SCHOOL-BASED IMPROVEMENT PLAN.—To design, implement, and evaluate a school-based improvement plan (in accordance with subsection (g)) that is consistent with the purposes described in part C and that is designed to improve educational and transitional results for all children with disabilities and, as appropriate, other children consistent with subparagraphs (A) and (B).

"(b) SUBMISSION OF INFORMATION; PRIOR LOCAL EDUCATIONAL AGENCY APPLICATIONS.—

"(1) SUBMISSION OF INFORMATION.—Except as provided in paragraph (2), a local educational agency that desires to establish its eligibility under this section shall submit to the State educational agency information demonstrating that the local educational agency meets the requirements of subsection (a).

"(2) EXISTING INFORMATION ON POLICIES AND PROCEDURES.—If a local educational agency has on file with the State educational agency policies and procedures that meet any requirement of this section, including any policies, procedures, or applications filed under this part as in effect before the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, the State educational agency may consider the local educational agency as meeting such requirement.

"(3) MODIFICATIONS OF POLICIES AND PROCEDURES.—The State educational agency may require a local educational agency to submit additional eligibility information if the local educational agency modifies the policies and procedures that the local educational agency has filed with the State edu-

cational agency consistent with paragraphs (1) and (2).

"(c) STATE EDUCATIONAL AGENCY APPROVAL.—

"(1) DETERMINATION.—

"(A) IN GENERAL.—If the State educational agency determines that a local educational agency or State agency under subsection (i) is eligible under this section, the State educational agency shall notify the agency of the determination.

"(B) LIMITATION ON STATE NOTIFICATION.—A State educational agency may not give the notice to an agency described under subparagraph (A) until the Secretary has notified the State educational agency that the State is eligible under section 612.

"(2) LIMITATION ON FINAL DETERMINATION.—The State educational agency may not make a final determination that a local educational agency or State agency under subsection (i) is not eligible under this section until after providing the local educational or State agency—

"(A) reasonable notice; and

"(B) an opportunity for a hearing.

"(d) LOCAL EDUCATIONAL AGENCY AND STATE AGENCY COMPLIANCE.—

"(1) IN GENERAL.—If the State educational agency, after reasonable notice and an opportunity for a hearing, finds that a local educational agency or State agency described in subsection (i) that has been found eligible under this section is not in compliance with any of the eligibility requirements described in subsection (a), the State educational agency shall make no further payments to the local educational agency or State agency under section 620 until the State educational agency has determined that the agency is complying with the eligibility requirements described in subsection (a).

"(2) NOTIFICATION OF PENDENCY OF ACTION.—Section 616(a) with respect to notification of a pending action shall apply to any agency that receives a notice from the State educational agency under this subsection.

"(3) ADVERSE DECISIONS.—In carrying out its responsibilities under paragraph (1), the State educational agency shall consider any decision made in a hearing held under section 615 that is adverse to the local educational agency or State agency involved in that decision.

"(e) JOINT ESTABLISHMENT OF ELIGIBILITY.—

"(1) IN GENERAL.—A local educational agency may join with another local educational agency to meet the eligibility requirements of this section if the State educational agency determines that the local educational agency would be ineligible under this section because the local educational agency—

"(A) would not be able to establish and maintain programs of sufficient size and scope to effectively meet the needs of children with disabilities; or

"(B) does not qualify for the minimum grant under section 611(d)(3)(A), if the State elects to use its authority under such section.

"(2) REQUIREMENTS.—

"(A) FUNDING.—If a local educational agency joins with another local educational agency to meet the eligibility requirements under paragraph (1), the total amount of funds made available to the affected local educational agencies shall equal the sum of the payments that each such local educational agency would have received under section 611(c) if such local agencies were eligible for such payments.

"(B) POLICIES AND PROCEDURES AND ADMINISTRATION OF PROGRAMS.—Local edu-

cational agencies that establish joint eligibility under this subsection shall—

"(i) adopt policies and procedures that are consistent with the State's policies and procedures under section 612(a); and

"(ii) be jointly responsible for implementing programs receiving assistance under this part.

"(C) EDUCATIONAL SERVICE AGENCY.—

"(i) IN GENERAL.—If an educational service agency is required by State law to carry out this part, the joint responsibilities given to local educational agencies under subparagraph (B)(ii) shall—

"(I) not apply to the administration and disbursement of any payments received by that service agency; and

"(II) be carried out only by that service agency.

"(ii) SPECIAL RULE.—Nothing in this subsection relieves an educational service agency of its responsibility to provide for the education of children with disabilities in the least restrictive environment, as re-

quired by section 612(a)(5) and subsection (a)(1)(E).

"(f) COORDINATED SERVICES SYSTEM.—

"(1) IN GENERAL.—A local educational agency may use not more than 5 percent of the amount the agency receives under this part for any fiscal year, in combination with other funds (which shall include funds other than education funds), to develop and implement a fully integrated and coordinated service system that links education, health, social welfare services, support systems, private entities, and other community entities in a manner designed to improve educational and transitional results for all children and their families, including all children with disabilities and their families.

"(2) PERMISSIBLE ACTIVITIES.—Activities that a local educational agency may carry out under this subsection include—

"(A) improving the effectiveness and efficiency of service delivery, including developing strategies that promote accountability for the educational and transitional results;

"(B) service coordination and case management that facilitate the linkage of individualized education programs under this part and individ-

ualized family service plans under part H with individualized service plans under other Federal and State programs, such as title I of the Rehabilitation Act of 1973 (vocational rehabilitation), title XIX of the Social Security Act (Medicaid), and title XVI of the Social Security Act (Supplemental Security Income);

"(C) developing and implementing interagency financing strategies for the provision of education, health, mental health, and social services, including transition services and related services under this Act; and

"(D) interagency personnel development for the persons involved in the delivery of coordinated services.

"(3) LIMITATION ON USE OF FUNDS.—If a local educational agency is carrying out a coordinated services project under title XI of the Elementary and Secondary Education Act of 1965 and a coordinated services project under this part in the same schools, the local educational agency shall use funds under this subsection in accordance with that title.

"(g) SCHOOL-BASED IMPROVEMENT PLAN.—

"(1) IN GENERAL.—Each local educational agency may, in accordance with paragraph (2), use funds

made available under this part to permit a public school within the jurisdiction of the local educational agency to design, implement, and evaluate a school-based improvement plan that is consistent with the purposes described in part C and that is designed to improve educational and transitional results for all children with disabilities and, as appropriate, for other children consistent with subsection (a)(4) (A) and (B) in such public school.

"(2) AUTHORITY.—

"(A) IN GENERAL.—A State educational agency may grant authority to a local educational agency to permit a public school described in paragraph (1) (through a school-based standing panel established under paragraph (4)(B)) to design, implement, and evaluate a school-based improvement plan described in paragraph (1) for a period not to exceed 3 years.

"(B) RESPONSIBILITY OF LOCAL EDUCATIONAL AGENCY.—If a State educational agency grants the authority described in subparagraph (A), a local educational agency that is granted such authority shall have the sole responsibility of oversight of all activities relating to the design, implementation, and evaluation of

any school-based improvement plan that a public school is permitted to design under this subsection.

"(3) PLAN REQUIREMENTS.—A school-based improvement plan described in paragraph (1) shall—

"(A) be designed to be consistent with the purposes described in part C and to improve educational and transitional results for all children with disabilities and, as appropriate, for other children consistent with subsection (a)(4)(A) and (B), who attend the school for which the plan is designed and implemented;

"(B) be designed, evaluated, and, as appropriate, implemented by a school-based standing panel established in accordance with paragraph (4)(B);

"(C) include goals and measurable indicators to assess the progress of the public school in meeting such goals; and

"(D) ensure that all children with disabilities receive the same level of services described in the individualized education programs of such children.

"(4) RESPONSIBILITIES OF THE LOCAL EDUCATIONAL AGENCY.—A local educational agency that

is granted authority under paragraph (2) to permit a public school to design, implement, and evaluate a school-based improvement plan shall—

"(A) select each school under the jurisdiction of such agency that is eligible to design, implement, and evaluate such a plan;

"(B) require each school selected under subparagraph (A), in accordance with criteria established by such local educational agency under subparagraph (C), to establish a school-based standing panel to carry out the duties described in paragraph (3)(B);

"(C) establish—

"(i) criteria that shall be used by such local educational agency in the selection of an eligible school under subparagraph (A);

"(ii) criteria that shall be used by a public school selected under subparagraph (A) in the establishment of a school-based standing panel to carry out the duties described in paragraph (3)(B) and that shall ensure that the membership of such panel reflects the diversity of the community in which the public school is located and includes, at a minimum—

"(I) parents of children with disabilities who attend such public school, including parents of children with disabilities from unserved and underserved populations, as appropriate;

"(II) special education and general education teachers of such public school;

"(III) special education and general education administrators, or the designee of such administrators, of such public school; and

"(IV) related services providers who are responsible for providing services to the children with disabilities who attend such public school; and

"(iii) criteria that shall be used by such local educational agency with respect to the distribution of funds under this part to carry out this subsection;

"(D) disseminate the criteria established under subparagraph (C) to local school district personnel and local parent organizations within the jurisdiction of such local educational agency;

"(E) require a public school that desires to design, implement, and evaluate a school-based improvement plan to submit an application at such time, in such manner, and accompanied by such information as such local educational agency shall reasonably require; and

"(F) establish procedures for approval by such local educational agency of a school-based improvement plan designed under this subsection.

"(5) LIMITATION.—A school-based improvement plan described in paragraph (1) may be submitted to a local educational agency for approval only if a consensus with respect to any matter relating to the design, implementation, or evaluation of the goals of such plan is reached by the school-based standing panel that designed such plan.

"(6) ADDITIONAL REQUIREMENTS.—

"(A) PARENTAL INVOLVEMENT.—In carrying out the requirements of this subsection, a local educational agency shall ensure that the parents of children with disabilities are involved in the design, evaluation, and, where appropriate, implementation of school-based improvement plans in accordance with this subsection.

"(B) PLAN APPROVAL.—A local educational agency may approve a school-based improvement plan of a public school within the jurisdiction of such agency for a period of 3 years, if—

"(i) the approval is consistent with the policies, procedures, and practices established by such local educational agency and in accordance with this subsection; and

"(ii) a majority of parents of children who are members of the school-based standing panel, and a majority of other members of the school-based standing panel, that designed such plan agree in writing to such plan.

"(7) EXTENSION OF PLAN.—If a public school within the jurisdiction of a local educational agency meets the applicable requirements and criteria described in paragraphs (3) and (4) at the expiration of the 3-year approval period described in paragraph (6)(B), such agency may approve a school-based improvement plan of such school for an additional 3-year period.

"(h) DIRECT SERVICES BY THE STATE EDUCATIONAL AGENCY.—

"(1) IN GENERAL.—A State educational agency shall use the payments that would otherwise have been available to a local educational agency or to a State agency described in subsection (i) to provide special education and related services directly to children with disabilities residing in the area served by that local agency, or for whom that State agency is responsible, if the State educational agency determines that—

"(A) the local educational agency or the State agency—

"(i) has not provided the information needed to establish the eligibility of the local educational agency or the State agency under this section; or

"(ii) is unable or unwilling to establish and maintain programs of free appropriate public education that meet the requirements of subsection (a); or

"(B) the local educational agency—

"(i) is unable or unwilling to be consolidated with other local educational agencies in order to establish and maintain such programs; or

"(ii) has one or more children with disabilities who can best be served by a regional or State program or service delivery system designed to meet the needs of such children.

"(2) METHOD OF PROVISION OF SERVICES.—The State educational agency may provide special education and related services under paragraph (1) in such manner and at such locations (including regional or State centers) as the State educational agency considers appropriate, so long as the education and services are provided in accordance with this part.

"(i) STATE AGENCY ELIGIBILITY.—Any State agency that received funds for fiscal year 1994 under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (as such subpart was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) and desires to receive a subgrant for any fiscal year under section 611(c) or 619(g) shall demonstrate to the satisfaction of the State educational agency that—

"(1) all children with disabilities who are participating in programs and projects funded under this part receive a free appropriate public education, and

that the children and their parents are provided all the rights and procedural safeguards described in this part; and

"(2) the State agency meets such other conditions of this section as the Secretary finds appropriate.".

SEC. 204. EVALUATIONS, INDIVIDUALIZED EDUCATION PROGRAMS, AND EDUCATIONAL PLACEMENTS.

Section 614 (20 U.S.C. 1414) is amended to read as follows:

"SEC. 614. EVALUATIONS, INDIVIDUALIZED EDUCATION PROGRAMS, AND EDUCATIONAL PLACEMENTS.

"(a) IN GENERAL.—

"(1) INITIAL EVALUATIONS.—

"(A) IN GENERAL.—A local educational agency shall conduct a comprehensive initial evaluation, in accordance with this paragraph and subsections (b) and (c), before the initial provision of special education and related services to a child with a disability.

"(B) PROCEDURES.—An initial evaluation shall include procedures to—

"(i) determine whether a child is a child with a disability as defined in section 602(a)(4); and

"(ii) determine the educational needs of the child.

"(C) PARENTAL CONSENT.—

"(i) IN GENERAL.—A local educational agency proposing to conduct an initial evaluation to determine if a child qualifies as a child with a disability as defined in section 602(a)(4) shall, prior to such evaluation, obtain informed consent from the parents of the child.

"(ii) REFUSAL.—If the parents of such child refuse to consent to an evaluation described in clause (i), a local educational agency may, but shall not be required to, continue to pursue the evaluation through the mediation procedures under section 615(e) and due process procedures under section 615(f).

"(2) REEVALUATIONS.—

"(A) IN GENERAL.—A local educational agency shall ensure that a reevaluation of each child with a disability is conducted—

"(i) whenever the child's parents or teacher, other school personnel, or other ap-

propriate individuals, request the reevaluation; or

"(ii) at a natural transition point for the child.

"(B) DEFINITION.—For the purpose of subparagraph (A), the term 'natural transition point' means the period that is close in time to the transition of a child with a disability—

"(i) from preschool to elementary grades;

"(ii) from elementary grades to middle or junior high school grades (except that for a transition that will not occur for a period of 5 years or more, the natural transition point shall be at least every 3 years);

"(iii) from middle or junior high school grades to high school grades; and

"(iv) from high school grades to postschool activities.

"(C) CONDUCT OF REEVALUATION.—Each reevaluation shall be conducted in accordance with subsections (b) and (c).

"(b) EVALUATION PROCEDURES.—

"(1) IN GENERAL.—The local educational agency shall provide notice to the parents of a child with a

disability, in accordance with subsections (b)(3), (b)(4), and (c) of section 615, that describes any evaluation procedures the local educational agency proposes to conduct.

"(2) METHOD OF EVALUATION.—In conducting the evaluation, the local educational agency shall—

"(A) use—

"(i) a variety of assessment tools and strategies to gather relevant functional and developmental information (including evaluations and information provided by the child's parents) that may assist in determining whether the child is a child with a disability; and

"(ii) the content of the individualized education program of the child, including information related to enabling the child to participate and achieve in the general education curriculum or, for a child who is in preschool, in developmentally appropriate activities; and

"(B) not use any single procedure as the sole criterion for determining—

"(i) whether a child is a child with a disability; or

"(ii) an appropriate educational program for the child.

"(3) EVALUATION TESTS AND MATERIALS.—Each local educational agency shall ensure that—

"(A) tests and other evaluation materials used to assess a child under this section are—

"(i) selected and administered so as not to be racially or culturally discriminatory;

"(ii) provided and administered in the native language of the child or other mode of communication unless it is clearly not feasible to do so; and

"(iii) consistent with generally accepted professional standards for assessments; and

"(B) any standardized tests that are given to the child—

"(i) have been validated for the specific purpose for which the tests are used;

"(ii) are administered by trained personnel; and

"(iii) are administered in accordance with any instructions provided by the producer of the tests.

"(4) SPECIAL RULE ON TESTS.—Tests shall provide relevant information that directly assists persons involved in providing services to a child with a disability in determining the educational needs of the child, including information with respect to instructional strategies and content that should be reflected in the individualized education program of such child.

"(c) ADDITIONAL REQUIREMENTS FOR EVALUATIONS AND REEVALUATIONS.—

"(1) REVIEW OF EXISTING EVALUATION DATA.—As part of an initial evaluation (if appropriate) and as part of any reevaluation under this section, the following tasks shall be carried out:

"(A) A review of existing evaluation data on the child, including evaluations and information provided by the parents of the child, and current classroom-based assessments and observation.

"(B) On the basis of the review, the professional judgment of appropriate individuals, and the input from the parents of the child, an identification of what additional data, if any, are needed to determine—

"(i) whether the child has a particular category of disability, as described in section 602(a)(4)(A)(i), or, in the case of a reevaluation of a child, whether the child continues to have such a disability;

"(ii) the present levels of performance and educational needs of the child;

"(iii) whether the child needs special education and related services, or in the case of a reevaluation of a child, whether the child continues to need special education and related services; and

"(iv) whether any additions or modifications to the special education and related services are needed to enable the child to meet the measurable annual objectives set out in the individualized education program of the child and to participate, as appropriate, in the general education curriculum.

"(2) SOURCE OF DATA.—The local educational agency shall administer such tests and other evaluation materials as may be needed to produce the data identified under paragraph (1)(B).

"(3) ADDITIONAL DATA.—If it is determined by appropriate individuals based on their professional judgment that no additional data are needed to determine a factor described in clause (i), (ii), (iii), or (iv) of paragraph (1)(B), the local educational agency—

"(A) shall notify the parents of the child of—

"(i) the results of the determination of the individuals and the reasons for the determination; and

"(ii) the right of the parents to request that additional data be obtained for use in making a determination with respect to a factor; and

"(B) is not required to obtain the additional data described in clause (ii) of subparagraph (A) unless requested by the parents.

"(d) INDIVIDUALIZED EDUCATION PROGRAMS.—

"(1) IEP TO BE IN EFFECT AT THE BEGINNING OF EACH SCHOOL YEAR.—

"(A) IN GENERAL.—At the beginning of each school year, each local educational agency shall have in effect an individualized education program for each child with a disability.

"(B) IEP FOR A CHILD AGED 3 THROUGH 5.—In the case of a child with a disability aged 3 through 5 (or, at the discretion of the State educational agency, a 2-year-old child with disabilities who will turn age 3 during the school year), an IFSP that contains the material described in section 677(d) and that is developed in accordance with this section may serve as the IEP of the child if using the plan as the IEP is—

"(i) consistent with State policy; and

"(ii) agreed to by the agency and the parents of the child.

"(2) IEP TEAM.—The IEP of each child shall be developed in a meeting by a team (hereafter in this section referred to as the 'IEP team'), composed of—

"(A) a representative of the local educational agency who is qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of children with disabilities, and who is knowledgeable about the general education curriculum;

"(B) at least one special education provider who is knowledgeable about the disability of the

child, such as, if appropriate, the special education teacher of the child;

"(C) to the extent appropriate, at least one regular education teacher who knows the child or is familiar with the curriculum of the child, if the child is, or may be, participating in the regular education environment;

"(D) the parents of the child;

"(E) when appropriate, the child;

"(F) an individual who is capable of interpreting the instructional implications of evaluation results; and

"(G) at the discretion of the parents or the agency, other individuals, such as related services personnel, who have special expertise or special knowledge regarding the child's abilities and disability.

The team member described in subparagraph (F) may be an existing team member described in subparagraphs (A) through (C), if the existing team member is qualified to interpret the results described in subparagraph (F).

"(3) DEVELOPMENT OF THE IEP.—

"(A) IN GENERAL.—In developing each child's IEP, the IEP team shall consider—

"(i) the strengths of the child and the concerns of the parents for enhancing the education of their child; and

"(ii) the results of the initial evaluation or most recent reevaluation of the child.

"(B) CONSIDERATION OF SPECIAL FACTORS.—In the case of a child whose behavior impedes the learning of the child or that of others, the IEP team, as appropriate, shall consider strategies, including behavior management plans, to address that behavior.

"(e) CONTENT OF IEP.—

"(1) IN GENERAL.—The IEP of each child with a disability shall include the following:

"(A) PRESENT LEVELS OF EDUCATIONAL PERFORMANCE.—A statement of the present levels of educational performance of the child, including how the disability of the child affects the progress of the child in the general education curriculum (or, for a preschool child, as appropriate, how the disability of the child affects the progress of the child in developmentally appropriate activities related to transition to kindergarten and elementary school).

"(B) MEASURABLE ANNUAL OBJECTIVES.—A statement of measurable annual objectives related to meeting each of the educational needs of the child that result from the disability of the child, including objectives related to enabling the child to progress in the general education curriculum at the educationally appropriate level for the child.

"(C) SPECIAL EDUCATION AND RELATED SERVICES.—A statement of the special education and related services and supplementary aids and services to be provided to the child and any program modifications necessary for the child to attain the annual objectives, to progress in the general education curriculum, to participate in extracurricular and nonacademic activities and other educational activities, and to be educated and participate with other children with disabilities and nondisabled children in the activities described in this subparagraph.

"(D) EXTENT OF PARTICIPATION WITH NONDISABLED CHILDREN.—A statement of the extent to which the child will participate with nondisabled children in the regular class and in the activities described in subparagraph (C).

"(E) PARTICIPATION IN GENERAL ASSESSMENTS.—

"(i) MODIFICATIONS.—A statement of any modifications in the administration of State or districtwide assessments that are needed in order for the child to participate in the assessments.

"(ii) NONPARTICIPATION.—If a child will not participate in a particular State or districtwide assessment (or part of such assessment), a statement of why the assessment is not appropriate for the child and how the child will be assessed.

"(F) PROJECTED DATES, FREQUENCY, AND DURATION OF SERVICES.—The projected date for the beginning of the services and program modifications described in subparagraph (C), and the anticipated frequency and duration of such services and modifications.

"(G) INFORMATION ABOUT THE CHILD'S PROGRESS.—A statement of how the progress of the child toward the measurable annual objectives will be measured through benchmarks or other measurable indicators of progress, and how the parents of the child will be regularly in-

formed of the child's progress, in accordance with subsection (f).

"(2) ADDITIONAL IEP REQUIREMENTS FOR A CHILD WITH A DISABILITY WHO IS OF SECONDARY SCHOOL AGE.—

"(A) IN GENERAL.—The IEP for each student who is a child with a disability and who is of secondary school age (hereafter in this section referred to as the 'student') shall include additional information related to transition services and the transfer of rights at the age of majority, as described in subparagraphs (B) through (D).

"(B) ADDRESSING THE STUDENT'S TRANSITION NEEDS.—For a student aged 14 through 21 (or younger than age 14 if determined appropriate by the IEP team), the transition services needs of the student shall be considered and, as appropriate, addressed under the applicable components of the student's IEP described in paragraph (1) relating to present levels of educational performance, measurable annual objectives, special education and related services, and other applicable components.

"(C) STATEMENT OF TRANSITION SERVICES AND SUPPORTS.—

"(i) IN GENERAL.—In meeting the requirements of subparagraph (B), the IEP team shall give consideration to the student's participation in the general education curriculum (such as participation in advanced-placement courses or a vocational education or school-to-work program, or independent living skills training, which lead to successful transition from secondary school to postschool adult environments).

"(ii) TRANSITION SERVICES STATEMENT.—Beginning no later than age 16, the student's IEP shall include a statement of needed transition services as defined in section 602(33) including, where appropriate, a statement of the interagency responsibilities and needed linkages among agencies to ensure delivery of services before the student leaves the school setting.

"(D) TRANSFER OF RIGHTS AT THE AGE OF MAJORITY.—Beginning at least 1 year before the student reaches the age of majority under State law, the IEP shall include a statement about the

rights under this Act, if any, that will transfer to the student on reaching the age of majority under section 615(j).

"(f) REPORTING EACH CHILD'S PROGRESS TOWARD OBJECTIVES.—The local educational agency shall ensure that—

"(1) the parents of each child with a disability are informed of the progress of the child, toward the measurable annual objectives, and the extent to which such progress is sufficient to enable the child to achieve the objectives by the end of the school year; and

"(2) in implementing the requirement in paragraph (1), the parents are informed (by periodic report cards or other appropriate means) at least as often as parents of nondisabled children are informed of the progress of their nondisabled children.

"(g) REVIEW AND REVISION OF IEP.—The local educational agency shall ensure that the IEP team for each child—

"(1) reviews the child's IEP periodically, but not less than annually, to determine whether the annual objectives for the child are being achieved; and

"(2) revises the IEP, as appropriate.

"(h) FAILURE TO MEET TRANSITION OBJECTIVES.—If an entity (other than the local educational agency) involved in planning or providing transition services to a child with a disability fails to provide the transition services described in the IEP in accordance with subsection (e)(2)(A), the local educational agency shall reconvene the IEP team to identify alternative strategies to meet the transition objectives for the student set forth in the IEP.

"(i) CONSTRUCTION CLAUSE.—Nothing in this section shall be construed to require the IEP team to include information under one component of a child's IEP that is already contained under another component of such IEP.

"(j) PLACEMENTS.—Each local educational agency shall ensure that the parents of each child with a disability are members of any group that makes decisions on the educational placement of their child.".

SEC. 205. CHAPTER 1 STATE AGENCIES.

Section 614A (20 U.S.C. 1414a) is repealed.

SEC. 206. PROCEDURAL SAFEGUARDS.

(a) PROCEDURES.—Section 615(a) (20 U.S.C. 1415(a)) is amended—

(1) by striking "Any State educational agency, any local educational agency, and any intermediate educational unit which" and inserting "Any State educational agency or local educational agency that";

(2) by striking "subsection (b) through subsection (e) of";

(3) by striking "or guardians"; and

(4) by striking "and units".

(b) TYPES OF PROCEDURES.—Section 615(b) (20 U.S.C. 1415(b)) is amended—

(1) by striking paragraph (2);

(2) in paragraph (1)—

(A) in subparagraph (A), by striking "(A) an opportunity for the parents or guardian" and inserting "(1) an opportunity for the parents";

(B) in subparagraph (B)—

(i) by striking "(B) procedures" and inserting "(2) procedures";

(ii) by striking "or guardian" each place it appears; and

(iii) by striking "local educational agency, or intermediate educational unit" and inserting "the local educational agency, or any other agency that is";

(C) in subparagraph (C)—

(i) by striking "(C) written prior notice to the parents or guardian of the child whenever such agency or unit" and inserting "(3) written prior notice in accordance

with subsection (c) to the parents of the child whenever such agency";

(ii) in clause (i), by striking "(i) proposes" and inserting "(A) proposes"; and

(iii) in clause (ii), by striking "(ii) refuses" and inserting "(B) refuses";

(D) in subparagraph (D), to read as follows:

"(4) procedures designed to ensure that the notice required by paragraph (3) is provided in the native language of the parents or other mode of communication used by the parents, unless it clearly is not feasible to do so;";

(E) in subparagraph (E), by striking "(E) an opportunity" and inserting "(6) an opportunity"; and

(F) by inserting after paragraph (4) (as so redesignated by subparagraph (D)) the following new paragraph:

"(5) an opportunity for mediation in accordance with subsection (e); and"; and

(3) by striking "(b)(1) The" and inserting "(b) The".

(c) OTHER PROVISIONS OF SECTION 615.—Section 615 (20 U.S.C. 1415) is amended—

(1) in subsection (c)—

(A) by striking "paragraph (2) of subsection (b)" and inserting "subsection (f)"; and

(B) by striking "or an intermediate educational unit";

(2) in subsection (d), by striking "subsections (b) and (c)" and inserting "subsections (f) and (g)";

(3) in subsection (e)—

(A) in paragraph (1), by striking "paragraph (2) of subsection (b)" and inserting "subsection (f)";

(B) in paragraph (2), by striking "decision made under subsection (b)" and inserting "decision made under subsection (f)";

(C) by striking "subsection (c)" each place it appears and inserting "subsection (g)";

(D) in paragraph (3)—

(i) by striking "(3)(A) Except as provided in subparagraph (B)," and inserting "(3) Except as provided in subsections (c) and (d) of section 615A,";

(ii) by striking subparagraph (B); and

(iii) by striking "or guardian" each place it appears;

(E) in paragraph (4)—

(i) in subparagraph (A), by striking "this subsection" and inserting "this subsection and section 615A";

(ii) in subparagraph (B)—

(I) by striking "this subsection" and inserting "this subsection and section 615A"; and

(II) by striking "or guardian";

(iii) in subparagraph (C)—

(I) by striking "For the purpose of this subsection, fees" and inserting "Fees"; and

(II) by striking "under this subsection" each place it appears and inserting "under this subsection and section 615A";

(iv) in subparagraph (D)—

(I) by striking "No award of attorneys' fees and related costs may be made" and inserting "Except as provided in subparagraph (E), attorneys' fees may not be awarded and related costs may not be reimbursed";

(II) by striking "under this subsection" and inserting "under this subsection and section 615A"; and

(III) by striking "or guardian" each place it appears;

(v) in subparagraph (E)—

(I) by striking "Notwithstanding the provisions of subparagraph (D)" and inserting "Notwithstanding subparagraph (D)"; and

(II) by striking "or guardian";

(vi) in subparagraph (F)—

(I) by striking "(F) Whenever" and inserting "(F) Except as provided in subparagraph (G), whenever"; and

(II) by striking "or guardian"; and

(vii) by adding at the end thereof the following new subparagraphs:

"(H) For the purpose of this section, the amount of any award of attorneys' fees to a prevailing party under this section shall be determined in accordance with the law established by the Supreme Court in Hensley v. Eckerhart, 461 U.S. 424 (1983).

"(I) For the purpose of this section, an IEP meeting shall not, in and of itself, be deemed to be a proceeding triggering the awarding of attorneys' fees.";

(4) in subsection (f), by striking "subsections (b)(2) and (c)" and inserting "subsections (f) and (g)";

(5) by redesignating subsections (c) through (e) as subsections (g) through (i), respectively;

(6) by redesignating subsection (f) as subsection (k);

(7) by inserting after subsection (b) the following new subsections:

"(c)(1) The notice required by subsection (b)(3) with respect to the proposal or refusal to initiate or change the identification, evaluation, or educational placement of a child described in such subsection or the provision of a free appropriate public education to such child shall—

"(A) include—

"(i) a description of the action proposed or refused by the agency;

"(ii) an explanation of why the agency proposes or refuses to take the action; and

"(iii) a description of any other options that the agency considered and the reasons why the options were not chosen;

"(B) describe each evaluation procedure, test, record, or report that the agency used as a basis for the proposed or refused action;

"(C) describe any other factors that are relevant to the proposal or refusal of the agency;

"(D) include a full explanation of the procedural safeguards available under this section and section 615A, and under the regulations of the Secretary, relating to independent educational evaluations, notice, parental consent, mediation, and the placement of the child during the pendency of due process proceedings;

"(E) include at least a brief summary of the procedural safeguards under this section and section 615A relating to due process hearings, State-level appeals (if applicable in that State), civil actions, and attorneys' fees and a brief summary of the provisions of section 612(a)(10)(C) relating to reimbursement of parents for unilateral placement of their children in private schools at public expense;

"(F) include a statement that the agency will provide a full explanation of—

"(i) the procedural safeguards available to parents under this section and section 615A, and under the regulations of the Secretary, relating to—

"(I) access to educational records, whenever requested by the parents; and

"(II) the hearings, appeals, actions, and fees described in subparagraph (E), whenever the parents request such explanation or file a complaint under subsection (b)(6); and

"(ii) the provisions of section 612(a)(10)(C) relating to reimbursement of parents for unilateral placement of their children in private schools at public expense, whenever requested by the parents; and

"(G) include the name, address, and telephone number of the Parent Information and Training Center in the State and other resources in the State that will assist a parent to understand the protections and opportunities under this part.

"(2) Each State educational agency and each local educational agency that receives assistance under this part shall provide the explanation described in paragraph (1)(F) in the cases described in such paragraph.

"(d)(1) The parents of a child with a disability or a suspected disability shall provide to the local educational agency written notice of their intention to file a complaint (other than a request for an expedited due process hearing

under section 615A) under subsection (b)(6) regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child, 10 business days (including holidays that occur on a business day) prior to the date of the filing of the complaint if—

"(A) the parents have new information regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child; or

"(B) the parents are initiating a complaint about the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child and the parents have signed the most recent IEP of the child that is currently being implemented.

"(2) Prior to filing a complaint, if the parents have new information regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child, the parents shall provide the information to the local educational agency along with the notice of their intent to file a complaint.

"(3) If the parents were duly informed by the local educational agency with respect to their obligation to file a notice of intention to file a complaint under this sub-

section and the parents fail to provide such notice, a court, in its discretion, may reduce an award of attorneys' fees and reimbursement of related costs if within 10 business days (including holidays that occur on a business day) after filing a request for an administrative due process hearing under section 615(f), the matter relating to the complaint is resolved in a manner that is satisfactory to all parties.

"(e)(1) Each State educational agency shall ensure that procedures are established and implemented to allow parties to disputes involving matters described in subsection (b)(6) to resolve such disputes through mediation.

"(2)(A) The procedures described in paragraph (1) shall ensure—

"(i) that whenever a hearing is requested on any matter in dispute under subsection (b)(6), the parents are offered an opportunity for mediation to resolve the dispute;

"(ii) that mediation—

"(I) is voluntary on the part of the parents and may be waived by the parents at any time during such process;

"(II) is not used to deny a parent the right of a, or delay access by a parent to, due process hearings under subsection (f) or to deny the par-

ents any other rights afforded under this part; and

"(III) is conducted by a qualified and impartial mediator who is not an employee of a local educational agency or State agency described in section 613(i) that is involved in the education or care of the child or who is not a person having a personal or professional conflict of interest;

"(iii) that mediators are appointed from the list described in subparagraph (B)(i);

"(iv) that whenever a mediator is not selected on a random basis, both the parents and the local educational agency are involved in selecting the mediator and are in agreement with the individual who is selected;

"(v) that each session in the mediation process shall be scheduled in a timely manner and shall be held in a location that is convenient and accessible to the parties to the dispute;

"(vi) that no statements made by either party during the mediation under this subsection shall be offered or used as evidence in any hearing, review of a hearing decision, or civil action under this section; and

"(vii) that an agreement reached by the parties to the dispute in the mediation process shall be set forth in a written mediation agreement.

"(B)(i) Each State educational agency shall compile and maintain a list of individuals who are—

"(I) trained in mediation; and

"(II) knowledgeable about the educational needs of children with disabilities and applicable statutes and regulations relating to the educational rights of such children, including the requirements of this part and the regulations of the Secretary under this part.

"(ii) The State educational agency shall ensure that mediation will be provided to parents at no cost.

"(3) If a State has on file with the Secretary documentation that the State has an established mediation process that is comparable to the mediation process described in this subsection, the mediation process of the State shall be considered to be in compliance with this subsection. Not later than 4 years after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, such State shall establish a mediation process program that complies with the requirements of this subsection.

"(4) Nothing in this part shall prohibit employees or former employees of a State educational agency from serving as mediators in resolving disputes about any matter

described in subsection (b)(6), unless the dispute directly involves such agency.

"(f) Whenever a complaint has been received under subsection (b)(6), the parents shall have an opportunity for an impartial due process hearing that shall be conducted by the State educational agency or by the local educational agency, as determined by State law or by the State educational agency. No hearing conducted pursuant to the requirements of this subsection shall be conducted by an employee of such agency involved in the education or care of the child."; and

(8) by inserting after subsection (i) (as so redesignated by paragraph (5)) the following new subsection:

"(j)(1) Subject to the provisions of paragraph (2), any State that receives funds under this part may provide that, when a student with a disability reaches the age of majority under State law—

"(A) the local educational agency shall provide any notice required by this section to both the individual and the parents;

"(B) all other rights accorded to parents under this part transfer to the child; and

"(C) the local educational agency shall notify the individual and the parents of the transfer of rights.

"(2) If, under State law, a student described in paragraph (1) is determined to not have the ability to provide informed consent with respect to the educational program of the student, the State shall have in effect procedures for appointing the parent or other individual to represent the educational interests of the student throughout the student's eligibility under this part.".

(d) ALTERNATE PROCEDURAL SAFEGUARDS.—

(1) IN GENERAL.—Part B (20 U.S.C. 1411 et seq.) is amended by inserting after section 615 the following new section:

"SEC. 615A. ALTERNATE PROCEDURAL SAFEGUARDS.

"(a) SHORT-TERM DISCIPLINARY ACTIONS (UP TO 10 SCHOOL DAYS).—If a child with a disability engages in behavior that is a violation of the rules or code of conduct of the local educational agency, and if the rules or code of conduct of the agency also applies to children without disabilities who engage in the behavior, agency personnel with the authority to do so, may—

"(1) utilize disciplinary measures such as detention, timeouts, increased supervision, and restriction of privileges or extracurricular activities, provided that any disciplinary measures that are inconsistent with the child's IEP shall be for no more than 10 school days; or

"(2) suspend the child for no more than 10 school days.

"(b) LONG-TERM DISCIPLINARY ACTIONS; MANIFESTATION DETERMINATION.—

"(1) CHANGE OF PLACEMENT.—If a child with a disability engages in any of the behaviors described in subsection (c)(1)(A) involving dangerous weapons, drugs, or behavior resulting in serious bodily injury or engages in ongoing serious disruptive behavior as described in subsection (d)(1)(A), the child may be placed in an interim alternative educational setting, in accordance with the provisions of subsections (c) and (d), regardless of whether or not the behavior is a manifestation of the disability of the child.

"(2) DISCIPLINARY MEASURES APPLICABLE TO ALL CHILDREN.—

"(A) IN GENERAL.—Subject to the limitation described in subparagraph (B), a local educational agency may, consistent with section 615(b), use long-term disciplinary measures (for more than 10 school days) to address the behavior of a child with a disability that is a violation of the rules or code of conduct of the agency, if the behavior was not a manifestation of the disability of the child, and if the rules or code

of conduct also applies to children without disabilities who engage in the same behavior.

"(B) PROVISION OF EDUCATIONAL SERVICES.—In the case of a child with a disability who engages in behavior that violates the rules or code of conduct of the local educational agency, the child shall continue to receive educational services, consistent with the provision of a free appropriate public education, unless the child was determined to be involved with dangerous weapons or drugs, as described in subsection (c)(1)(A), the behavior of the child was not a manifestation of the disability of the child, and the policy of the agency is to cease educational services to any child determined to be involved with such weapons or drugs.

"(3) MANIFESTATION DETERMINATION.—Before subjecting a child with a disability to the same long-term disciplinary measures (including the ceasing of educational services as described in subparagraph (B)) that apply to children without disabilities, the child's IEP team shall determine, in accordance with the standards and considerations in paragraphs (4) and (5), whether the behavior of the child was a manifestation of the disability of the child.

"(4) STANDARDS.—In making the determination described in paragraph (3), the child's IEP team shall determine whether, in the context in which the behavior occurred, the disability of the child—

"(A) impaired the ability of the child to understand the impact and consequences of such behavior; or

"(B) impaired the ability of the child to control the behavior at issue.

"(5) CONSIDERATIONS.—In determining whether the standards in paragraph (4) are met, the child's IEP team shall consider relevant information pertinent to the behavior at issue and the determination to be made pursuant to paragraph (3), including—

"(A) the context in which the behavior occurred and whether the child exhibited similar behavior in the past;

"(B) evaluation and diagnostic results, including such results or other relevant information supplied by the parents of the child;

"(C) the appropriateness of the child's IEP and placement; and

"(D) the extent to which the child's IEP—

"(i) has been implemented; and

"(ii) includes the provision of special education and related services, and the use of supplementary aids and services, strategies and interventions, and behavior management techniques.

"(6) PROCEEDINGS.—

"(A) EXPEDITED DUE PROCESS HEARING.—If the parents of the child do not agree with the determination described in paragraph (3), the parents may request that a due process hearing under section 615(b)(2) be conducted on an expedited basis.

"(B) PENDENCY.—During the pendency of any actions or proceedings to resolve a disagreement by the parents, the child shall continue to receive educational services, consistent with the provision of a free appropriate public education to the child.

"(c) CONDITIONS THAT APPLY WHEN DANGEROUS WEAPONS, DRUGS, OR SERIOUS BODILY INJURY ARE INVOLVED.—

"(1) PROGRAM MODIFICATIONS.—

"(A) SETTING.—If a child with a disability, on school premises or at a school-sponsored

event under the jurisdiction of a local educational agency—

"(i) has a dangerous weapon in the child's possession;

"(ii) engages in the illegal use, possession, or distribution of drugs; or

"(iii) engages in behavior that results in serious bodily injury, or is substantially likely to result in such injury,

the child may be placed in an interim alternative educational setting, regardless of whether or not the behavior is a manifestation of the disability of the child, if the conditions in subparagraph (B) are met.

"(B) ROLE OF PRINCIPAL AND IEP TEAM.—The child described in subparagraph (A) may be removed to an interim alternative educational setting, if—

"(i) the principal, after consultation with individuals who witnessed the child exhibit any of the behaviors described in subparagraph (A) and individuals who have knowledge of the disability of the child (including the chairperson of the child's IEP team and the agency's director of special

education or the designees of the chairperson and director), determines, in writing, that the child engaged in a behavior described in subparagraph (A) and that the disciplinary code of the local educational agency is to be applied; and

"(ii) the child's IEP team assesses the child, and identifies modifications in the IEP of the child that are consistent with the provision of a free appropriate public education to the child, which may include placement of the child in an interim alternative educational setting.

"(C) TIME LINES.—

"(i) DETERMINATION BY PRINCIPAL.—The determination by the principal described in subparagraph (B)(i) shall be made as soon as possible, but not later than 10 school days after the date on which the behavior described in subparagraph (A) became known to the principal.

"(ii) PLACEMENT DECISION.—

"(I) PRELIMINARY DECISION.—Within the 10-day period described in clause (i), the child's IEP team shall

make a preliminary decision regarding placement of the child, which may include placement of the child in an interim alternative educational setting.

"(II) FINAL DECISION.—A final placement decision by the child's IEP team, which may include placement of the child in an interim alternative educational setting, shall, to the maximum extent feasible, be made within the 10-day period described in clause (i).

"(iii) PLACEMENT LIMITATION.—In no case shall placement of the child in an interim alternative educational setting pursuant to this subsection be made more than 20 school days after the date on which the behavior described in subparagraph (A) became known to the principal.

"(D) STATUS OF CHILD IF TIME LINES ARE NOT MET.—If the determination of the principal (described in subparagraph (B)(i)) and the actions of the child's IEP team (described in subparagraph (B)(ii)) do not occur within the time period referred to in subparagraph (C), the edu-

cational placement of the child shall be the educational placement described in the child's current IEP, unless the parents of the child and the agency agree otherwise.

"(2) INFORMATION TO BE CONSIDERED BY IEP TEAM IN DETERMINING CHILD'S PLACEMENT.—In determining an appropriate placement for a child who engaged in any behavior described in paragraph (1)(A), the child's IEP team shall—

"(A) include an individual (who may be an existing member of the child's IEP team) who is qualified to assess the relationship between the disability of the child, the behavior of the child, and the context in which the behavior occurred;

"(B) at a minimum, consider—

"(i) the information described in subsection (b)(5);

"(ii) information based on observation by a person knowledgeable about the child and the disability of the child, including, to the extent possible, observation in the environment in which the behavior occurred; and

"(iii) if available, voluntary statements from the parents of the child, and

from any individual who was injured (and if the individual injured is a child, the individual's parents); and

"(C) make necessary modifications in the child's IEP related to the provision of special education and related services, the use of supplementary aids and services, and strategies and interventions (including the use of behavior management plans) that are likely to contribute to the elimination of the recurrence of the behavior at issue by the child.

"(3) DISAGREEMENT BETWEEN AGENCY AND PARENTS REGARDING DANGEROUS WEAPONS, DRUGS, OR SERIOUS BODILY INJURY.—

"(A) DUE PROCESS HEARING.—If the parents of a child disagree with a determination made by the principal under paragraph (1)(B)(i) or the action of the IEP team under paragraph (1)(B)(ii) to place the child in an interim alternative educational setting or the recommendations of the child's IEP team regarding the provision of a free appropriate public education pursuant to paragraph (1)(B)(ii) the parents may request that a due process hearing

under section 615(b)(2) be conducted on an expedited basis.

"(B) CONSIDERATIONS.—In making a determination regarding such a disagreement, the hearing officer shall consider, at a minimum—

"(i) the determination of the principal described in paragraph (1)(B)(i);

"(ii) information considered by the child's IEP team under paragraphs (1)(B)(ii) and (2); and

"(iii) whether the child's IEP team met its responsibilities under paragraph (4), if appropriate.

"(C) PLACEMENT DURING DISPUTE.—During the pendency of any actions or proceedings to resolve a disagreement described in subparagraph (A), the child shall remain in the interim alternative educational setting, unless the parents and the State or local educational agency agree otherwise.

"(4) REVIEW OF CHILD'S PLACEMENT IN INTERIM ALTERNATIVE EDUCATIONAL SETTING.—Not later than 35 school days after the placement in an interim alternative educational setting of a child who engaged in any behavior described in paragraph

(1)(A) (or earlier, if specified in the child's IEP), the child's IEP team shall—

"(A) review the progress of the child in the interim alternative educational setting;

"(B) determine an appropriate educational placement based on a revised IEP, if appropriate; and

"(C) secure the placement of the child in the appropriate educational placement, consistent with the provisions of this part, for the remainder of the school year or for the beginning of the next school year, whichever is appropriate.

"(d) CONDITIONS THAT APPLY WHEN SERIOUS DISRUPTIVE BEHAVIOR IS INVOLVED.—

"(1) PLACEMENT IN INTERIM ALTERNATIVE EDUCATIONAL SETTING.—

"(A) REMOVAL OF A CHILD TO AN INTERIM ALTERNATIVE EDUCATIONAL SETTING.—If a child with a disability, on school premises, engages in ongoing serious disruptive behavior that significantly impairs the education of the child or the education of other children and the ability of the teacher of the child to teach, the child may be placed in an interim alternative educational

setting, if the conditions in subparagraph (B) are met.

"(B) ROLE OF PRINCIPAL AND IEP TEAM.—

"(i) IN GENERAL.—A child described in subparagraph (A) may be removed to an interim alternative educational setting if, consistent with the requirements of paragraph (2)(B)(i) and subparagraphs (A) and (B) of paragraph (3)—

"(I) the principal, after consultation with individuals who have knowledge of the disability of the child (including the chairperson of the child's IEP team, the agency's director of special education or the designees of the chairperson and director, and the teacher most knowledgeable about the child), determines in writing that the continued presence of the child in the child's current educational placement would significantly impair the education of the child or the classmates of the child and the ability of the teacher of the child to teach; and

"(II) the child's IEP team develops a placement in an interim alternative educational setting, consistent with the provision of a free appropriate public education to the child.

"(ii) CONSTRUCTION CLAUSE.—A child shall not be determined to be seriously disruptive on the basis of unreasonable considerations, such as—

"(I) myths or stereotypes about disability;

"(II) a lack of understanding of the nature of the disability or the effect of the disability on behavior;

"(III) a disruption caused by devices, accommodations, auxiliary aids or services used by a child with a disability; or

"(IV) behavior that has not been addressed by special education and related services as provided by paragraph (3)(B).

"(C) TIMELINE FOR ACTION.—

"(i) IN GENERAL.—If a child described in subparagraph (A) was subjected to short-

term disciplinary measures lasting for any period up to 10 school days as described in subsection (a), the determination of the principal under subparagraph (B)(i)(I) and the actions of the IEP team under subparagraph (B)(i)(II) shall occur within that 10-day period.

"(ii) STATUS OF CHILD IF TIME LINE IS NOT MET.—If the determination of the principal under subparagraph (B)(i)(I) and the actions of the IEP team described in subparagraph (B)(i)(II) do not occur within the 10-school-day time period described in clause (i), the educational placement of the child shall be the placement described in the child's current IEP, unless the parents of the child and the agency agree otherwise.

"(2) DISAGREEMENT BETWEEN AGENCY AND PARENTS WHEN SERIOUS DISRUPTIVE BEHAVIOR IS INVOLVED.—

"(A) HEARING OFFICER DETERMINATION.—If the parents of the child disagree with the determination made by the principal under paragraph (1)(B)(i)(I) or the action of the IEP team described under paragraph (1)(B)(i)(II), a hear-

ing officer shall make a determination whether the removal of the child to an interim alternative educational setting was justified by the serious disruptive behavior of the child. The determination of the hearing officer shall be made not later than 10 school days after the child's parents communicate to the principal the parent's disagreement with the determination of the principal or the action of the IEP team. If exceptional circumstances exist, such as the unavailability of a hearing officer, the determination of the hearing officer shall be made not later than 20 school days after the child's parents communicate to the principal such disagreement. A hearing officer may grant additional extensions of time for a hearing determination if the school district and parents agree otherwise.

"(B) LIMITATIONS.—

"(i) CONSIDERATION OF RECORD ON THE CHILD.—In making a determination on whether removal of a child with a disability to an interim alternative educational setting is justified, the principal and the IEP team (and, in situations involving a disagreement, the hearing officer)

shall consider the record described in paragraph (3).

"(ii) FAILURE TO MAKE A DETERMINATION.—If the determination of the hearing officer is not made within the time period described in subparagraph (A), the educational placement of the child shall be the placement described in the prior IEP of the child, unless the parents of the child and the agency agree otherwise.

"(C) DUE PROCESS HEARING; PENDENCY.—If either the parents of the child or the local educational agency disagrees with the determination of the hearing officer and requests a due process hearing pursuant to section 615(b)(2), then the educational placement of the child shall be the placement determined by the hearing officer during the pendency of any actions or proceedings, unless the parents and the agency agree otherwise.

"(3) SPECIAL RECORD FOR A CHILD WITH A DISABILITY WHO IS SERIOUSLY DISRUPTIVE.—In order for the principal and the IEP team or a hearing officer to determine under this subsection that a child with a disability is engaging in ongoing serious dis-

ruptive behavior that significantly impairs the education of the child or the education of other children and the ability of the teacher of the child to teach, the following information must have been documented:

"(A) CUMULATIVE RECORD OF BEHAVIOR.—A cumulative record over an extended period of time describing frequent behaviors exhibited by the child that prevent the child, the classmates of the child, or the teacher of the child from engaging in the activities that would have occurred in the absence of serious disruptive behavior of the child.

"(B) DOCUMENTED EVIDENCE OF EFFORTS TO ADDRESS THE BEHAVIOR.—Documented evidence of efforts to address the behavior of the child, including—

"(i) the reconvening of the child's IEP team to consider the appropriateness of the child's IEP;

"(ii) the provision of special education and related services;

"(iii) the use of supplemental services and strategies (including the use of behavior management plans) that have been implemented over a reasonable period of time and

have failed to address the needs of the child in a manner that would enable the child to remain in the current educational placement of the child without significantly impairing the education of the child or the classmates of the child and the ability of the teacher of the child to teach; and

"(iv) the training made available to the child's classroom teachers.

"(4) INFORMATION TO BE CONSIDERED BY IEP TEAM WHEN SERIOUS DISRUPTIVE BEHAVIOR IS INVOLVED.—In determining an appropriate placement for a child with a disability who engaged in a serious disruptive behavior described in paragraph (1)(A), the child's IEP team shall consider the information about the child required in subsection (c)(2)(B), and make necessary modifications in the child's IEP, as described in subsection (c)(2)(C).

"(5) REVIEW OF PROGRESS OF THE CHILD.—The child's IEP team shall review the progress of the child, in accordance with the procedures and time lines in subsection (c)(4).

"(e) DEFINITIONS; CONSTRUCTION.—

"(1) DANGEROUS WEAPON.—For the purpose of this section, the term 'dangerous weapon' means a

weapon, device, instrument, material or substance, animate or inanimate, that is used for or is readily capable of causing death or serious bodily injury.

"(2) DRUG.—For the purpose of this section, the term 'drug' means a drug or other substance identified under schedules I, II, III, IV, and V in section 202(c) of the Controlled Substances Act (21 U.S.C. 812(c)).

"(3) ILLEGAL USE OF DRUGS.—For the purpose of this section, the term 'illegal use of drugs' shall not be construed to include the use of a drug taken under the supervision of a licensed health care professional, or other uses authorized by the Controlled Substances Act or other provisions of Federal law.

"(4) SERIOUS BODILY INJURY.—For the purpose of this section, the term 'serious bodily injury' means injury that involves a substantial risk of death, extreme physical pain, an obvious or protracted disfigurement, or a protracted loss or impairment of a bodily member, organ, or mental faculty that is the result of a physical or sexual assault that also may have significantly endangered emotional health or safety.

"(f) TIMING AND EFFECT OF ASSERTION OF A CHILD'S DISABILITY.—

"(1) PROTECTION STATUS OF A CHILD NOT YET FOUND ELIGIBLE FOR SPECIAL EDUCATION AND RELATED SERVICES.—A child who has not been determined to be eligible for special education and related services under this part and who engages in behavior that is a violation of the rules or code of conduct of the local educational agency, including a child who engages in any of the behaviors described in subsections (c) and (d), may assert the protections authorized under this part, if the local educational agency had knowledge that the child was a child with a disability before the behavior that precipitated the disciplinary action occurred.

"(2) BASIS OF AN AGENCY'S KNOWLEDGE OF A CHILD'S DISABILITY.—If the parents of a child described in paragraph (1) expressed concern, in writing, if practicable, to appropriate educational agency personnel about the need of the child for special education and related services or the behavior of the child which would demonstrate the need for such services, or the teacher of the child or other personnel expressed concern about the behavior of the child which would demonstrate the need for such services or the needs of the child to the agency's director of special education or other agency staff or the parents, then such agency

shall be deemed to have knowledge of a disability of a child. A request by the parents under this paragraph may include but not be limited to a parental request for an evaluation of their child to determine the eligibility of the child for special education and related services.

"(3) CONDITIONS THAT APPLY WHEN AN AGENCY HAD NO KNOWLEDGE OF A DISABILITY OF A CHILD.—

"(A) IN GENERAL.—Subject to the requirement of subparagraph (B), if a local educational agency does not have knowledge of a disability of a child as described in paragraph (2) prior to taking disciplinary measures against the child, the child may be subjected to the same disciplinary measures as children without disabilities, who engaged in comparable behaviors.

"(B) LIMITATIONS.—If a request is made for evaluation of a child during the time period in which the child is subjected to disciplinary measures under subparagraph (A), the evaluation shall be conducted in an expedited manner. If the child is determined to be a child with a disability, taking into consideration information from the evaluation conducted by the agency and information provided by the parents, such agen-

cy shall provide special education and related services in accordance with the provisions of this part. Pending the results of the evaluation, the placement of the child shall be the placement determined by the school authorities.

"(g) REFERRAL TO AND ACTIONS BY LAW ENFORCEMENT AND JUDICIAL AUTHORITIES.—Nothing in this part shall be construed to prohibit an agency from reporting a crime committed by a child with a disability to appropriate authorities or to prevent State law enforcement and judicial authorities from exercising their responsibilities with regard to the application of Federal and State law to crimes committed by a child with a disability.

"(h) DEFINITIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the definitions used in section 602 (as in effect on the day before the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996) shall apply to this section.

"(2) EXCEPTION.—The terms 'behavior management plan', 'child with a disability', 'educational service agency', 'local educational agency', 'parent', and 'supplementary aids and services' shall have the meanings given such terms in section 602 (as amend-

ed by section 102 of the Individuals with Disabilities Education Act Amendments of 1996).".

(2) REPEAL.—Section 615A(h), as added by paragraph (1), shall be repealed effective January 1, 1998.

SEC. 207. WITHHOLDING AND JUDICIAL REVIEW.

Section 616 (20 U.S.C. 1416) is amended to read as follows:

"SEC. 616. WITHHOLDING AND JUDICIAL REVIEW.

"(a) WITHHOLDING.—

"(1) IN GENERAL.—Whenever the Secretary, after reasonable notice and an opportunity for a hearing is provided to the State educational agency involved (and to any local educational agency or State agency affected by any failure described in subparagraph (B)), finds—

"(A) that there has been a failure by the State to comply substantially with any provision of this part; or

"(B) that there is a failure to comply with any condition of a local educational agency's eligibility or State agency's eligibility under this part,

the Secretary shall, after notifying the State educational agency, withhold any further payments to the State under this part.

"(2) LIMITATIONS.—If the Secretary withholds further payments under paragraph (1), the Secretary may determine that such withholding will be limited to programs or projects, or portions thereof, affected by the failure, or that the State educational agency shall not make further payments under this part to specified local educational agencies or State agencies affected by the failure. Until the Secretary is satisfied that there is no longer any failure to comply with the provisions of this part, as specified in subparagraph (A) or (B) of paragraph (1), no further payments shall be made to the State under this part or payments by the State educational agency under this part shall be limited to local educational agencies or State agencies whose actions did not cause or were not involved in the failure, as the case may be. Any State educational agency, local educational agency, or State agency in receipt of a notice pursuant to paragraph (1) shall, by means of a public notice, take such measures as may be necessary to bring the pendency of an action pursuant to this subsection to the atten-

tion of the public within the jurisdiction of such agency.

"(b) APPEALS OF ELIGIBILITY DETERMINATIONS.—

"(1) PETITION.—If any State is dissatisfied with the Secretary's final action with respect to the eligibility of such State under section 612, such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings upon which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

"(2) FINDINGS.—The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence. The Secretary on remand of the case may make new or modified findings of fact, may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall be conclusive if supported by substantial evidence.

"(3) COURT'S JUDGMENT.—Upon the filing of the petition under paragraph (1), the court shall have jurisdiction to affirm the action of the Secretary or to set such action aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.".

SEC. 208. ADMINISTRATION.

Section 617 (20 U.S.C. 1417) is amended to read as follows:

"SEC. 617. ADMINISTRATION.

"(a) SECRETARY'S RESPONSIBILITIES.—In carrying out this part, the Secretary shall—

"(1) cooperate with, and (directly or through grant or contract) provide the technical assistance necessary to, the State in matters relating to—

"(A) the education of children with disabilities; and

"(B) carrying out the requirements of this part;

"(2) provide short-term training programs and institutes; and

"(3) disseminate information about, and otherwise promote, the education of all children with disabilities within the States.

"(b) RULES AND REGULATIONS.—Not later than January 1, 1977, the Secretary in carrying out the provisions of this part shall issue, amend, and revoke such rules and regulations as may be necessary. No other less formal method of implementing such provisions is authorized.

"(c) CONFIDENTIALITY.—The Secretary shall take appropriate action, in accordance with the provisions of section 444 of the General Education Provisions Act (20 U.S.C. 1232g), to ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary and by State and local educational agencies pursuant to the provisions of this part.

"(d) PERSONNEL.—The Secretary is authorized to hire qualified personnel necessary to conduct data collection and evaluation activities authorized by section 618, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates except that no more than 20 such personnel shall be employed at any one time.

"(e) POLICY LETTERS AND STATEMENTS.—The Secretary may not, through policy letters or other statements, establish a rule that is required for compliance with and eligibility under this part without following the requirements of section 553 of title 5, United States Code.

"(f) INTERPRETATIONS BY THE DEPARTMENT OF EDUCATION.—

"(1) IN GENERAL.—The Secretary shall, on a quarterly basis, publish in the Federal Register, and widely disseminate to interested entities through various additional forms of communication, a list of correspondence from the Department of Education received by persons during the previous quarter that describes the interpretations of the Department of Education of this part or the regulations implemented pursuant to this part.

"(2) ADDITIONAL INFORMATION.—For each item of correspondence published in a list under paragraph (1), the Secretary shall identify the topic addressed by the correspondence and shall include such other summary information as the Secretary determines appropriate.".

SEC. 209. EVALUATION AND PROGRAM INFORMATION.

(a) IN GENERAL.—Section 618 (20 U.S.C. 1418) is amended to read as follows:

"SEC. 618. EVALUATION AND PROGRAM INFORMATION.

"(a) PROGRAM INFORMATION.—Each State that receives assistance under this part, and the Secretary of the Interior, shall provide data each year to the Secretary—

"(1)(A) on—

"(i) the number of children with disabilities who are receiving a free appropriate public education;

"(ii) the number of children with disabilities who are receiving early intervention services;

"(iii) the number of children with disabilities who are participating in regular education;

"(iv) the number of children with disabilities who are in separate classes, separate schools or facilities, or public or private residential facilities;

"(v) the number of children with disabilities who, for each year of age from 14 through 21, stopped receiving special education and related services because of program completion or for other reasons; and

"(vi) the number of children with disabilities who, from birth through age 2, stopped receiving early intervention services because of program completion or for other reasons; and

"(B) on the number of infants and toddlers who are at risk of having substantial developmental delays (as described in section 672) and who are receiving early intervention services under part H; and

"(2) on any other information as may be required by the Secretary.

"(b) STUDIES AND EVALUATIONS, AND NATIONAL ASSESSMENTS.—

"(1) IN GENERAL.—The Secretary shall assess the progress in the implementation of this Act through the studies, evaluations, and assessments described in paragraphs (2) and (3).

"(2) STUDIES AND EVALUATIONS.—In carrying out the requirement of paragraph (1), the Secretary shall, directly or through grants, contracts, or cooperative agreements, conduct studies and evaluations necessary to—

"(A) assess, through quantitative and qualitative data and reporting modes, the effectiveness of State and local efforts to—

"(i) provide a free appropriate public education to children with disabilities; and

"(ii) provide early intervention services to infants and toddlers with disabilities

and infants and toddlers at risk for developmental delay;

"(B) analyze measurable impact, outcomes, and results achieved by the State educational agencies and local educational agencies through the systems change activities of such agencies to reform policies, procedures, and practices designed to improve the educational and transitional services and results for children with disabilities;

"(C) analyze the State and local needs for professional development, parent training, and other appropriate activities regarding disciplinary actions involving children with disabilities; and

"(D) assess the educational and transitional services and results for children with disabilities from unserved and underserved populations, including—

"(i) data on—

"(I) the number of children from unserved and underserved populations who are referred for special education evaluation;

"(II) the number of children from unserved and underserved populations who are receiving special education and related services; and

"(III) the number of children from unserved and underserved populations who graduated from secondary and postsecondary education programs; and

"(ii) the performance of children with disabilities from unserved and underserved populations on State assessments and other performance indicators established for all students.

"(3) NATIONAL STUDIES, ASSESSMENTS, AND EVALUATIONS.—The Secretary shall, directly or through grants, contracts, or cooperative agreements, conduct studies, assessments, and evaluations (using nationally representative samples) that shall measure the educational and transitional services and results of children with disabilities under this Act. Such studies, assessments, and evaluations shall include—

"(A) the conduct of a 5-year longitudinal study or studies (utilizing both quantitative and qualitative data and reporting modes)—

"(i) that examine the educational and transitional services and results for children with disabilities aged 3 through 17, who are receiving special education and related services under this Act, using a national, representative sample of distinct age cohorts and disability categories;

"(ii) that identify and reports on the placement of children with disabilities by disability category; and

"(iii) that examine the educational results, postsecondary placement, and employment status of individuals with disabilities, aged 18 through 21, who are receiving or have received special education and related services under this Act; and

"(B) the annual collection of data (beginning on October 1, 1998 and every fiscal year thereafter) on the number of children with disabilities suspended, expelled, and subject to other disciplinary actions (such as change in placement), including data disaggregated by age, sex, race, socioeconomic status, disability category, and category of behavior subject to disciplinary action.

The Secretary shall ensure that the activities described in clauses (i) through (iii) of subparagraph (A) are not duplicated by any entity selected through a grant, contract, or cooperative agreement under paragraph (2).

"(c) TRACKING AND REPORTING REQUIREMENTS.—

"(1) POST-SCHOOL OUTCOME TRACKING.—The Secretary shall, directly or through contracts, conduct a study on the post-school outcomes for children with disabilities who have been expelled from school, and shall develop a procedure for State educational agencies to monitor the status of the children, based on categories developed by the Secretary, including the monitoring of the status of such children through followup information regarding the employment status of the children, the return of the children to school, the graduation of the children, high school equivalency examinations taken by the children, and residential incarceration of the children.

"(2) COLLECTION AND TRACKING.—Each State educational agency shall bear the costs of collecting and reporting any information requested by the Secretary regarding the students described in paragraph (1) including, information on—

"(A) the number and nature of disciplinary actions against children expelled under section 615A; and

"(B) post-school outcomes collected under the procedure developed under paragraph (1).

"(3) REPORTS BY THE SECRETARY.—The Secretary shall collect the information described in paragraph (2) and shall—

"(A) not later than 2 years after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, prepare and submit an interim report concerning the information to the Committee on Labor and Human Resources of the Senate and the Committee on Economic and Educational Opportunities of the House of Representatives; and

"(B) not later than 4 years after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, prepare and submit a final report concerning the information to the Committee on Labor and Human Resources of the Senate and the Committee on Economic and Educational Opportunities of the House of Representatives.

"(d) ANNUAL REPORT.—Not later than 120 days after the expiration of each fiscal year, the Secretary shall prepare and submit to Congress a report that includes—

"(1) an analysis and summary of the data reported by the States and the Secretary of the Interior under subsection (a);

"(2) the results of activities conducted under subsection (b);

"(3) the findings and determinations resulting from reviews of States with respect to the implementation of this Act; and

"(4) recommendations with respect to the implementation of this Act to improve the educational and transitional services and results for children with disabilities and their families.

"(e) ADDITIONAL SOURCES OF INFORMATION.—The Secretary may collect and use information collected from various sources for reporting to Congress, including the collection and use of State evaluations and available research studies, in carrying out this section.

"(f) RESERVATION FOR STUDIES AND EVALUATIONS.—Notwithstanding any provision of this Act, the Secretary may reserve, in addition to any funds appropriated under this section, up to one-half of one percent of

the amount appropriated under this part and part H for each fiscal year to carry out the purposes of this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—For purposes of carrying out this section, there are authorized to be appropriated $4,100,000 for fiscal year 1997 and such sums as may be necessary for succeeding fiscal years.

"(h) APPLICABILITY OF DEFINITIONS.—Any term used in this section that is defined in section 602 (as amended by section 102 of the Individuals with Disabilities Education Act Amendments of 1996) shall have the meaning given such term in such section.".

(b) REPEALS.—

(1) CURRENT PROGRAM AND EVALUATIONS PROVISIONS.—Section 618 (20 U.S.C. 1418) as in effect on the day before October 1, 1996 shall be repealed effective October 1, 1996.

(2) APPLICABILITY OF DEFINITIONS.—Section 618(h), as added by subsection (a), shall be repealed effective October 1, 1997.

SEC. 210. PRESCHOOL GRANTS.

Section 619 (20 U.S.C. 1419) is amended to read as follows:

"SEC. 619. PRESCHOOL GRANTS.

"(a) PURPOSE OF GRANTS.—The Secretary shall make grants to States and the outlying areas to assist in the pro-

vision of special education and related services, in accordance with this part—

"(1) to children with disabilities aged 3 through 5; and

"(2) at the discretion of the State, to 2-year-old children with disabilities who will turn age 3 during the school year.

"(b) ELIGIBILITY.—A State or outlying area is eligible for a grant under this section if the State or outlying area—

"(1) has established its eligibility under section 612; and

"(2) makes a free appropriate public education available to all children with disabilities, aged 3 through 5, residing in the jurisdiction of the State or the outlying area.

"(c) ALLOCATIONS.—Of the funds made available under this section, the Secretary shall allocate to each eligible State and each outlying area, the State's or outlying area's pro rata share of the available funds based upon the count of the State on the number of children with disabilities, aged 3 through 5, consistent with section 611(a)(3). The amount of any grant to any State or outlying area under this section for any fiscal year may not exceed $1,500

for each child with a disability in such State or outlying area, aged 3 through 5.

"(d) STATE-LEVEL ACTIVITIES.—

"(1) IN GENERAL.—A State may retain not more than 25 percent of the amount of the grant that the State receives under this section for administration and other State-level activities in accordance with subsections (e) and (f).

"(2) INAPPLICABILITY OF CERTAIN REQUIREMENTS.—A State may use the funds that the State retains under paragraph (1) without regard to—

"(A) the prohibition on commingling of funds under section 612(a)(18)(A)(ii); and

"(B) the prohibition on supplanting other funds under section 612(a)(18)(A)(iii).

"(e) STATE ADMINISTRATION.—

"(1) IN GENERAL.—Each State and outlying area may use not more than 5 percent of the amount of the grant that the State and outlying area receive under this section for any fiscal year for the purpose of administering this part, including the coordination of activities under this part with, and providing technical assistance to, other programs that provide services to children with disabilities.

"(2) ADMINISTRATION OF PART H.—Funds described in paragraph (1) may also be used for the administration of part H, if the State educational agency is the lead agency for the State under that part.

"(f) OTHER STATE-LEVEL ACTIVITIES.—A State shall use any funds that the State retains under subsection (d) and does not use for administration under subsection (e)—

"(1) for support services (including establishing and implementing the mediation process required by section 615(e)), which may benefit children with disabilities younger than age 3 and older than age 5 as long as such services also benefit children with disabilities aged 3 through 5;

"(2) for direct services for children eligible for services under this section;

"(3) for activities at the State and local levels to meet the performance goals established by the State under section 612(a)(16);

"(4) to supplement other funds used to develop and implement a fully integrated and coordinated statewide system that links education, health, social welfare services, support systems, and other community entities, in a manner designed to improve the educational and transitional results for all children and their families (including children with disabil-

ities and their families), but not to exceed 1 percent of the amount received by the State under this section; or

"(5) for other activities at the discretion of the State educational agency that are consistent with the purpose of this part.

"(g) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES AND STATE AGENCIES.—

"(1) REQUIREMENT TO MAKE SUBGRANTS.—A State that receives a grant under this section for any fiscal year shall distribute at least 75 percent of the grant funds to local educational agencies in the State that have established eligibility under section 613, and to State agencies that received funds for fiscal year 1994 under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (as such subpart was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994) and that have established their eligibility under section 613.

"(2) METHODS OF DISTRIBUTION.—From the amount of funds available to local educational agencies or State agencies in any State under this section, each local educational agency shall be entitled to the pro rata share of the available funds based on the ag-

gregate number of children with disabilities aged 3 through 5 who received special education and related services as determined under section 611.

"(h) PART H INAPPLICABILITY.—Part H does not apply to any child with a disability receiving a free appropriate public education, in accordance with this part, with funds received under this section.

"(i) OUTLYING AREAS.—The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a), permitting the consolidation of grants to outlying areas, shall not apply to funds received by such areas under this section.

"(j) DEFINITION OF STATE.—For the purpose of this section, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(k) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.".

SEC. 211. PAYMENTS.

Section 620 (20 U.S.C. 1420) is amended to read as follows:

"SEC. 620. PAYMENTS.

"(a) PAYMENTS TO STATES.—The Secretary shall make payments to each State that has demonstrated the eli-

gibility of the State under section 612, in amounts that the Secretary determines under sections 611 and 619.

"(b) PAYMENTS TO LOCAL EDUCATIONAL AGENCIES AND STATE AGENCIES.—Any State educational agency receiving payments under this section shall distribute payments to local educational agencies (and to State agencies that received funds for fiscal year 1994 under subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (as such subpart was in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994)) in the State that the State educational agency has determined are eligible under section 613, in amounts determined under sections 611 and 619.".

SEC. 212. APPLICABILITY OF DEFINITIONS.

(a) AMENDMENT.—Part B (20 U.S.C. 1411 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 620A. APPLICABILITY OF DEFINITIONS.

"The definitions used in section 602 (as in effect on the day before the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996) shall apply to this part, except as provided in section 615A and section 618.

(b) REPEAL.—Section 620A, as added by subsection (a), shall be repealed effective January 1, 1998.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1997.

SEC. 213. CONFORMING AND TECHNICAL AMENDMENTS.

(a) SETTLEMENTS AND ALLOCATIONS.—Section 611 (20 U.S.C. 1411) is amended—

(1) by striking "SEC. 611. (a)" and all that follows through "(1) Except as" and inserting the following:

"SEC. 611. (a)(1) Except as"; and

(2) in subsection (a) (amended by paragraph (1))—

(A) in paragraph (1)—

(i) by realigning the margins of subparagraphs (A) and (B) so as to align with subparagraphs (A) and (B) of subsection (b)(1); and

(ii) by realigning the margins of clauses (i) and (ii) of subparagraph (A) so as to align with subclauses (I) and (II) of subsection (d)(2)(A)(i); and

(B) by realigning the margins of paragraph (2) so as to align with paragraph (3).

(b) ADVISORY PANELS.—Section 615(h) (20 U.S.C. 1415(h)), as so redesignated by section 206(c)(5), is amended by striking "section 613(a)(12)" and inserting "section 612(a)(20)".

(c) PROCEDURAL SAFEGUARDS.—Section 615A, as added by section 206(d)(1), is amended—

(1) in subsection (b)(6), by striking "615(b)(2)" and inserting "615(f)";

(2) in subsection (c)(3)(A), by striking "615(b)(2)" and inserting "615(f)"; and

(3) in subsection (d)(2)(C), by striking "615(b)(2)" and inserting "615(f)".

(d) REFERENCES TO EVALUATION AND PROGRAM INFORMATION.—

(1) ADMINISTRATIVE PROVISIONS.—Section 610 (20 U.S.C. 1409) is amended—

(A) in subsection (a), by striking "section 618 and";

(B) in subsection (d), by striking "under section 618 and";

(C) by striking subsection (e); and

(D) in subsection (f), by striking ", as well as" and all that follows through "under section 618".

(2) ADMINISTRATION.—Section 617(d) (20 U.S.C. 1417(d)) is amended by striking "subsections (b), (c) and (d) of".

(3) REGIONAL RESOURCE AND FEDERAL CENTERS.—Section 621(c) (20 U.S.C. 1421(c)) is amended by striking "Each regional" and inserting "Except as otherwise required by the Secretary, each regional".

(4) SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR YOUTH WITH DISABILITIES.—Section 626(f)(3)(D) (20 U.S.C. 1425(f)(3)(D)) is amended by striking "section 618(g)" and inserting "section 618".

(5) GRANTS FOR PERSONNEL TRAINING.—Section 631(e)(11) (20 U.S.C. 1431(e)(11)) is amended in the second sentence by striking "section 618(g)" and inserting "section 618".

SEC. 214. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this title and in subsections (b) and (c), the amendments made by this title shall take effect on January 1, 1998.

(b) PROCEDURAL SAFEGUARDS.—

(1) SECTION 615.—The amendments made by subsection (c)(3)(D) (i) and (ii) of section 206 shall take effect on July 1, 1997.

(2) SECTION 615A.—

(A) IN GENERAL.—The amendment made by section 206(d)(1) shall take effect on July 1, 1997.

(B) CHANGING SECTION 615(B)(2) REFERENCES.—The amendment made by section 213(c) shall take effect on January 1, 1998.

(3) CONFORMING AMENDMENT.—

(A) IN GENERAL.—Section 314(a) of the Improving America's Schools Act of 1994 (20 U.S.C. 1415 note) is amended by striking paragraph (2).

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on July 1, 1997.

(c) EVALUATION AND PROGRAM INFORMATION.—

(1) IN GENERAL.—The amendment made by section 209 shall take effect on October 1, 1996, except that section 618(a)(1)(B) of the Individuals with Disabilities Education Act, as added by section 209, shall not take effect until October 1, 1997.

(2) SECRETARY OF THE INTERIOR'S COMPLIANCE.—The amendment made by section 201(d)(2)(C) shall take effect on the date of enactment of this Act.

(3) CONFORMING AMENDMENTS.—The amendment made by section 213(d) shall take effect on the date of enactment of this Act.

(d) TRANSITION RULE.—

(1) IN GENERAL.—Subject to paragraph (2), a State that is eligible for assistance under part B (as such part was in effect on the day before the date of enactment of this Act) may begin carrying out the provisions of part B (as amended by this title) prior to January 1, 1998.

(2) NOTIFICATION AND APPROVAL.—A State that desires to carry out any provision of part B (as amended by this title) under paragraph (1) shall notify the Secretary of Education of which provision of such part the State desires to carry out. In accordance with the procedure established by the Secretary of Education, the Secretary of Education shall notify the State—

(A) of whether the State may carry out a provision of such part; and

(B) of any applicable procedure that the State shall comply with for the purposes of carrying out such provision.

TITLE III—SYSTEMS CHANGE

SEC. 301. SYSTEMS CHANGE.

Part C (20 U.S.C. 1421 et seq.) is amended to read as follows:

"PART C—PROMOTING SYSTEMS CHANGE TO IMPROVE EDUCATIONAL AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES

"SEC. 621. FINDINGS AND PURPOSE.

"(a) FINDINGS.—Congress finds the following:

"(1) States are responding with some success to multiple pressures to improve educational and transitional services and results for children with disabilities in response to growing demands imposed by ever-changing factors, such as demographics, social policies, and labor and economic markets.

"(2) In order for States to address such demands and to facilitate lasting systems change that is of benefit to all students, including children with disabilities, States must involve local educational agencies, individuals with disabilities and their families, and other interested individuals and organizations in planning and implementation activities that affect education.

"(3) Targeted Federal financial resources are needed to support planning, needs assessment, implementation, and evaluation of better ways to address the needs of children with disabilities into the next century.

"(4) State educational agencies, in partnership with local educational agencies and other individuals and organizations, are in the best position to identify and design ways to meet emerging and expanding demands to improve education for children with disabilities and to address their special needs.

"(5) Research, demonstration, and practice over the past 20 years in special education and related disciplines have built a foundation of knowledge on which State and local systems change activities can now be based.

"(6) Such research, demonstration, and practice in special education and related disciplines have demonstrated that an effective educational system now and in the future must—

"(A) maintain high academic standards and clear performance goals for children with disabilities, consistent with the standards and expectations for all students in the educational system, and provide for appropriate and effective

strategies and methods to ensure that students who are children with disabilities have maximum opportunities to achieve such standards and goals;

"(B) create a system that fully addresses the needs of all students, including students who are children with disabilities, by linking and coordinating the requirements of parts B and H with other systemic reform initiatives;

"(C) clearly define, in measurable terms, the school and postschool results that children with disabilities will achieve through their participation in general and special education programs;

"(D) promote service integration, and the coordination of State and local education, social, health, and mental health supports, and other interagency supports, in addressing the full range of student needs, particularly the needs of students who are children with disabilities and have significant and multiple disabilities;

"(E) ensure that children with disabilities are provided assistance and support in making transitions as described in clauses (i) through (iii) of section 614(a)(2)(B);

"(F) promote comprehensive programs of professional development to ensure that the persons responsible for the education or such a transition of children with disabilities possess the skills and knowledge necessary to address the educational and related needs of the children;

"(G) create school-based disciplinary strategies that will be used to reduce or eliminate the need to use suspension and expulsion as disciplinary options for children with disabilities;

"(H) establish placement-neutral funding formulas and cost-effective strategies for serving children with disabilities in special education and general education; and

"(I) involve individuals with disabilities and parents of children with disabilities in planning, implementing, and evaluating educational system innovations and reforms.

"(b) PURPOSE.—The purpose of this part is to assist and provide incentives to State educational agencies, working in partnership with local educational agencies, and other interested individuals, agencies, and organizations, described in section 623(a), to carry out systems change activities that will improve policies, procedures, and practices, and training, and the use of personnel, parents, and

school-age peers of children with disabilities that will contribute to improved early intervention, educational and transitional services and results for children with disabilities in demonstrable and measurable ways.

"SEC. 622. GRANTS TO STATE EDUCATIONAL AGENCIES.

"(a) GRANT AWARD.—

"(1) IN GENERAL.—The Secretary shall award grants, on a competitive basis, to State educational agencies, working in partnership with local educational agencies and other individuals and organizations described in section 623(a), to support systems change activities that benefit, in demonstrable and measurable ways, children with disabilities.

"(2) ACTIVITIES BENEFITING MULTIPLE STATES.—To pursue systems change activities that benefit children with disabilities and their families in more than 1 State, recipients of such grants may collaborate in carrying out projects under this part through such activities as joint arrangements with 1 or more institutions of higher education, sharing of project staff, and joint use of consultants.

"(b) TYPES OF GRANTS.—

"(1) IN GENERAL.—In awarding grants under subsection (a), the Secretary may award either a planning grant or an implementation grant to a

State educational agency applying for funds under this part that forms a partnership described in section 623(a) that applies for funds under this part.

"(2) PLANNING GRANTS.—

"(A) APPLICATION.—An applicant may apply under section 623(b) for a planning grant to develop systems change activities.

"(B) DURATION.—A planning grant referred to in paragraph (1) shall be awarded for a period of 1 year.

"(C) RENEWAL OF 1-YEAR GRANTS.—A grant that has been awarded for a 1-year period in accordance with subparagraph (B) may be renewed for an additional 1-year period.

"(3) IMPLEMENTATION GRANTS.—

"(A) APPLICATION.—An applicant may apply under section 623(c) for an implementation grant to carry out systems change activities.

"(B) DURATION.—An implementation grant referred to in paragraph (1) shall be awarded for a period of not to exceed 5 years.

"(c) AMOUNT OF AWARDS.—

"(1) CONSIDERATIONS.—In determining the amount of any award under this part for a State educational agency, the Secretary may consider such

factors as the Secretary finds appropriate, which may include the size of the school-age population of the State in which the State educational agency is located.

"(2) LIMITATION AMOUNT.—Notwithstanding paragraph (1) and except as provided in subsection (d)(2) and section 624—

"(A) the annual amount of each planning grant referred to in subsection (b)(1) shall not exceed—

"(i) $100,000 for any State educational agency in a State; or

"(ii) $10,000 for any State educational agency in an outlying area; and

"(B) the annual amount of each implementation grant referred to in subsection (b)(1) shall be not less than—

"(i) $450,000 for any State educational agency in a State; or

"(ii) $40,000 for any State educational agency in an outlying area.

"(d) LIMITATIONS AND EXCEPTIONS.—

"(1) LIMITATION.—Except as provided in paragraph (2), no State educational agency may receive

more than 1 award under this part for any fiscal year.

"(2) EXCEPTIONS.—In addition to applying for an individual implementation grant, State educational agencies may submit a joint application under section 623 for an implementation grant referred to in subsection (b)(1) with other State educational agencies to address systemic problems on a regional or national basis. Any State educational agency that is involved in the joint submission of an application under this paragraph shall, prior to making an application under section 623, form within the State in which the State educational agency is located a partnership as described in section 623(a). In determining the amount of any award for such a grant, the Secretary may set aside the monetary limitations described in subsection (c).

"SEC. 623. APPLICATION.

"(a) IN GENERAL.—In order to be considered for a planning grant or an implementation grant under this part, a State educational agency shall establish a partnership among members (referred to in this part as the 'partnership') consisting of local educational agencies, and other individuals and organizations involved in, or concerned

with, the education of children with disabilities, including—

"(1) parents of children with disabilities;

"(2) individuals with disabilities;

"(3) teachers and related services providers;

"(4) representatives of institutions of higher education;

"(5) representatives of other State agencies involved in the financing or delivery of special education and related services to children with disabilities and early intervention services to infants and toddlers with disabilities;

"(6) representatives of vocational, community, postsecondary, and business organizations concerned with the provision of transitional services to children with disabilities; and

"(7) other individuals as deemed appropriate by the State educational agency.

"(b) PLANNING GRANTS.—In order to be considered for a planning grant under this part, a State educational agency, in partnership with the local educational agencies, and other individuals, and organizations described in subsection (a), shall prepare and submit an application to the Secretary that—

"(1) describes the planning activities for which assistance is sought;

"(2) describes proposed changes in practices, procedures, policies, training, or uses of personnel;

"(3) describes a partnership agreement that—

"(A) specifies the nature and extent of the partnership, and the respective roles of each member of the partnership; and

"(B) shall be in effect for the period of the grant; and

"(4) includes such other information and assurances as the Secretary may reasonably require.

"(c) IMPLEMENTATION GRANTS.—In order to be considered for an implementation grant under this part, a State educational agency, in partnership with local educational agencies, and other individuals and organizations described in subsection (a), shall prepare and submit an application to the Secretary that—

"(1) describes the critical aspects of practices, procedures, policies, and organizational structures that will be changed in order to improve educational and transitional results for children with disabilities, based on syntheses and analysis of available information, such as—

"(A) information on the performance of children with disabilities on State assessments and other performance indicators established for all children, such as dropout rates and graduation rates;

"(B) information on State and local needs for professional development for personnel to serve children with disabilities; and

"(C) information provided to the State educational agency by the Secretary;

"(2) identifies the goals and objectives for the systems change activities to be carried out under the grant and how the goals and objectives relate to the goals established by the State under section 612(a)(16) (as amended by section 202 of the Individuals with Disabilities Education Act Amendments of 1996);

"(3) describes how grant funds will be used in undertaking the systems change activities, and the amount and nature of funds from other sources that will be committed to the systems change activities;

"(4) describes the performance indicators that will be adopted or used to measure progress made toward the goals of the systems change activities and to-

ward improved educational and transitional results for children with disabilities;

"(5) describes the approach that will be taken, on an annual basis, to disseminate information on the progress measured under paragraph (4) to interested members of the State partnership and to the Secretary;

"(6) describes a partnership agreement specified in subsection (b)(3); and

"(7) includes such other information and assurances as the Secretary may reasonably require.

"(d) ADEQUATE PROGRESS.—The Secretary may terminate a grant to a State educational agency under this part, or require amendments to an approved application of a State educational agency, if the Secretary determines that the State educational agency is not making adequate progress toward the goals of the systems change activities of the State educational agency under this part.

"SEC. 624. INCENTIVES.

"Notwithstanding section 622(c)(2), the Secretary may provide additional funds for systems change activities, if the Secretary approved an application under this part relating to the activities and—

"(1) the application, in addition to meeting the minimal application requirements, includes evidence

of a significant and substantial level of collaboration among agencies, organizations, and individuals who have an interest in the quality of educational services and opportunities for children with disabilities;

"(2) the activities described in the application are connected with prereferral programs and other programs designed to prevent the educational failure of children (particularly children who are members of unserved, underserved, or inappropriately identified populations and who are from minority backgrounds and from geographic areas with significant need) so that the children experience a high level of success in their educational experience; and

"(3) the application demonstrates, in addition to meeting the minimal application requirements, an ongoing effort to assess and address the needs of children with disabilities and ensure the full participation of such children in statewide or districtwide general education systems change activities.

"SEC. 625. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for fiscal year 1998 and such sums as may be necessary for each of fiscal years 1999 through 2002.".

SEC. 302. REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF INDIVIDUALS WITH DISABILITIES.

(a) REGIONAL CENTERS FOR THE DEAF.—Section 625(a)(6) (20 U.S.C. 1424a(a)(6)) is amended—

(1) in the second sentence, by striking "1994" and inserting "1997"; and

(2) by striking the third sentence.

(b) AUTHORIZATION OF APPROPRIATIONS.—Each of subsections (a) through (h) of section 628 of such Act (20 U.S.C. 1427) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".

SEC. 303. EFFECTIVE DATE.

The amendments made by this title, other than the amendments made by section 302, shall take effect on October 1, 1997.

TITLE IV—RESEARCH AND PERSONNEL PREPARATION

SEC. 401. IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED RESEARCH AND PERSONNEL PREPARATION.

Part D (20 U.S.C. 1431 et seq.) is amended to read as follows:

"PART D—IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED RESEARCH AND PERSONNEL PREPARATION

"SEC. 631. FINDINGS AND PURPOSE.

"(a) FINDINGS.—Congress finds the following:

"(1) The Federal Government has an ongoing obligation to support programs, projects, and activities that contribute to positive results for children with disabilities, enabling the children—

"(A) to meet their early intervention, educational, and transitional goals and, to the maximum extent possible, educational standards that have been established for all children; and

"(B) to acquire the skills that will empower the children with disabilities to lead productive and independent adult lives.

"(2)(A) As a result of more than 20 years of Federal support for research, demonstration projects, and personnel preparation, there is an important knowledge base for improving results for children with disabilities.

"(B) Such knowledge should be used by States and local educational agencies to design and implement state-of-the-art educational systems that con-

sider the needs of, and include, children with disabilities, especially in environments in which the children can learn along with their peers and achieve results measured by the same standards as the results of their peers.

"(3)(A) Continued Federal support is essential for the development and maintenance of a coordinated and high-quality program of research, demonstration projects, dissemination of information, and personnel preparation.

"(B) Such support—

"(i) enables State educational agencies and local educational agencies to improve their educational systems and results for children with disabilities;

"(ii) enables State and local agencies to improve early intervention services and results for infants and toddlers with disabilities and their families; and

"(iii) enhances the opportunities for general and special education personnel, related services personnel, parents, and paraprofessionals to participate in preservice and inservice training, to collaborate, and

to improve results for children with disabilities and their families.

"(4) The Federal Government plays a critical role in facilitating the availability of an adequate number of highly qualified personnel—

"(A) to serve effectively the over 5,000,000 children with disabilities;

"(B) to assume leadership positions in administrative and direct service capacities related to teacher training and research concerning the provision of early intervention services, special education, and related services; and

"(C) to work with children with low-incidence disabilities and their families.

"(5) The Federal Government performs the role described in paragraph (4)—

"(A) by supporting models of personnel development that reflect successful practice, including strategies for recruiting, preparing, and retaining personnel;

"(B) by promoting the coordination and integration of—

"(i) personnel development activities for teachers of children with disabilities; and

"(ii) other personnel development activities supported under Federal law, including this part;

"(C) by supporting the development and dissemination of information about teaching standards; and

"(D) by promoting the coordination and integration of personnel development activities through linkage with systems change activities within States and nationally.

"(b) PURPOSE.—The purpose of this part is to provide Federal funding for coordinated research, demonstration projects, outreach, and personnel preparation activities that—

"(1) are described in section 633 or 634;

"(2) are linked with, and positively affect, systems change outcomes; and

"(3) improve early intervention, educational, and transitional results for children with disabilities.

"SEC. 632. DEFINITION.

"As used in this part:

"(1) DEVELOPMENTAL DELAY.—The term 'developmental delay' has the meaning given such term by a State under section 676(b)(1).

"(2) EARLY INTERVENTION SERVICES.—The term 'early intervention services' has the meaning given the term in section 672.

"SEC. 633. RESEARCH AND INNOVATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES.

"(a) IN GENERAL.—The Secretary may competitively make grants to, or enter into contracts or cooperative agreements with, eligible entities to produce and advance the use of knowledge to—

"(1)(A) improve services provided under this Act, including the practices of professionals and others involved in providing such services to children with disabilities; and

"(B) improve early intervention, educational, and transitional services and results, for children with disabilities;

"(2) address the special needs of infants and toddlers with disabilities, including such infants and toddlers who are at risk of having substantial developmental delays if early intervention services are not provided;

"(3) address the specific problems of overidentification and underidentification of children with dis-

abilities to the same extent as other problems facing children with disabilities;

"(4) prevent children with emotional and behavioral problems from developing emotional disturbances that require the provision of special education and related services; and

"(5) improve secondary and postsecondary education and educational results for children with disabilities.

"(b) NEW KNOWLEDGE PRODUCTION; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) expand understanding of the relationships between learning characteristics of children with disabilities and the diverse ethnic, cultural, linguistic, social, and economic backgrounds of children with disabilities and their families;

"(2) develop or identify innovative, effective, and efficient curricula designs, instructional approaches, and strategies, and develop or identify positive academic and social learning opportunities, that—

"(A) enable children with disabilities to make effective transitions described in section

643(d)(2)(E) or transitions between educational settings; and

"(B) improve educational and transitional results for children with disabilities at all levels of the educational system in which the activities are carried out and, in particular, that improve the progress of the children, as measured by performance expectations within the general education curriculum involved;

"(3) advance the design of assessment tools and procedures that will accurately and efficiently determine the special instructional, learning, and behavioral needs of children with disabilities, especially within the context of general education;

"(4) study and promote improved alignment and compatibility of general and special education reforms concerned with curricular and instructional reform, evaluation and accountability of such reforms, and administrative procedures;

"(5) advance the design, development, and integration of technology, assistive technology devices, media, and materials, to improve early intervention, educational, and transitional services and results, for children with disabilities; and

"(6) improve designs, processes, and results, of personnel preparation for personnel who provide services to children with disabilities through the acquisition of information on, and implementation of, research-based practices.

"(c) INTEGRATION OF RESEARCH AND PRACTICE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) demonstrate and apply research-based findings to facilitate systemic changes in policy, procedure, practice, and the training and use of personnel, related to the provision of services to children with disabilities;

"(2) promote and demonstrate the coordination of early intervention and educational services for children with disabilities with services provided by health, rehabilitation, and social service agencies;

"(3) identify solutions that overcome systemic barriers to the effective and efficient delivery of early intervention, educational, and transitional services to children with disabilities;

"(4) enable professionals, parents of children with disabilities, and other persons to learn about

and implement the findings of research, and successful practices developed in model demonstration projects, relating to the provision of services to children with disabilities; and

"(5) conduct outreach, and disseminate information, relating to successful approaches to overcoming systemic barriers to the effective and efficient delivery of early intervention, educational, and transitional services to personnel who provide services to children with disabilities.

"(d) IMPROVING THE USE OF PROFESSIONAL KNOWLEDGE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) synthesize professional knowledge bases that utilize rigorous methodologies and that relate to the provision of services to children with disabilities;

"(2) analyze such professional knowledge bases to advance an understanding of the relationships, and the effectiveness of practices, relating to the provision of services to children with disabilities; and

"(3) present such professional knowledge bases in a clear and meaningful manner to affected persons at

all levels of the service systems that serve children with disabilities and their families.

"(e) APPLICATIONS.—Any eligible entity that wishes to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such a manner, and containing such information as the Secretary may require.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $63,000,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.

"SEC. 634. PERSONNEL PREPARATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES.

"(a) IN GENERAL.—

"(1) SUPPORT.—The Secretary may competitively make grants to, or enter into contracts or cooperative agreements with, eligible entities and consortia of eligible entities, to help address State-identified needs for qualified personnel and to ensure that the personnel have the skills and knowledge reflecting successful practices determined through research and practice that are needed to serve children with disabilities.

"(2) PROJECTS.—In carrying out this section, the Secretary may support—

"(A) projects that address the need for personnel to serve children with high-incidence disabilities or children with low-incidence disabilities;

"(B) projects that address the need for leadership personnel;

"(C) special projects that have broad applicability in addressing the personnel needs described in paragraph (1); and

"(D) projects that improve the skills of personnel who serve children with disabilities who engage in or are likely to engage in behavior subject to disciplinary action.

"(b) HIGH-INCIDENCE DISABILITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities for children with high-incidence disabilities that are consistent with the objectives described in subsection (a), including activities that—

"(1) provide teachers, and related services personnel, from various disciplines with interdisciplinary training and training regarding innovative instructional methods for children with disabilities, especially methods that meet the diverse needs of indi-

vidual children with disabilities and enable the children to be successful, as measured by performance expectations within the general education curriculum involved;

"(2) prepare personnel in the use of strategies, techniques, methods, and practices that meet the needs, for early intervention, educational, and transitional services, of children with disabilities who are members of unserved, underserved, or inappropriately identified populations;

"(3) develop career-ladder opportunities for paraprofessionals to receive training as special education teachers and related services personnel, including interdisciplinary training to enable the teachers and personnel to improve early intervention, educational, and transitional results for children with disabilities;

"(4) enhance the ability of trainees, teachers, and others to acquire and use strategies, including behavior management plans, to address the conduct of children with disabilities that impedes learning by such children and learning by other students in the classroom involved;

"(5) recruit and retain new, highly qualified teachers and related services personnel, especially

from groups that are unserved and underserved populations in the teaching profession and from individuals from rural or urban settings, to provide services to children with disabilities;

"(6) enhance the preparation of individuals who are teachers, early intervention services personnel, related services personnel, or paraprofessionals, by providing such individuals with interdisciplinary training to develop the collaborative skills needed to appropriately teach children with disabilities, particularly in accordance with a general education curriculum; and

"(7) support universities, and institutions of higher education, with minority enrollments of at least 25 percent for the purpose of preparing personnel to work with children with disabilities who are members of unserved, underserved, or inappropriately identified populations.

"(c) LEADERSHIP PREPARATION; AUTHORIZED ACTIVITIES.—In carrying out this section the Secretary may support any leadership preparation activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) prepare personnel at the advanced graduate, doctoral, and postdoctoral levels of training to admin-

ister, enhance, or provide services for children with disabilities, with emphasis on preparation of personnel who are involved with, or will be involved with, efforts to address the needs of children with disabilities who are members of unserved, underserved, or inappropriately identified populations, children with low-incidence disabilities, and children from rural or urban areas;

"(2) provide interdisciplinary training for personnel from various disciplines, including teacher preparation faculty, administrators, researchers, supervisors, and other persons, affecting the early intervention, educational, and transitional services of children with disabilities;

"(3) prepare professionals at the doctoral and postdoctoral levels at institutions of higher education that are working toward integrating professional development of general education, special education, and other disciplines; and

"(4) prepare professionals at the doctoral and postdoctoral levels at institutions of higher education that are successfully recruiting and preparing—

"(A) individuals with disabilities; and

"(B) individuals from groups that are underrepresented in education leadership positions.

"(d) LOW-INCIDENCE DISABILITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities for children with low-incidence disabilities that are consistent with the objectives described in subsection (a), including—

"(1) preparing persons who—

"(A) have prior training in educational and other related service fields; and

"(B) are studying to obtain certificates or licensure that will enable the persons to assist children with disabilities to achieve the objectives set out in their individualized education programs described in section 614 or to assist infants and toddlers with disabilities to achieve the outcomes described in their individualized family service plans described in section 677;

"(2) providing personnel from various disciplines with interdisciplinary training that will contribute to improvement in early intervention, educational, and transitional results for children with disabilities;

"(3) preparing personnel in the innovative uses and application of technology to enhance through early intervention, educational, and transitional services, learning by children with disabilities;

"(4) preparing personnel to provide early intervention services or special education services to children with disabilities, including preparation through the provision of scholarships with necessary stipends and allowances; and

"(5) ensuring that all entities and consortia who receive assistance under this section to prepare personnel to provide services to visually impaired or blind children, will prepare the personnel to teach and use braille in the provision of services to such children.

"(e) PROJECTS OF NATIONAL SIGNIFICANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) develop and demonstrate effective and efficient practices for preparing personnel to provide services to children with disabilities, including practices that address needs identified through systems change activities funded under part C;

"(2) demonstrate the application of significant knowledge derived from research and other sources in the development of programs to prepare personnel to provide services to children with disabilities;

"(3) demonstrate models for the preparation of special education and general education personnel, to enable the personnel—

"(A) to acquire the collaboration skills necessary to assist children with disabilities; and

"(B) to achieve results that meet challenging standards of performance expectations, particularly performance expectations within the general education curriculum involved;

"(4) demonstrate models that—

"(A) provide interdisciplinary training to individuals within collaborative teams of special education and general education personnel, related services personnel, and family members of children with disabilities; and

"(B) enhance the educational experience of children with disabilities;

"(5) demonstrate models that reduce shortages of teachers, and personnel from other relevant disciplines, who serve children with disabilities through

reciprocity arrangements, between States, that are related to licensure and certification;

"(6) develop, evaluate, and disseminate model teaching standards for persons working with children with disabilities; and

"(7) promote the transferability, across State and local jurisdictions, of licensure and certification of teachers and administrators working with such children.

"(f) APPLICATIONS.—

"(1) IN GENERAL.—Any eligible entity or consortium that wishes to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(2) IDENTIFIED STATE NEEDS.—Any such application shall include information demonstrating to the satisfaction of the Secretary that the activities described in the application will address needs identified by the State the applicant proposes to serve.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $81,000,000 to carry out this section for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.".

SEC. 402. CONFORMING AMENDMENTS.

(a) HIGHER EDUCATION ACT OF 1965.—

(1) Section 409A(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a–51(2)) is amended by striking "refer students with disabilities and their families to the postsecondary clearinghouse that is authorized under section 633(c) of the Individuals with Disabilities Education Act" and inserting "refer students with disabilities and their families to the activities addressing information preparation and dissemination needs relating to postsecondary services that are authorized under section 644(e)(4) of the Individuals with Disabilities Education Act".

(2) The third sentence of section 483(d) of the Higher Education Act of 1965 (20 U.S.C. 1090(d)) is amended by striking "refer such students to the national clearinghouse on postsecondary education that is authorized under section 633(c) of the Individuals with Disabilities Education Act" and inserting "refer such students to the activities addressing information preparation and dissemination needs relating to postsecondary services that are authorized under section 644(e)(4) of the Individuals with Disabilities Education Act".

(b) GOALS 2000: EDUCATE AMERICA ACT.—Section 402(a)(2)(H) of the Goals 2000: Educate America Act (20

U.S.C. 5912(a)(2)(H)) is amended by striking clause (ii) and inserting the following:

"(ii) parent training and information centers and community parent training and information programs authorized under subsections (b) and (c), respectively, of section 643 of the Individuals with Disabilities Education Act;".

(c) REHABILITATION ACT OF 1973.—

(1) Section 105(b)(1)(A)(ii) of the Rehabilitation Act of 1973 (29 U.S.C. 725(b)(1)(A)(ii)) is amended by striking "a parent training and information center established pursuant to section 631(e)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1431(e)(1))" and inserting "a parent training and information center or community parent training and information program authorized under subsection (b) or (c), respectively, of section 643 of the Individuals with Disabilities Education Act".

(2) Paragraphs (4)(A)(i) and (6) of section 803(c) of the Rehabilitation Act of 1973 (29 U.S.C. 797b(c)) are amended by striking "parent training and information centers established under section 631 of the Individuals with Disabilities Education Act (20 U.S.C. 1431)" and inserting "parent training

and information centers and community parent training and information programs authorized under subsections (b) and (c), respectively, of section 643 of the Individuals with Disabilities Education Act".

SEC. 403. REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO TRAINING PERSONNEL FOR THE EDUCATION OF INDIVIDUALS WITH DISABILITIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—Each of paragraphs (1) through (4) of section 635(a) (20 U.S.C. 1435(a)) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".

(b) CONFORMING AMENDMENTS.—Each of paragraphs (1) and (3) of section 635(a) (20 U.S.C. 1435(a)) is amended by striking "631(d)" and inserting "631(e)".

SEC. 404. EFFECTIVE DATE.

The amendments made by this title, other than the amendments made by section 403, shall take effect on October 1, 1997.

TITLE V—TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION

SEC. 501. IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION.

The Act (29 U.S.C. 1400 et seq.) is amended—

(1) by striking parts E, F, and G; and

(2) by inserting the following:

"PART E—IMPROVING EARLY INTERVENTION, EDUCATIONAL, AND TRANSITIONAL SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES THROUGH COORDINATED TECHNICAL ASSISTANCE, SUPPORT, AND DISSEMINATION OF INFORMATION

"SEC. 641. FINDINGS AND PURPOSES.

"(a) IN GENERAL.—Congress finds that—

"(1) national technical assistance, support, and dissemination activities are necessary to ensure that the provisions of parts B and H are fully implemented and achieve early intervention, educational,

and transitional results for children with disabilities and their families;

"(2) parents, teachers, administrators, and related services personnel need technical assistance and information in a timely, coordinated, and accessible manner in order to improve early intervention, educational, and transitional services and results, at the State and local levels for children with disabilities and their families;

"(3) parent training and information activities have taken on increased importance in efforts to assist parents of a child with a disability in dealing with the multiple pressures of rearing such a child and are of particular importance in—

"(A)(i) ensuring the involvement of such parents in planning and decisionmaking with respect to early intervention, educational, and transitional services; and

"(ii) achieving early intervention, educational, and transitional results for children with disabilities;

"(B) providing such parents information on their rights and protections under this Act to ensure improved early intervention, educational,

and transitional results for children with disabilities;

"(C) assisting such parents in the development of skills to participate effectively in the education and development of their children and in the transitions described in section 643(d)(2)(E); and

"(D) supporting the roles of such parents as participants within partnerships seeking to improve early intervention, educational, and transitional services and results, for children with disabilities and their families;

"(4) providers of parent training and information activities need to ensure that such parents who have limited access to services and supports, due to economic, cultural, or linguistic barriers, are provided with access to appropriate parent training and information activities;

"(5) parents of children with disabilities need information that helps the parents to understand the rights and responsibilities of their children under part B;

"(6) the provision of coordinated technical assistance and dissemination of information to State and local agencies, institutions of higher education, and

other providers of services to children with disabilities are essential in—

"(A) supporting the process of achieving systems change outcomes;

"(B) supporting actions in areas of priority specific to the improvement of early intervention, educational, and transitional results for children with disabilities;

"(C) conveying information and assistance that are—

"(i) based on current research (as of the date the information and assistance are conveyed);

"(ii) accessible and meaningful for use in supporting systems change activities of State and local partnerships; and

"(iii) linked directly to improving early intervention, educational, and transitional services and results, for children with disabilities and their families; and

"(D) organizing systems and information networks for such information, based on modern technology related to—

"(i) storing and gaining access to information; and

"(ii) distributing information in a systematic manner to parents, students, professionals, and policymakers;

"(7) Federal support for carrying out technology research, technology development, and educational media services and activities has resulted in major innovations that have significantly improved early intervention, educational, and transitional services and results, for children with disabilities and their families; and

"(8) such Federal support is needed to—

"(A) stimulate the development of software, interactive learning tools, and devices to address early intervention, educational, and transitional results for children with disabilities who have certain disabilities;

"(B) make information available on technology research, technology development, and educational media services and activities to individuals involved in the provision of early intervention, educational, and transitional services to children with disabilities;

"(C) promote the integration of technology into curricula to improve early intervention,

educational, and transitional results for children with disabilities;

"(D) provide incentives for the development of technology and media devices and tools that are not readily found or available because of the small size of potential markets;

"(E) make resources available to pay for such devices and tools and educational media services and activities;

"(F) promote the training of personnel to—

"(i) provide such devices, tools, services, and activities in a competent manner; and

"(ii) assist children with disabilities and their families in using such devices, tools, services, and activities; and

"(G) coordinate the provision of such devices, tools, services, and activities—

"(i) among State human services programs; and

"(ii) between such programs and private agencies.

"(b) PURPOSES.—The purposes of this part are to provide funding to ensure that—

"(1) children with disabilities, and their parents, receive training and information on their rights and protections under this Act, in order to develop the skills necessary to effectively participate in planning and decisionmaking relating to early intervention, educational, and transitional services and in systems change activities;

"(2) parents, teachers, administrators, early intervention personnel, related services personnel, and transition personnel receive coordinated and accessible technical assistance and information to assist such persons through systems change activities and other efforts, to improve early intervention, educational, and transitional services and results, for children with disabilities and their families;

"(3) appropriate technology and media are researched, developed, demonstrated, and made available in timely and accessible formats to parents, teachers, and all types of personnel providing services to children with disabilities to support their roles as partners in the improvement and implementation of early intervention, educational, and transitional services and results, for children with disabilities and their families;

"(4) children with disabilities understand (on reaching the age of majority specified under appropriate State law) their rights and responsibilities under part B, if the State provides for the transfer of parental rights under section 615(j) (as amended by section 206(c)(8) of the Individuals with Disabilities Education Act Amendments of 1996); and

"(5) the general welfare of deaf and hard-of-hearing individuals is promoted by—

"(A) bringing to such individuals understanding and appreciation of the films and television programs that play an important part in the general and cultural advancement of hearing individuals;

"(B) providing, through the films and television programs, enriched educational and cultural experiences through which deaf and hard-of-hearing individuals can better understand the realities of their environment; and

"(C) providing wholesome and rewarding experiences that deaf and hard-of-hearing individuals may share.

"SEC. 642. DEFINITIONS.

"As used in this part:

"(1) EARLY INTERVENTION SERVICES.—The term 'early intervention services' has the meaning given the term in section 632.

"(2) INDIVIDUAL WITH A DISABILITY; INDIVIDUALS WITH DISABILITIES.—The terms 'individual with a disability' and 'individuals with disabilities' have the meanings given the terms in section 3 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2202).

"(3) PARTNERSHIP.—The term 'partnership' means a partnership described in section 623(a).

"SEC. 643. PARENT TRAINING AND INFORMATION.

"(a) IN GENERAL.—

"(1) GRANTS.—

"(A) AUTHORITY.—The Secretary may competitively make grants to, or enter into contracts or cooperative agreements with, private, nonprofit organizations for the purpose of providing parent training and information activities for parents of children with disabilities, and persons who work with such parents, to enable the parents and persons to participate in, and conduct advocacy for, effective ways, including mediation, to meet the needs of and improve early

intervention, educational, and transitional results for children with disabilities.

"(B) CENTERS AND PROGRAMS.—Such activities may be provided—

"(i) by an organization that operates or intends, if funded, to operate a parent training and information center described in subsection (b); and

"(ii) by a parent organization that operates or intends, if funded, to operate a community parent training and information program described in subsection (c) that is designed specifically to build the capacity of persons who work with parents of children with disabilities who are members of unserved, underserved, or inappropriately identified populations, to demonstrate and assist in the replication of models for such activities, and to provide such activities to address the needs of such parents.

"(C) PROPOSAL.—The Secretary shall make such a grant to, or enter into such a contract or cooperative agreement with, an organization that proposes activities that are designed to meet the unique training and information needs, as deter-

mined by needs assessment data, of parents of children with disabilities who are living in the area to be served under the grant, contract, or cooperative agreement, particularly parents of children with disabilities who are members of unserved or underserved populations.

"(2) ELIGIBLE ORGANIZATIONS; MEMBERSHIP AND GOVERNANCE.—To be eligible to apply to receive a grant, or enter into a contract or cooperative agreement, under this section, an organization—

"(A) shall be governed by a board of directors that—

"(i) represents a coalition, of which a majority of the members are parents of children with disabilities, particularly parents of children with disabilities who are members of unserved, underserved, or inappropriately identified populations; and

"(ii) includes—

"(I) professionals in fields related to the provision of early intervention services, special education, and related services; and

"(II) individuals with disabilities; or

"(B) shall have a membership that represents the interests of individuals with disabilities, and shall establish a special governing committee—

"(i) of which a majority of the members are parents of infants and toddlers with disabilities or of children with disabilities;

"(ii) that includes—

"(I) professionals in fields related to the provision of early intervention services, special education, and related services; and

"(II) individuals with disabilities; and

"(iii) of which the parent and professional members are broadly representative of the population to be served by the organization.

"(3) ELIGIBLE ORGANIZATIONS; CAPACITY AND EXPERTISE.—To be eligible to receive a grant, or enter into a contract or cooperative agreement, under this section, an organization shall demonstrate the capacity and expertise necessary—

"(A) to conduct the parent training and information activities described in paragraph (1); and

"(B) to work with partnerships carrying out State systems change activities under part C, seeking to improve early intervention, educational, and transitional services and results, for children with disabilities.

"(b) PARENT TRAINING AND INFORMATION CENTERS; AUTHORIZED ACTIVITIES.—Each organization that receives a grant, or enters into a contract or cooperative agreement, under subsection (a) to operate a parent training and information center shall—

"(1) provide parent training and information activities that meet the training and information needs of all parents of children with disabilities living in the area to be served under the grant, contract, or cooperative agreement, particularly parents of children with disabilities who are members of unserved or underserved populations;

"(2) serve the parents of children with disabilities who, collectively, have the full range of disabilities;

"(3) assist the parents of children with disabilities in better understanding the nature of the disabil-

ities of their children and the needs of their children to obtain improved early intervention, educational, and transitional services and results;

"(4) assist such parents in communicating effectively with early intervention services personnel, general and special education personnel, administrators, and other relevant persons;

"(5) assist such parents in participating in decisionmaking processes, including the development of individualized education programs under part B and individualized family service plans under part H, for children with disabilities;

"(6) assist such parents in obtaining appropriate information about the range of options, programs, supports, and resources available at national, State, and local levels to assist children with disabilities and their families;

"(7) assist such parents in understanding the provisions of this Act relating to the education of, and provision of early intervention services for, children with disabilities;

"(8) assist such parents in participating as informed participants in State systems change activities, especially systems change activities funded under part C;

"(9) ensure that parents of children who are members of inappropriately identified populations, and who are being referred for or are receiving special education services, are informed about problems connected with inappropriately identifying such children as described in section 602(a)(13);

"(10) assist children with disabilities, particularly such children who are members of unserved or underserved populations, in understanding their rights and responsibilities under this Act on reaching the age of majority for the State in which such a child resides, if the State provides for the transfer of parental rights under section 615(j) (as amended by section 206(c)(8) of the Individuals with Disabilities Education Act Amendments of 1996) to the children;

"(11) report to the Secretary on—

"(A) the number of such parents for whom the organization provided parent training and information activities; and

"(B) the effectiveness of strategies used to reach and serve such parents, including low-income parents from urban areas, low-income parents from rural areas, parents with limited-English proficiency who have children with disabilities, and parents with disabilities;

"(12) establish cooperative relationships with all other entities operating parent training and information centers, including community parent training and information programs described in subsection (c), in the State in which the organization is operating a parent training and information center; and

"(13) consult and establish networks with appropriate national, regional, and local agencies and organizations, such as protection and advocacy agencies, within the geographic area served by the organization, that serve or assist children with disabilities and their families.

"(c) COMMUNITY PARENT TRAINING AND INFORMATION PROGRAMS; AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Each parent organization that receives a grant, or enters into a contract or cooperative agreement, under subsection (a) to carry out a community parent training and information program shall build the capacity, demonstrate and assist in the replication of the models, and provide the activities described in subsection (a)(1)(B)(ii).

"(2) PARENTS ASSISTED.—Each such parent organization shall build such capacity, demonstrate and assist in the replication of such models, and provide such activities, in a manner that will help ensure

that parents of children with disabilities who are members of unserved or underserved populations participate in parent training and information activities.

"(3) OBJECTIVES.—The services described in paragraph (1) shall result in new capacity, demonstrated and replicated models, and training and information activities, needed to enable the parents described in paragraph (2) to participate effectively in helping their children with disabilities and to serve as informed participants in partnerships within their State, leading to improved early intervention, educational, and transitional services and results, for all children with disabilities and their families.

"(4) COMMUNITY TRAINING AND INFORMATION ACTIVITIES.—Such services shall—

"(A) include capacity building, demonstration and replication of models, and the provision of training and information activities, that meet the needs of parents of children with disabilities who are members of unserved or underserved populations;

"(B) include activities carried out through cooperative relationships with the parent training and information centers;

"(C) include accommodations and strategies to meet the specific needs of families who experience significant isolation from available sources of information and support;

"(D) demonstrate, utilize, and document the use and effectiveness of, model approaches to address the multiple needs of children with disabilities who are members of unserved or underserved populations; and

"(E) ensure that parents of children who are members of inappropriately identified populations, and who are being referred for or are receiving special education services, are informed about problems connected with inappropriately identifying such children as described in section 602(a)(13).

"(5) REPORT.—Each parent organization that receives a grant, or enters into a contract or cooperative agreement, under subsection (a) to operate a community parent training and information program shall report to the Secretary on—

"(A) the number of parents of children with disabilities who are members of unserved or underserved populations for whom the organization

provided parent training and information activities;

"(B) the effectiveness and impact of strategies used to reach and serve such parents; and

"(C) the impact of the increased capacity described in subsection (a)(1)(B)(ii) on the provision of parent training and information activities and on improved early intervention, educational, and transitional results for such children.

"(d) TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—The Secretary may provide technical assistance to organizations to—

"(1) carry out parent training and information activities by—

"(A) coordinating parent training efforts; and

"(B) providing or helping to disseminate information to centers funded under this part; and

"(2) develop, coordinate, and disseminate information on the following parent training and information activities:

"(A) Assisting the centers in evaluating their activities under this part.

"(B) Promoting the use of technology by the centers to make information available.

"(C) Reaching parents of children with disabilities who are members of unserved or underserved populations.

"(D) Including children with disabilities in general education programs.

"(E)(i) Supporting the transition of children with disabilities from—

"(I) early intervention services to preschool;

"(II) preschool to elementary school; and

"(III) secondary school to postsecondary school and employment.

"(ii) Promoting mediation and alternative methods of dispute resolution for children with disabilities.

"(F) Assisting parent training and information centers in becoming effective partners in State systems change activities, leading to improved early intervention, educational, and transitional results for children with disabilities.

"(e) APPLICATIONS.—Any eligible entity that wishes to receive a grant, or enter into a contract or cooperative

agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $13,600,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.

"SEC. 644. COORDINATED TECHNICAL ASSISTANCE AND DISSEMINATION.

"(a) IN GENERAL.—The Secretary may, directly or by competitively making grants and entering into contracts and cooperative agreements with eligible entities, provide technical assistance and information through institutes, resource centers, clearinghouses, and programs that support States and local entities in building capacity to improve early intervention, educational, and transitional services and results, for children with disabilities and their families, and address systems change goals and priorities.

"(b) SYSTEMIC TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any technical assistance activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) assist States, local educational agencies, and other members of partnerships with the process of

planning systemic changes that will promote improved early intervention, educational, and transitional results for children with disabilities;

"(2) promote change through a multistate or regional framework that benefits States, local educational agencies, and other members of partnerships, that are in the process of achieving systems change outcomes;

"(3) increase the depth and utility of information in ongoing and emerging areas of priority need identified by States, local educational agencies, and other members of partnerships, that are in the process of achieving systems change outcomes; and

"(4) develop long-term working relationships with States, local educational agencies, and other members of partnerships, by—

"(A) developing familiarity with the practices, procedures, and policies of the States, agencies, and other members;

"(B) providing services that are based on the needs and concerns identified by the members of the partnerships, rather than on externally imposed criteria or topics;

"(C) focusing on accountability of the States, agencies, and other members for improved

early intervention, educational, and transitional results for children with disabilities; and

"(D) coordinating activities with clearinghouses to disseminate information and data on needs and results of children with disabilities.

"(c) INTERORGANIZATIONAL TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities for States, local educational agencies, and other members of partnerships, that—

"(1) focus on major requirements of this Act as determined by the Secretary, in which interorganizational issues are present and are perceived to be barriers to systemic change and to improved early intervention, educational, and transitional results for children with disabilities;

"(2) facilitate interorganizational collaboration at Federal, State, and local levels in order to achieve such change and such improved results; and

"(3) consist of extensive collaboration with non-education entities (such as entities that provide services for infants and toddlers with disabilities, early intervention services, mental health services, health services, and vocational rehabilitation services) in

order to facilitate systems change outcomes and the improvement of early intervention, educational, and transitional results for children with disabilities.

"(d) SPECIALIZED TECHNICAL ASSISTANCE; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) focus on specific areas of high priority need that—

"(A) are identified by States, local educational agencies, and other members of partnerships;

"(B) require the development of new knowledge, or the analysis and synthesis of substantial bodies of information not readily available to the States, agencies, and other members; and

"(C) will contribute significantly to the improvement of early intervention, educational, and transitional services and results, for children with disabilities and their families;

"(2) focus on needs and issues that are specific to a population of children with disabilities, such as the provision of single State and multi-State technical assistance and inservice training to—

"(A) schools and agencies serving deaf-blind children and their families; and

"(B) programs and agencies serving other groups of children with low-incidence disabilities and their families; and

"(3) address the postsecondary education needs of individuals who are deaf or hard of hearing through the operation of 4 model regional center programs.

"(e) NATIONAL INFORMATION DISSEMINATION AND REFERRAL; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support information dissemination and referral activities that are consistent with the objectives described in subsection (a), including activities that address national needs for the preparation and dissemination of information relating to eliminating barriers to systems change outcomes and improving early intervention, educational, and transitional results for children with disabilities, including information relating to—

"(1) infants and toddlers with disabilities and their families, and children with disabilities (including youth with disabilities) and their families;

"(2) the provision of services and supports to deaf-blind children;

"(3) the provision of services to blind and print-disabled children;

"(4) the provision of postsecondary services to individuals with disabilities; and

"(5) the need for and use of personnel to provide services to children with disabilities.

"(f) NATIONAL TECHNICAL ASSISTANCE AND DISSEMINATION COORDINATION ACTIVITIES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may carry out or support any activities that are consistent with the objectives described in subsection (a), including activities that—

"(1) link and coordinate activities of—

"(A) all information and technical assistance programs funded under this Act; and

"(B) other programs that support systems change outcomes, including programs that involve early intervention, educational, or transitional services;

"(2) coordinate national information on issues that—

"(A) are of critical interest to State educational agencies and local educational agencies, other agency personnel, parents of children with

disabilities, and individuals with disabilities; and

"(B) include issues relating to—

"(i) educational reform and systemic change within States;

"(ii) interorganizational collaboration and service provision;

"(iii) personnel recruitment, retention, and preparation;

"(iv) services for populations of children with low-incidence disabilities, including deaf-blind children, and targeted age groupings;

"(v) promoting schools that are safe and conducive to learning; and

"(vi) early intervention services and results;

"(3) provide information on organizing systems and information networks, concerning information retrieval and dissemination; and

"(4) provide information concerning the value and effectiveness of technical assistance and dissemination activities and their impact on improved early intervention, educational, and transitional services

and results, for children with disabilities and their families.

"(g) APPLICATIONS.—An eligible entity that wishes to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $36,434,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.

"SEC. 645. TECHNOLOGY DEVELOPMENT, DEMONSTRATION, AND UTILIZATION, AND MEDIA SERVICES.

"(a) IN GENERAL.—The Secretary may competitively make grants to, and enter into contracts and cooperative agreements with, eligible entities and consortia of eligible entities, to support activities described in subsections (b) and (c).

"(b) TECHNOLOGY DEVELOPMENT, DEMONSTRATION AND UTILIZATION; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support activities that consist of—

"(1) conducting research and development activities on the use of innovative and emerging technologies for children with disabilities;

"(2) promoting the demonstration and use of innovative and emerging technologies for children with disabilities by improving and expanding the transfer of technology from research and development to practice;

"(3) providing technical assistance, to recipients of other assistance under this section, concerning the development of accessible, effective, and usable products;

"(4) communicating information on available technology and the uses of such technology to assist children with disabilities;

"(5) supporting the implementation of research programs on captioning or video description;

"(6) supporting research, development, and dissemination of technology with universal design features, so that the technology is accessible to individuals with disabilities without further modification or adaptation; and

"(7) demonstrating the use of publicly funded telecommunications systems to provide parents and teachers with information and training concerning early diagnosis of, intervention for, and effective teaching strategies for young children with reading disabilities.

"(c) EDUCATIONAL MEDIA SERVICES; AUTHORIZED ACTIVITIES.—In carrying out this section, the Secretary may support activities that consist of—

"(1) carrying out educational media activities that are designed to be of educational value to children with disabilities;

"(2) providing video description, open captioning, or closed captioning of television programs, videos, or educational materials;

"(3) distributing captioned and described videos or educational materials;

"(4) providing, through the national education library for the blind and print-disabled, recorded free educational materials, including textbooks, for visually impaired and print-disabled students in elementary, secondary, postsecondary, and graduate schools;

"(5) providing, through the National Theater of the Deaf and other appropriate nonprofit organizations, cultural experiences—

"(A) enriching the lives of deaf and hard-of-hearing children and adults;

"(B) increasing public awareness and understanding of deafness and of the autistic and

intellectual achievements of deaf and hard-of-hearing persons; and

"(C) promoting the integration of hearing, deaf, and hard-of-hearing persons through shared cultural, educational, and social experiences; and

"(6) compiling and evaluating appropriate data relating to the activities described in paragraphs (1) through (5).

"(d) APPLICATIONS.—Any eligible entity that wishes to receive a grant, or enter into a contract or cooperative agreement, under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $30,000,000 for fiscal year 1998, and such sums as may be necessary for each of fiscal years 1999 through 2002.".

SEC. 502. CONFORMING AMENDMENTS.

(a) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 715 (20 U.S.C. 1491n) is amended by striking "nothing in parts A through H of this title" and inserting "no provision of this title, other than a provision of this part,".

(b) DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT.—Section 124(c)(4)(F)(ii) of the De-

velopmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024(c)(4)(F)(ii)) is amended by striking "parent training and information centers under part D" and inserting "parent training and information centers, and community parent training and information programs, assisted under part E".

SEC. 503. REAUTHORIZATIONS FOR FISCAL YEAR 1997.

(a) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO RESEARCH IN THE EDUCATION OF INDIVIDUALS WITH DISABILITIES.—Section 643 of the Individuals with Disabilities Education Act (20 U.S.C. 1444) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".

(b) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO INSTRUCTIONAL MEDIA FOR INDIVIDUALS WITH DISABILITIES.—Section 653 of the Individuals with Disabilities Education Act (20 U.S.C. 1454) is amended by striking "fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".

(c) REAUTHORIZATION FOR FISCAL YEAR 1997 OF AUTHORITIES RELATING TO TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR INDIVIDUALS WITH DISABILITIES.—Section 662 of the Individuals with Disabilities Education Act (20 U.S.C. 1462) is amended by striking

"fiscal year 1994" and inserting "each of fiscal years 1994 through 1997".

SEC. 504. EFFECTIVE DATE.

The amendments made by this title, other than the amendments made by section 503, shall take effect on October 1, 1997.

TITLE VI—INFANTS AND TODDLERS WITH DISABILITIES

SEC. 601. FINDINGS AND POLICY.

Section 671(b) (20 U.S.C. 1471(b)) is amended—

(1) in paragraph (1), by striking "program of" and inserting "system that provides";

(2) at the end of paragraph (2), by striking "and";

(3) in paragraph (3), by striking the period and inserting ", and"; and

(4) by adding at the end the following:

"(4) to encourage States to expand opportunities for children from birth through age 2 who are at risk of having substantial developmental delays if early intervention services are not provided to the children.".

SEC. 602. DEFINITIONS.

(a) INFANT OR TODDLER WITH A DISABILITY.—Section 672(1) (20 U.S.C. 1472(1)) is amended—

(1) by striking "(1)" and inserting "(4) INFANT OR TODDLER WITH A DISABILITY.—";

(2) in the matter preceding subparagraph (A)—

(A) by striking "The term 'infants and toddlers with disabilities' means individuals" and inserting "The term 'infant or toddler with a disability' means a child"; and

(B) by striking "birth to age 2, inclusive, who need early intervention services because they" and inserting "birth through age 2 who needs early intervention services because the child";

(3) in subparagraph (A), by striking "are experiencing developmental delays" and inserting "is experiencing a developmental delay";

(4) in subparagraph (B)—

(A) by striking "have" and inserting "has"; and

(B) by striking "which" and inserting "that"; and

(5) by striking the second sentence and inserting the following: "Such term may also include, at the discretion of a State, a child from birth through age 2 who is at risk of having a substantial developmental delay if early intervention services are not pro-

vided (referred to individually in this part as an 'at risk infant or toddler' and collectively in this part as 'at risk infants and toddlers').".

(b) HEADINGS.—Section 672 (20 U.S.C. 1472) is amended—

(1) by striking all that precedes paragraph (4) (as redesignated in subsection (a)(1)) and inserting the following:

"SEC. 672. DEFINITIONS.

"As used in this part:";

(2) in paragraph (2), by striking "(2)" and inserting "(3) EARLY INTERVENTION SERVICES.—";

(3) in paragraph (3), by striking "(3)" and inserting "(2) DEVELOPMENTAL DELAY.—";

(4) in paragraph (4), by striking "(4)" and inserting "(1) COUNCIL.—";

(5) by moving paragraph (2) (as redesignated in paragraph (3)) to the end of the section;

(6) by moving paragraph (3) (as redesignated in paragraph (2)) to the end of the section; and

(7) by moving paragraph (4) (as redesignated in subsection (a)(1)) to the end of the section.

(c) INFANTS AND TODDLERS WITH DISABILITIES.—Section 672 (20 U.S.C. 1472) is amended by adding at the end the following:

"(5) INFANTS AND TODDLERS WITH DISABILITIES.—The term 'infants and toddlers with disabilities' means more than 1 infant or toddler with a disability.".

SEC. 603. GENERAL AUTHORITY.

Section 673 (20 U.S.C. 1473) is amended by striking "develop" and inserting "implement".

SEC. 604. ELIGIBILITY.

Section 674 (20 U.S.C. 1474) is amended—

(1) by striking the heading and inserting the following:

"ELIGIBILITY";

and

(2) by striking "State has established" and all that follows and inserting "State has in effect the statewide system that is required by section 676.".

SEC. 605. CONTINUING ELIGIBILITY.

Section 675 (20 U.S.C. 1475) is repealed.

SEC. 606. REQUIREMENTS FOR STATEWIDE SYSTEM.

(a) IN GENERAL.—Section 676(a) (20 U.S.C. 1476(a)) is amended—

(1) by striking "statewide system of" and inserting "statewide,"; and

(2) by striking "programs providing" and inserting "system that provides".

(b) MINIMUM COMPONENTS.—Section 676(b) (20 U.S.C. 1476(b) is amended—

(1) in paragraph (1), by striking "developmentally delayed" and inserting "developmental delay";

(2) by striking paragraph (2) and inserting the following:

"(2) a State policy that is in effect and that ensures that appropriate early intervention services are available to all infants and toddlers with disabilities (including Indian infants and toddlers with disabilities on reservations) in the State and their families,";

(3) in paragraph (6), by striking "infants with" and inserting "infants and toddlers with";

(4) in paragraph (8)—

(A) in the matter preceding subparagraph (A), by striking "613(a)(3)" and inserting "612(a)(14) (as amended by section 202 of the Individuals with Disabilities Education Act Amendments of 1996)";

(B) in subparagraph (C), by inserting after "rural areas" the following: "and inner-city areas"; and

(C) in subparagraph (D), by striking "a preschool program under section 619 of part B."

and inserting "preschool or other appropriate services,";

(5) at the end of paragraph (13), by striking "and";

(6) in paragraph (14), by striking "on the numbers of infants" and all that follows and inserting "that is requested by the Secretary under section 618 and that relates to this part, and"; and

(7) by adding at the end the following:

"(15) a Council that meets the requirements of section 682.".

(c) USE OF PARAPROFESSIONALS.—Section 676 (20 U.S.C. 1476) is amended by adding at the end the following:

"(c) USE OF PARAPROFESSIONALS.—Nothing in this Act, including subsection (b), prohibits the use of paraprofessionals who are appropriately trained and supervised by qualified personnel (in accordance with State law, regulations, or written policy), in meeting the requirements of this part.".

SEC. 607. INDIVIDUALIZED FAMILY SERVICE PLAN.

Section 677 (20 U.S.C. 1477) is amended—

(1) in subsection (a)(3), by striking "parent or guardian" and inserting "parents of the infant or toddler";

(2) in subsection (d)(8)—

(A) by striking "supporting" and inserting "to support"; and

(B) by striking "services provided" and all that follows and inserting "preschool or other appropriate services."; and

(3) in subsection (e), by striking "or guardian" each place it appears.

SEC. 608. STATE APPLICATION AND ASSURANCES.

(a) APPLICATION.—Section 678(a) (20 U.S.C. 1478(a)) is amended—

(1) in paragraph (3), by striking the comma at the end and inserting the following: ", including—

"(A) information demonstrating to the satisfaction of the Secretary that the State has in effect a statewide system required by section 676, and

"(B) a description of services to be provided to infants and toddlers with disabilities and their families under this part,";

(2) by striking paragraph (4) and inserting the following:

"(4) a statement regarding whether the State will serve at risk infants and toddlers as infants and toddlers with disabilities,";

(3) in paragraph (6), by striking "part" and all that follows and inserting "part,"; and

(4) by striking paragraph (8) and inserting the following:

"(8) a description of the policies and procedures to be used—

"(A) to ensure a smooth transition for children who are infants and toddlers with disabilities receiving early intervention services under this part to preschool or other appropriate services, including a description of—

"(i) how the family of such a child will be included in the transition plans required by subparagraph (C), and

"(ii) how the lead agency designated or established under section 676(b)(9) will—

"(I) notify the local educational agency for the area in which such a child resides that the child will shortly reach the age for eligibility for preschool services under part B, as determined in accordance with State law,

"(II) in the case of such a child who may be eligible for such preschool services, with the approval of the fam-

ily of the child, convene a conference among the lead agency, the family, and the local educational agency not later than 90 days (and at the discretion of all such parties, earlier, but not earlier than 6 months) before the child is eligible for the preschool services, to discuss any such services that the child may receive, and

"(III) in the case of such a child who may not be eligible for such preschool services, with the approval of the family, make reasonable efforts to convene a conference among the lead agency, the family, and providers of other appropriate services for children who are not eligible for preschool services under part B, to discuss the appropriate services that the child may receive,

"(B) to review the program options for the child for the period beginning on the third birthday of the child and ending on the last day of the school year in which such birthday occurs, and

"(C) to establish a transition plan for the child, and".

(b) STATEMENT OF ASSURANCES.—Section 678(b)(7) (20 U.S.C. 1478(b)(7)) is amended—

(1) by striking "beginning in fiscal year 1992,"; and

(2) by striking "and rural" and inserting "rural, and inner-city".

SEC. 609. USES OF FUNDS.

Section 679 (20 U.S.C. 1479) is amended—

(1) in the matter preceding paragraph (1), by striking "plan, develop, and";

(2) at the end of paragraph (2), by striking "and";

(3) in paragraph (3), by striking the period and inserting ", and"; and

(4) by adding at the end the following:

"(4) in any State that does not provide services for at risk infants and toddlers under section 676(a), to strengthen the statewide system by initiating, expanding, or improving collaborative efforts related to at risk infants and toddlers, including establishing linkages with appropriate public, and private, community-based organizations, services, and personnel, for the purposes of—

"(A) identifying and evaluating at risk infants and toddlers,

"(B) making referrals of the infants and toddlers identified and evaluated under subparagraph (A), and

"(C) conducting periodic followup on each such referral to determine if the status of the infant or toddler involved has changed with respect to the eligibility of the infant or toddler under this part.".

SEC. 610. PROCEDURAL SAFEGUARDS.

(a) SECTION HEADING.—Section 680 (20 U.S.C. 1480) is amended by striking the matter preceding "The procedural" and inserting the following:

"SEC. 680. PROCEDURAL SAFEGUARDS.

"(a) MINIMUM PROCEDURES.—".

(b) PROCEDURES.—Section 680(a) (20 U.S.C. 1480(a)) (as designated in subsection (a)) is amended—

(1) in the matter preceding paragraph (1), by striking "The" and all that follows through "following:" and inserting "To meet the requirement of section 676(b)(12), each State, in providing a statewide system under this part, shall, through State statute, regulation, or other written policy, provide at a minimum for the following:";

(2) in the second sentence of paragraph (1), by striking ", which action may be brought";

(3) in paragraph (2), by striking "or guardians";

(4) in paragraph (3), by striking "or guardian";

(5) in paragraph (4), by striking "or a guardian";

(6) in paragraph (5), by striking "or guardian" each place it appears;

(7) in paragraph (6), by striking "or guardian";

(8) in paragraph (7)—

(A) by striking "or guardian"; and

(B) by striking "or guardian's";

(9) in paragraph (8)—

(A) by striking "or guardian"; and

(B) by striking the following:

"(8) During" and inserting the following:

"(b) SERVICES DURING PENDENCY OF PROCEEDINGS.—The procedural safeguards required to be included in a statewide system under section 676(b)(12) shall also include a measure to ensure that during"; and

(10) by inserting after paragraph (7) the following:

"(8) The right to use mediation in accordance with section 615(e) (as amended by section 206(c)(7)

of the Individuals with Disabilities Education Act Amendments of 1996), except that—

"(A) a reference in such section to the State educational agency shall be considered to refer to the lead agency of the State designated or established under section 676(b)(9), and

"(B) a reference in such section to a public agency shall be considered to refer to a local services provider or the lead agency, as the case may be.".

SEC. 611. STATE INTERAGENCY COORDINATING COUNCIL.

(a) COMPOSITION.—Section 682(b)(1) (20 U.S.C. 1482(b)(1)) is amended—

(1) in subparagraph (E)—

(A) by striking "At least one member shall be" and inserting "There shall be at least one member";

(B) by striking "families and" and inserting the following: "families, and from any other State agency involved in the provision of services to at risk infants and toddlers, and each such member"; and

(C) by striking "such agencies" and inserting "the appropriate agency"; and

(2) by adding after subparagraph (G) the following:

"(H) At least one member shall be a representative from a Head Start agency or Head Start program in the State.

"(I) At least one member shall be a representative from the State agency responsible for child care.".

(b) FUNCTIONS OF COUNCIL.—Section 682(e) (20 U.S.C. 1482(e)) is amended—

(1) in paragraph (1)(C), by striking "services provided" and all that follows and inserting "preschool or other appropriate services, and";

(2) in paragraph (2), by striking "children" and all that follows and inserting "children from birth through age 5."; and

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

"(3) The Council may advise appropriate agencies in the State with respect to the integration of services for infants and toddlers with disabilities (including at risk infants and toddlers) and their families, regardless of whether at risk infants and toddlers are eligible for early intervention services in the State.".

(c) EXISTING COUNCILS.—Section 682 (20 U.S.C. 1482) is amended by striking subsection (g).

SEC. 612. CONFORMING AMENDMENT.

Section 683(3) (20 U.S.C. 1483(3)) is amended by striking "intermediate educational agencies" and inserting "educational service agencies".

SEC. 613. ALLOCATION OF FUNDS.

(a) RESERVATION.—Section 684(a) (20 U.S.C. 1484(a)) is amended—

(1) by striking "(a)" and inserting "(a)(1)";

(2) by inserting after "reserve" the following: "not more than"; and

(3) by adding at the end the following:

"(2) The provisions of section 501 of Public Law 95–134 (48 U.S.C. 1469a) (relating to permitting the consolidation of grants to insular areas referred to in such section) shall not apply to funds the areas receive under this part.".

(b) TRIBES.—Section 684(b) (20 U.S.C. 1484(b)) is amended—

(1) in paragraph (2)—

(A) by striking "The Secretary" and all that follows through "tribal organization shall receive an amount based" and inserting "For each fiscal year, the Secretary of the Interior shall distribute the entire amount of a payment received under paragraph (1) by providing to each such tribe or tribal organization an amount based";

(B) by striking "the reservation" and inserting "the reservation involved"; and

(C) by striking "all tribes" and inserting "all such tribes"; and

(2) in paragraph (4)—

(A) in the first sentence, by striking "children aged 0–2, inclusive," and inserting "children from birth through age 2"; and

(B) in the third sentence, by striking "public or private nonprofit organizations" and inserting "public or private nonprofit agencies or organizations".

(c) FEDERAL INTERAGENCY COORDINATING COUNCIL AND PANEL OF EXPERTS.—Section 684 (20 U.S.C. 1484) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following:

"(c) The Secretary shall reserve not more than 0.0005 of the amount appropriated under section 687 for any fiscal year for the operation of the Federal Interagency Coordinating Council established under section 685, other than activities of the panel of experts carried out under section 686.

"(d) The Secretary may reserve up to $100,000 for the expenses of the panel of experts established under section 686.".

(d) REMAINDER.—Section 684 (20 U.S.C. 1484) is amended in subsection (e) (as redesignated in subsection (c)(1))—

(1) in paragraph (1)—

(A) by striking "(3), (4), and (5)" and inserting "(2), (3), and (4)"; and

(B) by striking "(a) and (b)" and inserting "(a) through (d) and section 618(f) (as amended by section 209 of the Individuals with Disabilities Education Act Amendments of 1996)";

(2) by striking paragraph (2);

(3) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively;

(4) in paragraph (2) (as redesignated in paragraph (3))—

(A) in the text preceding subparagraph (A), by striking "paragraphs (4) and (5)" and inserting "paragraphs (3) and (4)"; and

(B) in subparagraph (A), by striking ", excluding" and all that follows and inserting "; or";

(5) in paragraph (3) (as redesignated in paragraph (3)), in subparagraph (A), by striking "(5)" and inserting "(4)"; and

(6) in paragraph (5) (as redesignated in paragraph (3))—

(A) in the text preceding subparagraph (A), by striking "paragraph (1)" and inserting "this subsection";

(B) in subparagraph (A), by striking "children from birth to age 2, inclusive," and inserting "children from birth through age 2;"; and

(C) in subparagraph (B), by striking "does not include" and all that follows and inserting "means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.".

(e) REALLOTMENT.—Section 684 (20 U.S.C. 1484) is amended in subsection (f) (as redesignated in subsection (c)(1)) by striking "(c)(1)" and inserting "(e)(1)".

SEC. 614. FEDERAL INTERAGENCY COORDINATING COUNCIL.

(a) ESTABLISHMENT AND PURPOSE.—Section 685(a)(1)(A) (20 U.S.C. 1484a(a)(1)(A)) is amended by striking "relating to early intervention" and all that follows

and inserting "across Federal, State, and local agencies, relating to—

"(i) early intervention services for infants and toddlers with disabilities (including at risk infants and toddlers) and their families; and

"(ii) preschool or other appropriate services for children with disabilities;".

(b) COMPOSITION.—Section 685(b) (20 U.S.C. 1484a(b)) is amended—

(1) in paragraph (2), by inserting before the semicolon the following: "and a representative of the Office of Educational Research and Improvement";

(2) in paragraph (15), by inserting after "a representative of" the following: "the Children's Bureau, and a representative of the Head Start Bureau, of";

(3) in paragraph (16), by striking "Alcohol, Drug Abuse and Mental Health Administration" and inserting "Substance Abuse and Mental Health Services Administration";

(4) in paragraph (17), by striking "Aids" and inserting "AIDS"; and

(5) in paragraph (18)—

(A) by striking "at least 3"; and

(B) by inserting after "12 or under" the following: "(which parents shall constitute at least 20 percent of the members of the Council)".

(c) FUNCTIONS OF THE COUNCIL.—Section 685(d)(1) (20 U.S.C. 1484a(d)(1)) is amended by striking "Secretary in the performance" and all that follows and inserting "Secretary of Education, Secretary of Health and Human Services, Secretary of Defense, Secretary of the Interior, Secretary of Agriculture, and Commissioner of Social Security in the performance of their responsibilities related to serving children from birth through age 5 who are eligible for services under this part or under part B;".

(d) FEDERAL ADVISORY COMMITTEE ACT INAPPLICABLE.—Section 685 (20 U.S.C. 1484a) is amended by adding at the end the following:

"(f) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the establishment or operation of the Council.".

SEC. 615. STUDY OF DEFINITION OF DEVELOPMENTAL DELAY.

Part H (20 U.S.C. 1471 et seq.) is amended—

(1) by striking section 686; and

(2) by adding at the end the following:

"SEC. 686. STUDY OF DEFINITION OF DEVELOPMENTAL DELAY.

"(a) PANEL OF EXPERTS.—

"(1) IN GENERAL.—Not later than 3 months after the date of enactment of the Individuals with Disabilities Education Act Amendments of 1996, the Federal Interagency Coordinating Council established under section 685 shall convene a panel of experts to develop recommendations to the Secretary for a model definition of the term 'developmental delay', to assist States in implementing section 676(b)(1).

"(2) MEMBERS.—The panel shall include recognized experts in—

"(A) health and child development, whose work includes—

"(i) the evaluation and assessment of infants and toddlers with disabilities;

"(ii) the study of congenital or perinatal disorders in children; or

"(iii) the measurement of developmental milestones in infants and toddlers;

"(B) the administration of disability programs for young children; and

"(C) other fields that the Secretary finds to be appropriate.

"(3) OTHER MEMBERSHIP REQUIREMENTS.—The panel shall—

"(A) have no more than 12 members; and

"(B) include at least 1 parent of a child with a disability who is younger than age 6.

"(b) DUTIES.—In developing the recommendations referred to in subsection (a)(1), the panel shall—

"(1) review the definition of infants and toddlers with disabilities specified in section 672(4);

"(2) conduct an analysis of the criteria that are used by States under this part to determine whether an individual has a developmental delay or a diagnosed physical or mental condition, for purposes of ascertaining whether the individual is an infant or toddler with a disability; and

"(3) consider the appropriateness of defining the term 'developmental delay' to include the combination of a multiplicity of factors that, when taken together, have a high probability of resulting in developmental delay (as specified in the remainder of the definition) if early intervention services are not provided.

"(c) PANEL RECOMMENDATIONS.—The panel shall prepare and submit to the Secretary a report containing the recommendations developed under subsection (a) not later than 9 months after the date of enactment of the Indi-

viduals with Disabilities Education Act Amendments of 1996.

"(d) MODEL DEFINITION.—After receiving the recommendations, the Secretary shall—

"(1) publish the recommendations in the Federal Register;

"(2) give interested parties an opportunity to submit written comments on the recommendations; and

"(3) disseminate a model definition based on the recommendations, along with a summary of comments received.

"(e) FEDERAL ADVISORY COMMITTEE ACT INAPPLICABLE.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the establishment or operation of the panel.".

SEC. 616. AUTHORIZATION OF APPROPRIATIONS.

(a) REAUTHORIZATION FOR FISCAL YEAR 1997.—

(1) IN GENERAL.—Section 686 (20 U.S.C. 1485) is amended by striking "each of the fiscal years 1993 and 1994" and inserting "each of fiscal years 1993 through 1997".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act.

(b) REAUTHORIZATION THROUGH FISCAL YEAR 2002.—Part H (20 U.S.C. 1471 et seq.) (as amended in section 615) is further amended by adding at the end the following:

"SEC. 687. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part such sums as may be necessary for each of the fiscal years 1998 through 2002.".

SEC. 617. EFFECTIVE DATE.

Except as provided in section 616(a), this title, and the amendments made by this title, shall take effect on October 1, 1997.