

105TH CONGRESS  
1ST SESSION

# S. 1502

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## AN ACT

Entitled the “District of Columbia Student Opportunity  
Scholarship Act of 1997”.

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

3 **SEC. 1. SHORT TITLE; FINDINGS; PRECEDENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “District of Columbia Student Opportunity Scholarship  
6 Act of 1997”.

1 (b) FINDINGS.—Congress makes the following find-  
2 ings:

3 (1) Public education in the District of Columbia  
4 is in a crisis, as evidenced by the following:

5 (A) The District of Columbia schools have  
6 the lowest average of any school system in the  
7 Nation on the National Assessment of Edu-  
8 cation Progress.

9 (B) 72 percent of fourth graders in the  
10 District of Columbia tested below basic pro-  
11 ficiency on the National Assessment of Edu-  
12 cation Progress in 1994.

13 (C) Since 1991, there has been a net de-  
14 cline in the reading skills of District of Colum-  
15 bia students as measured in scores on the  
16 standardized Comprehensive Test of Basic  
17 Skills.

18 (D) At least 40 percent of District of Co-  
19 lumbia students drop out of or leave the school  
20 system before graduation.

21 (E) The National Education Goals Panel  
22 reported in 1996 that both students and teach-  
23 ers in District of Columbia schools are sub-  
24 jected to levels of violence that are twice the na-  
25 tional average.

1 (F) Nearly two-thirds of District of Colum-  
2 bia teachers reported that violent student be-  
3 havior is a serious impediment to teaching.

4 (G) Many of the District of Columbia's  
5 152 schools are in a state of terrible disrepair,  
6 including leaking roofs, bitterly cold classrooms,  
7 and numerous fire code violations.

8 (2) Significant improvements in the education  
9 of educationally deprived children in the District of  
10 Columbia can be accomplished by—

11 (A) increasing educational opportunities  
12 for the children by expanding the range of edu-  
13 cational choices that best meet the needs of the  
14 children;

15 (B) fostering diversity and competition  
16 among school programs for the children;

17 (C) providing the families of the children  
18 more of the educational choices already avail-  
19 able to affluent families; and

20 (D) enhancing the overall quality of edu-  
21 cation in the District of Columbia by increasing  
22 parental involvement in the direction of the  
23 education of the children.

24 (3) The 350 private schools in the District of  
25 Columbia and the surrounding area offer a more

1 safe and stable learning environment than many of  
2 the public schools.

3 (4) Costs are often much lower in private  
4 schools than corresponding costs in public schools.

5 (5) Not all children are alike and therefore  
6 there is no one school or program that fits the needs  
7 of all children.

8 (6) The formation of sound values and moral  
9 character is crucial to helping young people escape  
10 from lives of poverty, family break-up, drug abuse,  
11 crime, and school failure.

12 (7) In addition to offering knowledge and skills,  
13 education should contribute positively to the forma-  
14 tion of the internal norms and values which are vital  
15 to a child's success in life and to the well-being of  
16 society.

17 (8) Schools should help to provide young people  
18 with a sound moral foundation which is consistent  
19 with the values of their parents. To find such a  
20 school, parents need a full range of choice to deter-  
21 mine where their children can best be educated.

22 (c) PRECEDENTS.—The United States Supreme  
23 Court has determined that programs giving parents choice  
24 and increased input in their children's education, includ-  
25 ing the choice of a religious education, do not violate the

1 Constitution. The Supreme Court has held that as long  
2 as the beneficiary decides where education funds will be  
3 spent on such individual's behalf, public funds can be used  
4 for education in a religious institution because the public  
5 entity has neither advanced nor hindered a particular reli-  
6 gion and therefore has not violated the establishment  
7 clause of the first amendment to the Constitution. Su-  
8 preme Court precedents include—

9           (1) *Wisconsin v. Yoder*, 406 U.S. 205 (1972);  
10       *Pierce v. Society of Sisters*, 268 U.S. 510 (1925);  
11       and *Meyer v. Nebraska*, 262 U.S. 390 (1923) which  
12       held that parents have the primary role in and are  
13       the primary decision makers in all areas regarding  
14       the education and upbringing of their children;

15           (2) *Mueller v. Allen*, 463 U.S. 388 (1983)  
16       which declared a Minnesota tax deduction program  
17       that provided State income tax benefits for edu-  
18       cational expenditures by parents, including tuition in  
19       religiously affiliated schools, does not violate the  
20       Constitution;

21           (3) *Witters v. Department of Services for the*  
22       *Blind*, 474 U.S. 481 (1986) in which the Supreme  
23       Court ruled unanimously that public funds for the  
24       vocational training of the blind could be used at a  
25       Bible college for ministry training; and

1           (4) *Zobrest v. Catalina Foothills School Dis-*  
2           *trict*, 509 U.S. 1 (1993) which held that a deaf child  
3           could receive an interpreter, paid for by the public,  
4           in a private religiously affiliated school under the In-  
5           dividual with Disabilities Education Act (20 U.S.C.  
6           1400 et seq.). The case held that providing an inter-  
7           preter in a religiously affiliated school did not violate  
8           the establishment clause of the first amendment of  
9           the Constitution.

10 **SEC. 2. DEFINITIONS.**

11       As used in this Act—

12           (1) the term “Board” means the Board of Di-  
13           rectors of the Corporation established under section  
14           3(b)(1);

15           (2) the term “Corporation” means the District  
16           of Columbia Scholarship Corporation established  
17           under section 3(a);

18           (3) the term “eligible institution”—

19                (A) in the case of an eligible institution  
20                serving a student who receives a tuition scholar-  
21                ship under section 4(c)(1), means a public, pri-  
22                vate, or independent elementary or secondary  
23                school; and

24                (B) in the case of an eligible institution  
25                serving a student who receives an enhanced

1 achievement scholarship under section 4(c)(2),  
 2 means an elementary or secondary school, or an  
 3 entity that provides services to a student en-  
 4 rolled in an elementary or secondary school to  
 5 enhance such student's achievement through in-  
 6 struction described in section 4(c)(2);

7 (4) the term "parent" includes a legal guardian  
 8 or other person standing in loco parentis; and

9 (5) the term "poverty line" means the income  
 10 official poverty line (as defined by the Office of Man-  
 11 agement and Budget, and revised annually in ac-  
 12 cordance with section 673(2) of the Community  
 13 Services Block Grant Act (42 U.S.C. 9902(2)) appli-  
 14 cable to a family of the size involved.

15 **SEC. 3. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORA-**  
 16 **TION.**

17 (a) GENERAL REQUIREMENTS.—

18 (1) IN GENERAL.—There is authorized to be es-  
 19 tablished a private, nonprofit corporation, to be  
 20 known as the "District of Columbia Scholarship  
 21 Corporation", which is neither an agency nor estab-  
 22 lishment of the United States Government or the  
 23 District of Columbia Government.

24 (2) DUTIES.—The Corporation shall have the  
 25 responsibility and authority to administer, publicize,

1 and evaluate the scholarship program in accordance  
2 with this Act, and to determine student and school  
3 eligibility for participation in such program.

4 (3) CONSULTATION.—The Corporation shall ex-  
5 ercise its authority—

6 (A) in a manner consistent with maximiz-  
7 ing educational opportunities for the maximum  
8 number of interested families; and

9 (B) in consultation with the District of Co-  
10 lumbia Board of Education or entity exercising  
11 administrative jurisdiction over the District of  
12 Columbia Public Schools, the Superintendent of  
13 the District of Columbia Public Schools, and  
14 other school scholarship programs in the Dis-  
15 trict of Columbia.

16 (4) APPLICATION OF PROVISIONS.—The Cor-  
17 poration shall be subject to the provisions of this  
18 Act, and, to the extent consistent with this Act, to  
19 the District of Columbia Nonprofit Corporation Act  
20 (D.C. Code, sec. 29–501 et seq.).

21 (5) RESIDENCE.—The Corporation shall have  
22 its place of business in the District of Columbia and  
23 shall be considered, for purposes of venue in civil ac-  
24 tions, to be a resident of the District of Columbia.

1           (6) FUND.—There is established in the Treas-  
2           ury a fund that shall be known as the District of  
3           Columbia Scholarship Fund, to be administered by  
4           the Secretary of the Treasury.

5           (7) DISBURSEMENT.—The Secretary of the  
6           Treasury shall make available and disburse to the  
7           Corporation, before October 15 of each fiscal year or  
8           not later than 15 days after the date of enactment  
9           of an Act making appropriations for the District of  
10          Columbia for such year, whichever occurs later, such  
11          funds as have been appropriated to the District of  
12          Columbia Scholarship Fund for the fiscal year in  
13          which such disbursement is made.

14          (8) AVAILABILITY.—Funds authorized to be ap-  
15          propriated under this Act shall remain available  
16          until expended.

17          (9) USES.—Funds authorized to be appro-  
18          priated under this Act shall be used by the Corpora-  
19          tion in a prudent and financially responsible man-  
20          ner, solely for scholarships, contracts, and adminis-  
21          trative costs.

22          (10) AUTHORIZATION.—

23                 (A) IN GENERAL.—There are authorized to  
24                 be appropriated to the District of Columbia  
25                 Scholarship Fund—

- 1 (i) \$7,000,000 for fiscal year 1998;  
2 (ii) \$8,000,000 for fiscal year 1999;  
3 and  
4 (iii) \$10,000,000 for each of fiscal  
5 years 2000 through 2002.

6 (B) LIMITATION.—Not more than 7.5 per-  
7 cent of the amount appropriated to carry out  
8 this Act for any fiscal year may be used by the  
9 Corporation for salaries and administrative  
10 costs.

11 (b) ORGANIZATION AND MANAGEMENT; BOARD OF  
12 DIRECTORS.—

13 (1) BOARD OF DIRECTORS; MEMBERSHIP.—

14 (A) IN GENERAL.—The Corporation shall  
15 have a Board of Directors (referred to in this  
16 Act as the “Board”), comprised of 7 members  
17 with 6 members of the Board appointed by the  
18 President not later than 30 days after receipt  
19 of nominations from the Speaker of the House  
20 of Representatives and the Majority Leader of  
21 the Senate.

22 (B) HOUSE NOMINATIONS.—The President  
23 shall appoint 3 of the members from a list of  
24 9 individuals nominated by the Speaker of the  
25 House of Representatives in consultation with

1 the Minority Leader of the House of Represent-  
2 atives.

3 (C) SENATE NOMINATIONS.—The Presi-  
4 dent shall appoint 3 members from a list of 9  
5 individuals nominated by the Majority Leader  
6 of the Senate in consultation with the Minority  
7 Leader of the Senate.

8 (D) DEADLINE.—The Speaker of the  
9 House of Representatives and Majority Leader  
10 of the Senate shall submit their nominations to  
11 the President not later than 30 days after the  
12 date of the enactment of this Act.

13 (E) APPOINTEE OF MAYOR.—The Mayor  
14 shall appoint 1 member of the Board not later  
15 than 60 days after the date of the enactment of  
16 this Act.

17 (F) POSSIBLE INTERIM MEMBERS.—If the  
18 President does not appoint the 6 members of  
19 the Board in the 30-day period described in  
20 subparagraph (A), then the Speaker of the  
21 House of Representatives and the Majority  
22 Leader of the Senate shall each appoint 2 mem-  
23 bers of the Board, and the Minority Leader of  
24 the House of Representatives and the Minority  
25 Leader of the Senate shall each appoint 1 mem-

1           ber of the Board, from among the individuals  
2           nominated pursuant to subparagraphs (A) and  
3           (B), as the case may be. The appointees under  
4           the preceding sentence together with the ap-  
5           pointee of the Mayor, shall serve as an interim  
6           Board with all the powers and other duties of  
7           the Board described in this Act, until the Presi-  
8           dent makes the appointments as described in  
9           this subsection.

10           (2) POWERS.—All powers of the Corporation  
11           shall vest in and be exercised under the authority of  
12           the Board.

13           (3) ELECTIONS.—Members of the Board annu-  
14           ally shall elect 1 of the members of the Board to be  
15           the Chairperson of the Board.

16           (4) RESIDENCY.—All members appointed to the  
17           Board shall be residents of the District of Columbia  
18           at the time of appointment and while serving on the  
19           Board.

20           (5) NONEMPLOYEE.—No member of the Board  
21           may be an employee of the United States Govern-  
22           ment or the District of Columbia Government when  
23           appointed to or during tenure on the Board, unless  
24           the individual is on a leave of absence from such a  
25           position while serving on the Board.

1           (6) INCORPORATION.—The members of the ini-  
2           tial Board shall serve as incorporators and shall take  
3           whatever steps are necessary to establish the Cor-  
4           poration under the District of Columbia Nonprofit  
5           Corporation Act (D.C. Code, sec. 29–501 et seq.).

6           (7) GENERAL TERM.—The term of office of  
7           each member of the Board shall be 5 years, except  
8           that any member appointed to fill a vacancy occur-  
9           ring prior to the expiration of the term for which the  
10          predecessor was appointed shall be appointed for the  
11          remainder of such term.

12          (8) CONSECUTIVE TERM.—No member of the  
13          Board shall be eligible to serve in excess of 2 con-  
14          secutive terms of 5 years each. A partial term shall  
15          be considered as 1 full term. Any vacancy on the  
16          Board shall not affect the Board’s power, but shall  
17          be filled in a manner consistent with this Act.

18          (9) NO BENEFIT.—No part of the income or as-  
19          sets of the Corporation shall inure to the benefit of  
20          any Director, officer, or employee of the Corpora-  
21          tion, except as salary or reasonable compensation for  
22          services.

23          (10) POLITICAL ACTIVITY.—The Corporation  
24          may not contribute to or otherwise support any po-  
25          litical party or candidate for elective public office.

1           (11) NO OFFICERS OR EMPLOYEES.—The mem-  
2           bers of the Board shall not, by reason of such mem-  
3           bership, be considered to be officers or employees of  
4           the United States Government or of the District of  
5           Columbia Government.

6           (12) STIPENDS.—The members of the Board,  
7           while attending meetings of the Board or while en-  
8           gaged in duties related to such meetings or other ac-  
9           tivities of the Board pursuant to this Act, shall be  
10          provided a stipend. Such stipend shall be at the rate  
11          of \$150 per day for which the member of the Board  
12          is officially recorded as having worked, except that  
13          no member may be paid a total stipend amount in  
14          any calendar year in excess of \$5,000.

15          (c) OFFICERS AND STAFF.—

16               (1) EXECUTIVE DIRECTOR.—The Corporation  
17               shall have an Executive Director, and such other  
18               staff, as may be appointed by the Board for terms  
19               and at rates of compensation, not to exceed level  
20               EG-16 of the Educational Service of the District of  
21               Columbia, to be fixed by the Board.

22               (2) STAFF.—With the approval of the Board,  
23               the Executive Director may appoint and fix the sal-  
24               ary of such additional personnel as the Executive  
25               Director considers appropriate.

1           (3) ANNUAL RATE.—No staff of the Corpora-  
2           tion may be compensated by the Corporation at an  
3           annual rate of pay greater than the annual rate of  
4           pay of the Executive Director.

5           (4) SERVICE.—All officers and employees of the  
6           Corporation shall serve at the pleasure of the Board.

7           (5) QUALIFICATION.—No political test or quali-  
8           fication may be used in selecting, appointing, pro-  
9           moting, or taking other personnel actions with re-  
10          spect to officers, agents, or employees of the Cor-  
11          poration.

12          (d) POWERS OF THE CORPORATION.—

13           (1) GENERALLY.—The Corporation is author-  
14           ized to obtain grants from, and make contracts with,  
15           individuals and with private, State, and Federal  
16           agencies, organizations, and institutions.

17           (2) HIRING AUTHORITY.—The Corporation may  
18           hire, or accept the voluntary services of, consultants,  
19           experts, advisory boards, and panels to aid the Cor-  
20           poration in carrying out this Act.

21          (e) FINANCIAL MANAGEMENT AND RECORDS.—

22           (1) AUDITS.—The financial statements of the  
23           Corporation shall be—

1 (A) maintained in accordance with gen-  
2 erally accepted accounting principles for non-  
3 profit corporations; and

4 (B) audited annually by independent cer-  
5 tified public accountants.

6 (2) REPORT.—The report for each such audit  
7 shall be included in the annual report to Congress  
8 required by section 11(c).

9 (f) ADMINISTRATIVE RESPONSIBILITIES.—

10 (1) SCHOLARSHIP APPLICATION SCHEDULE AND  
11 PROCEDURES.—Not later than 30 days after the ini-  
12 tial Board is appointed and the first Executive Di-  
13 rector of the Corporation is hired under this Act, the  
14 Corporation shall implement a schedule and proce-  
15 dures for processing applications for, and awarding,  
16 student scholarships under this Act. The schedule  
17 and procedures shall include establishing a list of  
18 certified eligible institutions, distributing scholarship  
19 information to parents and the general public (in-  
20 cluding through a newspaper of general circulation),  
21 and establishing deadlines for steps in the scholar-  
22 ship application and award process.

23 (2) INSTITUTIONAL APPLICATIONS AND ELIGI-  
24 BILITY.—

1 (A) IN GENERAL.—An eligible institution  
2 that desires to participate in the scholarship  
3 program under this Act shall file an application  
4 with the Corporation for certification for par-  
5 ticipation in the scholarship program under this  
6 Act that shall—

7 (i) demonstrate that the eligible insti-  
8 tution has operated with not less than 25  
9 students during the 3 years preceding the  
10 year for which the determination is made  
11 unless the eligible institution is applying  
12 for certification as a new eligible institu-  
13 tion under subparagraph (C);

14 (ii) contain an assurance that the eli-  
15 gible institution will comply with all appli-  
16 cable requirements of this Act;

17 (iii) contain an annual statement of  
18 the eligible institution's budget; and

19 (iv) describe the eligible institution's  
20 proposed program, including personnel  
21 qualifications and fees.

22 (B) CERTIFICATION.—

23 (i) IN GENERAL.—Except as provided  
24 in subparagraph (C), not later than 60  
25 days after receipt of an application in ac-

1 cordance with subparagraph (A), the Cor-  
2 poration shall certify an eligible institution  
3 to participate in the scholarship program  
4 under this Act.

5 (ii) CONTINUATION.—An eligible insti-  
6 tution’s certification to participate in the  
7 scholarship program shall continue unless  
8 such eligible institution’s certification is re-  
9 voked in accordance with subparagraph  
10 (D).

11 (C) NEW ELIGIBLE INSTITUTION.—

12 (i) IN GENERAL.—An eligible institu-  
13 tion that did not operate with at least 25  
14 students in the 3 years preceding the year  
15 for which the determination is made may  
16 apply for a 1-year provisional certification  
17 to participate in the scholarship program  
18 under this Act for a single year by provid-  
19 ing to the Corporation not later than July  
20 1 of the year preceding the year for which  
21 the determination is made—

22 (I) a list of the eligible institu-  
23 tion’s board of directors;

1 (II) letters of support from not  
2 less than 10 members of the commu-  
3 nity served by such eligible institution;

4 (III) a business plan;

5 (IV) an intended course of study;

6 (V) assurances that the eligible  
7 institution will begin operations with  
8 not less than 25 students;

9 (VI) assurances that the eligible  
10 institution will comply with all appli-  
11 cable requirements of this Act; and

12 (VII) a statement that satisfies  
13 the requirements of clauses (ii) and  
14 (iv) of subparagraph (A).

15 (ii) CERTIFICATION.—Not later than  
16 60 days after the date of receipt of an ap-  
17 plication described in clause (i), the Cor-  
18 poration shall certify in writing the eligible  
19 institution's provisional certification to  
20 participate in the scholarship program  
21 under this Act unless the Corporation de-  
22 termines that good cause exists to deny  
23 certification.

24 (iii) RENEWAL OF PROVISIONAL CER-  
25 TIFICATION.—After receipt of an applica-

1           tion under clause (i) from an eligible insti-  
2           tution that includes a statement of the eli-  
3           gible institution's budget completed not  
4           earlier than 12 months before the date  
5           such application is filed, the Corporation  
6           shall renew an eligible institution's provi-  
7           sional certification for the second and third  
8           years of the school's participation in the  
9           scholarship program under this Act unless  
10          the Corporation finds—

11                   (I) good cause to deny the re-  
12                   newal, including a finding of a pattern  
13                   of violation of requirements described  
14                   in paragraph (3)(A); or

15                   (II) consistent failure of 25 per-  
16                   cent or more of the students receiving  
17                   scholarships under this Act and at-  
18                   tending such school to make appro-  
19                   priate progress (as determined by the  
20                   Corporation) in academic achieve-  
21                   ment.

22                   (iv) DENIAL OF CERTIFICATION.—If  
23                   provisional certification or renewal of pro-  
24                   visional certification under this subsection  
25                   is denied, then the Corporation shall pro-

1           vide a written explanation to the eligible  
2           institution of the reasons for such denial.

3           (D) REVOCATION OF ELIGIBILITY.—

4           (i) IN GENERAL.—The Corporation,  
5           after notice and hearing, may revoke an el-  
6           igible institution’s certification to partici-  
7           pate in the scholarship program under this  
8           Act for a year succeeding the year for  
9           which the determination is made for—

10           (I) good cause, including a find-  
11           ing of a pattern of violation of pro-  
12           gram requirements described in para-  
13           graph (3)(A); or

14           (II) consistent failure of 25 per-  
15           cent or more of the students receiving  
16           scholarships under this Act and at-  
17           tending such school to make appro-  
18           priate progress (as determined by the  
19           Corporation) in academic achieve-  
20           ment.

21           (ii) EXPLANATION.—If the certifi-  
22           cation of an eligible institution is revoked,  
23           the Corporation shall provide a written ex-  
24           planation of the Corporation’s decision to  
25           such eligible institution and require a pro

1           rata refund of the proceeds of the scholar-  
2           ship funds received under this Act.

3           (3) PARTICIPATION REQUIREMENTS FOR ELIGI-  
4           BLE INSTITUTIONS.—

5           (A) REQUIREMENTS.—Each eligible insti-  
6           tution participating in the scholarship program  
7           under this Act shall—

8                   (i) provide to the Corporation not  
9                   later than June 30 of each year the most  
10                  recent annual statement of the eligible in-  
11                  stitution's budget; and

12                   (ii) charge a student that receives a  
13                  scholarship under this Act not more than  
14                  the cost of tuition and mandatory fees for,  
15                  and transportation to attend, such eligible  
16                  institution as other students who are resi-  
17                  dents of the District of Columbia and en-  
18                  rolled in such eligible institution.

19           (B) COMPLIANCE.—The Corporation may  
20           require documentation of compliance with the  
21           requirements of subparagraph (A), but neither  
22           the Corporation nor any governmental entity  
23           may impose requirements upon an eligible insti-  
24           tution as a condition for participation in the

1 scholarship program under this Act, other than  
2 requirements established under this Act.

3 **SEC. 4. SCHOLARSHIPS AUTHORIZED.**

4 (a) **ELIGIBLE STUDENTS.**—The Corporation is au-  
5 thorized to award tuition scholarships under subsection  
6 (c)(1) and enhanced achievement scholarships under sub-  
7 section (c)(2) to students in kindergarten through  
8 grade 12—

9 (1) who are residents of the District of Colum-  
10 bia; and

11 (2) whose family income does not exceed 185  
12 percent of the poverty line.

13 (b) **SCHOLARSHIP PRIORITY.**—

14 (1) **FIRST.**—The Corporation first shall award  
15 scholarships to students described in subsection (a)  
16 who—

17 (A) are enrolled in a District of Columbia  
18 public school or preparing to enter a District of  
19 Columbia public kindergarten, except that this  
20 subparagraph shall apply only for academic  
21 years 1997–1998, 1998–1999, and 1999–2000;  
22 or

23 (B) have received a scholarship from the  
24 Corporation for the academic year preceding

1           the academic year for which the scholarship is  
2           awarded.

3           (2) SECOND.—If funds remain for a fiscal year  
4           for awarding scholarships after awarding scholar-  
5           ships under paragraph (1), the Corporation shall  
6           award scholarships to students who are described in  
7           subsection (a), not described in paragraph (1), and  
8           otherwise eligible for a scholarship under this Act.

9           (3) LOTTERY SELECTION.—The Corporation  
10          shall award scholarships to students under this sub-  
11          section using a lottery selection process whenever the  
12          amount made available to carry out this Act for a  
13          fiscal year is insufficient to award a scholarship to  
14          each student who is eligible to receive a scholarship  
15          under this Act for the fiscal year.

16          (c) USE OF SCHOLARSHIP.—

17               (1) TUITION SCHOLARSHIPS.—A tuition schol-  
18               arship may be used for the payment of the cost of  
19               the tuition and mandatory fees for, and transpor-  
20               tation to attend, an eligible institution located within  
21               the geographic boundaries of the District of Colum-  
22               bia; Montgomery County, Maryland; Prince Georges  
23               County, Maryland; Arlington County, Virginia; Alex-  
24               andria City, Virginia; Falls Church City, Virginia;  
25               Fairfax City, Virginia; or Fairfax County, Virginia.

1           (2) ENHANCED ACHIEVEMENT SCHOLARSHIP.—

2           An enhanced achievement scholarship may be used  
3           only for the payment of the costs of tuition and  
4           mandatory fees for, and transportation to attend, a  
5           program of instruction provided by an eligible insti-  
6           tution which enhances student achievement of the  
7           core curriculum and is operated outside of regular  
8           school hours to supplement the regular school pro-  
9           gram.

10          (e) NOT SCHOOL AID.—A scholarship under this Act  
11         shall be considered assistance to the student and shall not  
12         be considered assistance to an eligible institution.

13         **SEC. 5. SCHOLARSHIP AWARDS.**

14          (a) AWARDS.—From the funds made available under  
15         this Act, the Corporation shall award a scholarship to a  
16         student and make scholarship payments in accordance  
17         with section 6.

18          (b) NOTIFICATION.—Each eligible institution that re-  
19         ceives the proceeds of a scholarship payment under sub-  
20         section (a) shall notify the Corporation not later than 10  
21         days after—

22                 (1) the date that a student receiving a scholar-  
23                 ship under this Act is enrolled, of the name, address,  
24                 and grade level of such student;

1           (2) the date of the withdrawal or expulsion of  
2 any student receiving a scholarship under this Act,  
3 of the withdrawal or expulsion; and

4           (3) the date that a student receiving a scholar-  
5 ship under this Act is refused admission, of the rea-  
6 sons for such a refusal.

7 (c) TUITION SCHOLARSHIP.—

8           (1) EQUAL TO OR BELOW POVERTY LINE.—For  
9 a student whose family income is equal to or below  
10 the poverty line, a tuition scholarship may not ex-  
11 ceed the lesser of—

12                   (A) the cost of tuition and mandatory fees  
13 for, and transportation to attend, an eligible in-  
14 stitution; or

15                   (B) \$3,200 for fiscal year 1998, with such  
16 amount adjusted in proportion to changes in  
17 the Consumer Price Index for all urban con-  
18 sumers published by the Department of Labor  
19 for each of fiscal years 1999 through 2002.

20           (2) ABOVE POVERTY LINE.—For a student  
21 whose family income is greater than the poverty line,  
22 but not more than 185 percent of the poverty line,  
23 a tuition scholarship may not exceed the lesser of—

1 (A) 75 percent of the cost of tuition and  
2 mandatory fees for, and transportation to at-  
3 tend, an eligible institution; or

4 (B) \$2,400 for fiscal year 1998, with such  
5 amount adjusted in proportion to changes in  
6 the Consumer Price Index for all urban con-  
7 sumers published by the Department of Labor  
8 for each of fiscal years 1999 through 2002.

9 (d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An  
10 enhanced achievement scholarship may not exceed the  
11 lesser of—

12 (1) the costs of tuition and mandatory fees for,  
13 and transportation to attend, a program of instruc-  
14 tion at an eligible institution; or

15 (2) \$500 for 1998, with such amount adjusted  
16 in proportion to changes in the Consumer Price  
17 Index for all urban consumers published by the De-  
18 partment of Labor for each of fiscal years 1999  
19 through 2002.

20 **SEC. 6. SCHOLARSHIP PAYMENTS.**

21 (a) PAYMENTS.—The Corporation shall make schol-  
22 arship payments to the parent of a student awarded a  
23 scholarship under this Act.

24 (b) DISTRIBUTION OF SCHOLARSHIP FUNDS.—Schol-  
25 arship funds may be distributed by check, or another form

1 of disbursement, issued by the Corporation and made pay-  
 2 able directly to a parent of a student awarded a scholar-  
 3 ship under this Act. The parent may use the scholarship  
 4 funds only for payment of tuition, mandatory fees, and  
 5 transportation costs as described in this Act.

6 (c) PRO RATA AMOUNTS FOR STUDENT WITH-  
 7 DRAWAL.—If a student receiving a scholarship under this  
 8 Act withdraws or is expelled from an eligible institution  
 9 after the proceeds of a scholarship is paid to the eligible  
 10 institution, then the eligible institution shall refund to the  
 11 Corporation on a pro rata basis the proportion of any such  
 12 proceeds received for the remaining days of the school  
 13 year. Such refund shall occur not later than 30 days after  
 14 the date of the withdrawal or expulsion of the student.

15 **SEC. 7. CIVIL RIGHTS.**

16 (a) IN GENERAL.—An eligible institution participat-  
 17 ing in the scholarship program under this Act shall not  
 18 discriminate on the basis of race, color, national origin,  
 19 or sex in carrying out the provisions of this Act.

20 (b) APPLICABILITY AND CONSTRUCTION WITH RE-  
 21 SPECT TO DISCRIMINATION ON THE BASIS OF SEX.—

22 (1) APPLICABILITY.—With respect to discrimi-  
 23 nation on the basis of sex, subsection (a) shall not  
 24 apply to an eligible institution that is controlled by  
 25 a religious organization if the application of sub-

1 section (a) is inconsistent with the religious tenets of  
2 the eligible institution.

3 (2) CONSTRUCTION.—With respect to discrimi-  
4 nation on the basis of sex, nothing in subsection (a)  
5 shall be construed to require any person, or public  
6 or private entity to provide or pay, or to prohibit any  
7 such person or entity from providing or paying, for  
8 any benefit or service, including the use of facilities,  
9 related to an abortion. Nothing in the preceding sen-  
10 tence shall be construed to permit a penalty to be  
11 imposed on any person or individual because such  
12 person or individual is seeking or has received any  
13 benefit or service related to a legal abortion.

14 (3) SINGLE-SEX SCHOOLS, CLASSES, OR ACTIVI-  
15 TIES.—With respect to discrimination on the basis  
16 of sex, nothing in subsection (a) shall be construed  
17 to prevent a parent from choosing, or an eligible in-  
18 stitution from offering, a single-sex school, class, or  
19 activity.

20 (c) REVOCATION.—Notwithstanding section  
21 3(f)(2)(D), if the Corporation determines that an eligible  
22 institution participating in the scholarship program under  
23 this Act is in violation of subsection (a), then the Corpora-  
24 tion shall revoke such eligible institution's certification to  
25 participate in the program.

1 **SEC. 8. CHILDREN WITH DISABILITIES.**

2 Nothing in this Act shall affect the rights of students,  
3 or the obligations of the District of Columbia public  
4 schools, under the Individuals with Disabilities Education  
5 Act (20 U.S.C. 1400 et seq.).

6 **SEC. 9. RULE OF CONSTRUCTION.**

7 (a) IN GENERAL.—Nothing in this Act shall be con-  
8 strued to prevent any eligible institution which is operated  
9 by, supervised by, controlled by, or connected to, a reli-  
10 gious organization from employing, admitting, or giving  
11 preference to, persons of the same religion to the extent  
12 determined by such institution to promote the religious  
13 purpose for which the eligible institution is established or  
14 maintained.

15 (b) SECTARIAN PURPOSES.—Nothing in this Act  
16 shall be construed to prohibit the use of funds made avail-  
17 able under this Act for sectarian educational purposes, or  
18 to require an eligible institution to remove religious art,  
19 icons, scripture, or other symbols.

20 **SEC. 10. REPORTING REQUIREMENTS.**

21 (a) IN GENERAL.—An eligible institution participat-  
22 ing in the scholarship program under this Act shall report  
23 to the Corporation not later than July 30 of each year  
24 in a manner prescribed by the Corporation, the following  
25 data:

1           (1) Student achievement in the eligible institu-  
2           tion's programs.

3           (2) Grade advancement for scholarship stu-  
4           dents.

5           (3) Disciplinary actions taken with respect to  
6           scholarship students.

7           (4) Graduation, college admission test scores,  
8           and college admission rates, if applicable for scholar-  
9           ship students.

10          (5) Types and amounts of parental involvement  
11          required for all families of scholarship students.

12          (6) Student attendance for scholarship and  
13          nonscholarship students.

14          (7) General information on curriculum, pro-  
15          grams, facilities, credentials of personnel, and dis-  
16          ciplinary rules at the eligible institution.

17          (8) Number of scholarship students enrolled.

18          (9) Such other information as may be required  
19          by the Corporation for program appraisal.

20          (b) CONFIDENTIALITY.—No personal identifiers may  
21          be used in such report, except that the Corporation may  
22          request such personal identifiers solely for the purpose of  
23          verification.

1 **SEC. 11. PROGRAM APPRAISAL.**

2 (a) STUDY.—Not later than 4 years after the date  
3 of enactment of this Act, the Comptroller General shall  
4 enter into a contract, with an evaluating agency that has  
5 demonstrated experience in conducting evaluations, for an  
6 independent evaluation of the scholarship program under  
7 this Act, including—

8 (1) a comparison of test scores between scholar-  
9 ship students and District of Columbia public school  
10 students of similar backgrounds, taking into account  
11 the students' academic achievement at the time of  
12 the award of their scholarships and the students'  
13 family income level;

14 (2) a comparison of graduation rates between  
15 scholarship students and District of Columbia public  
16 school students of similar backgrounds, taking into  
17 account the students' academic achievement at the  
18 time of the award of their scholarships and the stu-  
19 dents' family income level;

20 (3) the satisfaction of parents of scholarship  
21 students with the scholarship program; and

22 (4) the impact of the scholarship program on  
23 the District of Columbia public schools, including  
24 changes in the public school enrollment, and any im-  
25 provement in the academic performance of the public  
26 schools.

1 (b) PUBLIC REVIEW OF DATA.—All data gathered in  
2 the course of the study described in subsection (a) shall  
3 be made available to the public upon request except that  
4 no personal identifiers shall be made public.

5 (c) REPORT TO CONGRESS.—Not later than Septem-  
6 ber 1 of each year, the Corporation shall submit a progress  
7 report on the scholarship program to the appropriate com-  
8 mittees of Congress. Such report shall include a review  
9 of how scholarship funds were expended, including the ini-  
10 tial academic achievement levels of students who have par-  
11 ticipated in the scholarship program.

12 (d) AUTHORIZATION.—There are authorized to be ap-  
13 propriated for the study described in subsection (a),  
14 \$250,000, which shall remain available until expended.

15 **SEC. 12. JUDICIAL REVIEW.**

16 (a) JURISDICTION.—

17 (1) IN GENERAL.—The United States District  
18 Court for the District of Columbia shall have juris-  
19 diction in any action challenging the constitutional-  
20 ity of the scholarship program under this Act and  
21 shall provide expedited review.

22 (2) STANDING.—The parent of any student eli-  
23 gible to receive a scholarship under this Act shall  
24 have standing in an action challenging the constitu-  
25 tionality of the scholarship program under this Act.

1 (b) APPEAL TO SUPREME COURT.—Notwithstanding  
2 any other provision of law, any order of the United States  
3 District Court for the District of Columbia which is issued  
4 pursuant to an action brought under subsection (a) shall  
5 be reviewable by appeal directly to the Supreme Court of  
6 the United States.

7 **SEC. 13. APPROPRIATION OF INITIAL FEDERAL CONTRIBU-**  
8 **TION TO FUND.**

9 There are hereby appropriated, out of any money in  
10 the Treasury not otherwise appropriated, \$7,000,000 for  
11 the District of Columbia Scholarship Fund.

12 **SEC. 14. EFFECTIVE DATE.**

13 This Act shall be effective for each of the fiscal years  
14 1998 through 2002.

Passed the Senate November 9, 1997.

Attest:

*Secretary.*

105<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 1502**

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**AN ACT**

Entitled the "District of Columbia Student  
Opportunity Scholarship Act of 1997".