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H. R. 2

IN THE SENATE OF THE UNITED STATES

OCTOBER 25, 1999
Received; read twice and referred to the Committee on Health, Education, Labor, and Pensions

AN ACT

To send more dollars to the classroom and for certain other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Student Results Act of 1999''.

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

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—STUDENT RESULTS

PART A—BASIC PROGRAM

Sec. 101. Low-achieving children meet high standards.
Sec. 102. Purposes and intent.
Sec. 103. Authorization of appropriations.
Sec. 104. Reservation and allocation.
Sec. 105. State plans.
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Sec. 107. Eligible school attendance areas.
Sec. 108. Schoolwide programs.
Sec. 109. Targeted assistance schools.
Sec. 110. School choice.
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Sec. 113. State assistance for school support and improvement.
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Sec. 117. Professional development.
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Sec. 119. Coordination requirements.
Sec. 120. Grants for the outlying areas and the Secretary of the Interior.
Sec. 121. Amounts for grants.
Sec. 122. Basic grants to local educational agencies.
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PART B—EDUCATION OF MIGRATORY CHILDREN

Sec. 131. State allocations.
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Sec. 134. Coordination of migrant education activities.

PART C—NEGLECTED OR DELINQUENT YOUTH

Sec. 141. Neglected or delinquent youth.
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Sec. 143. Allocation of funds.

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Sec. 146. Purpose.
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Sec. 151. Program requirements.
Sec. 152. Program evaluations.

PART D—GENERAL PROVISIONS

Sec. 161. General provisions.

PART E—COMPREHENSIVE SCHOOL REFORM

Sec. 171. Comprehensive school reform.

TITLE II—MAGNET SCHOOLS ASSISTANCE AND PUBLIC SCHOOL CHOICE

Sec. 201. Magnet schools assistance.
Sec. 202. Continuation of awards.

TITLE III—TEACHER LIABILITY PROTECTION

Sec. 301. Teacher liability protection.

TITLE IV—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

Subtitle A—Elementary and Secondary Education Act of 1965

Sec. 401. Amendments.

PART B—NATIVE HAWAIIAN EDUCATION

Sec. 402. Native Hawaiian education.

PART C—ALASKA NATIVE EDUCATION

Sec. 403. Alaska Native education.

Subtitle B—Amendments to the Education Amendments of 1978

Sec. 410. Amendments to the Educations Amendments of 1978.

Subtitle C—Tribally Controlled Schools Act of 1988

Sec. 420. Tribally controlled schools.

TITLE V—GIFTED AND TALENTED CHILDREN

Sec. 501. Amendment to esea relating to gifted and talented children.

TITLE VI—RURAL EDUCATION ASSISTANCE

Sec. 601. Rural education.

TITLE VII—MCKINNEY HOMELESS EDUCATION IMPROVEMENTS ACT OF 1999

Sec. 701. Short title.
Sec. 702. Findings.
Sec. 703. Purpose.
Sec. 704. Education for homeless children and youth.

TITLE VIII—SCHOOLWIDE PROGRAM ADJUSTMENT

Sec. 801. Schoolwide funds.

TITLE IX—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

Sec. 901. Programs authorized.
Sec. 902. Conforming amendment to Department of Education Organization Act.

SEC. 2. REFERENCES.

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

TITLE I—STUDENT RESULTS

PART A—BASIC PROGRAM

SEC. 101. LOW-ACHIEVING CHILDREN MEET HIGH STANDARDS.

The heading for title I is amended by striking "**DISADVANTAGED**" and inserting "**LOW-ACHIEVING**".

SEC. 102. PURPOSES AND INTENT.

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

"SEC. 1001. FINDINGS; STATEMENT OF PURPOSE; AND RECOGNITION OF NEED.

''(a) FINDINGS.—Congress finds the following:

''(1) Schools that enroll high concentrations of children living in poverty face the greatest challenges but effective educational strategies based on scientifically based research can succeed in educating children to high standards.

''(2) High-poverty schools are much more likely to be identified as failing to meet State standards for satisfactory progress. As a result, these schools are generally the most in need of additional resources and technical assistance to build the capacity of these schools to address the many needs of their students.

''(3) The educational progress of children participating in programs under this title is closely associated with their being taught by a highly qualified staff, particularly in schools with the highest concentrations of poverty, where paraprofessionals, uncertified teachers, and teachers teaching out of field frequently provide instructional services.

''(4) Congress and the public would benefit from additional data in order to evaluate the efficacy of the changes made to this title in the Improving America's Schools Act of 1994.

"(5) States, local educational agencies, and schools should be given as much flexibility as possible in exchange for greater accountability for improving student achievement.

"(6) Programs funded under this part must demonstrate increased effectiveness in improving schools in order to ensure all children achieve to high standards.

"(b) PURPOSE AND INTENT.—The purpose and intent of this title are to ensure that all children have a fair and equal opportunity to obtain a high quality education.

"(c) RECOGNITION OF NEED.—The Congress recognizes the following:

"(1) Educational needs are particularly great for low-achieving children in our Nation's highest-poverty schools, children with limited English proficiency, children of migrant workers, children with disabilities, Indian children, children who are neglected or delinquent and young children and their parents who are in need of family literacy services.

"(2) Despite more than 3 decades of Federal assistance, a sizable achievement gap remains between minority and nonminority students, and be-

tween disadvantaged students and their more advantaged peers.

"(3) Too many students must attend local schools that fail to provide them with a quality education, and are given no alternatives to enable them to receive a quality education.

"(4) States, local educational agencies and schools should be held accountable for improving the academic achievement of all students, and for identifying and turning around low-performing schools.

"(5) Federal education assistance is intended not only to increase pupil achievement overall, but also more specifically and importantly, to help ensure that all pupils, especially the disadvantaged, meet challenging standards for curriculum content and pupil performance. It can only be determined if schools, local educational agencies, and States, are reaching this goal if pupil achievement results are reported specifically by disadvantaged and minority status.".

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

(a) LOCAL EDUCATIONAL AGENCY GRANTS.—Subsection (a) of section 1002 (20 U.S.C. 6302(a)) is amended by striking "$7,400,000,000 for fiscal year 1995" and inserting "$9,850,000,000 for fiscal year 2000".

(b) EDUCATION OF MIGRATORY CHILDREN.—Subsection (c) of section 1002 (20 U.S.C. 6302(c)) is amended by striking ''$310,000,000 for fiscal year 1995'' and inserting ''$400,000,000 for fiscal year 2000''.

(c) PREVENTION AND INTERVENTION PROGRAMS FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT RISK OF DROPPING OUT.—Subsection (d) of section 1002 (20 U.S.C. 6302(d)) is amended by striking ''$40,000,000 for fiscal year 1995'' and inserting ''$50,000,000 for fiscal year 2000''.

(d) CAPITAL EXPENSES.—Subsection (e) of section 1002 (20 U.S.C. 6302(e)) is amended to read as follows:

''(e) CAPITAL EXPENSES.—For the purpose of carrying out section 1120(e), there are authorized to be appropriated $15,000,000 for fiscal year 2000, $15,000,000 for fiscal year 2001, and $5,000,000 for fiscal year 2002.''.

(e) ADDITIONAL ASSISTANCE.—Subsection (f) of section 1002 is amended to read as follows:

''(f) SCHOOL IMPROVEMENT.—Each State may reserve for the purpose of carrying out its duties under section 1116 and 1117, the greater of one half of 1 percent of the amount allocated under this part, or $200,000.''.

(f) STATE ADMINISTRATION.—Section 1002 is amended by adding at the end the following:

"(h) STATE ADMINISTRATION.—

"(1) STATE RESERVATION.—Each State may reserve, from the grants it receives under parts A, C, and D, of this title, an amount equal to the greater of 1 percent of the amount it received under parts A, C, and D, for fiscal year 1999, or $400,000 ($50,000 for each outlying area), to carry out administrative duties assigned under parts A, C, and D.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 2000 and such sums as may be necessary for each of the four succeeding fiscal years for additional State administration grants. Any such additional grants shall be allocated among the States in proportion to the grants received by each State for that fiscal year under parts A, C, and D of this title.

"(3) SPECIAL RULE.—The amount allocated to each State under this subsection may not exceed the amount of State funds expended by the State educational agency to administer elementary and secondary education programs in such State.".

SEC. 104. RESERVATION AND ALLOCATION.

Section 1003 (20 U.S.C. 6303) is repealed.

SEC. 105. STATE PLANS.

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

"SEC. 1111. STATE PLANS.

"(a) PLANS REQUIRED.—

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

"(2) CONSOLIDATED PLAN.—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 14302.

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

"(1) CHALLENGING STANDARDS.—(A) Each State plan shall demonstrate that the State has adopted challenging content standards and challenging student performance standards that will be

used by the State, its local educational agencies, and its schools to carry out this part, except that a State shall not be required to submit such standards to the Secretary.

"(B) The standards required by subparagraph (A) shall be the same standards that the State applies to all schools and children in the State.

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

"(D) Standards under this paragraph shall include—

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

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

"(II) contain coherent and rigorous content; and

"(III) encourage the teaching of advanced skills;

"(ii) challenging student performance standards that—

"(I) are aligned with the State's content standards;

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

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

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

"(2) ADEQUATE YEARLY PROGRESS.—

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

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

"(ii) any local educational agency that received funds under this part toward enabling all children in schools receiving assistance under this part to meet the State's challenging student performance standards; and

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

"(B) DEFINITION.—Adequate yearly progress shall be defined in a manner that—

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

"(ii) takes into account the progress of all students in the State and in each

local educational agency and school served under section 1114 or 1115;

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

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

"(v) compares the proportions of students at the 'basic', 'proficient', and 'advanced' levels of performance with the pro-

portions of students at each of the 3 levels in the same grade in the previous school year;

"(vi) at the State's discretion, may also include other academic measures such as promotion, completion of college preparatory courses, and high school completion, except that inclusion of such other measures may not change which schools or local educational agencies would otherwise be subject to improvement or corrective action under section 1116 if the discretionary indicators were not included;

"(vii) includes annual numerical goals for improving the performance of all groups specified in clause (iv) and narrowing gaps in performance between these groups; and

"(viii) includes a timeline for ensuring that each group of students described in clause (iv) meets or exceeds the State's proficient level of performance on each State assessment used for the purposes of section 1111 and section 1116 within 10

years from the date of the enactment of the Student Results Act of 1999.

"(C) ANNUAL IMPROVEMENT FOR STATES.—For a State to make adequate yearly progress under subparagraph (A)(iii), not less than 90 percent of the local educational agencies within its jurisdiction shall meet the State's criteria for adequate yearly progress.

"(D) ANNUAL IMPROVEMENT FOR LOCAL EDUCATIONAL AGENCIES.—For a local educational agency to make adequate yearly progress under subparagraph (A)(ii), not less than 90 percent of the schools within its jurisdiction must meet the State's criteria for adequate yearly progress.

"(E) ANNUAL IMPROVEMENT FOR SCHOOLS.—For a school to make adequate yearly progress under subparagraph (A)(i), not less than 90 percent of each group of students described in subparagraph (A)(iv) who are enrolled in such school are required to take the assessments consistent with section 612(a)(17)(A) of the Individuals with Disabilities Education Act and paragraph (4)(F)(iv) on which adequate yearly progress is based.

"(F) PUBLIC NOTICE AND COMMENT.—Each State shall ensure that in developing its plan for adequate yearly progress, it diligently seeks public comment from a range of institutions and individuals in the State with an interest in improved student achievement and that the State makes and will continue to make a substantial effort to ensure that information under this part is widely known and understood by the public, parents, teachers, and school administrators throughout the State. Such efforts shall include, at a minimum, publication of such information and explanatory text, broadly to the public through such means as the Internet, the media, and public agencies.

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

"(3) STATE AUTHORITY.—If a State educational agency provides evidence, which is satisfactory to the Secretary, that neither the State educational agency nor any other State government offi-

cial, agency, or entity has sufficient authority, under State law, to adopt curriculum content and student performance standards, and assessments aligned with such standards, which will be applicable to all students enrolled in the State's public schools, then the State educational agency may meet the requirements of this subsection by—

"(A) adopting standards and assessments that meet the requirements of this subsection, on a statewide basis, limiting their applicability to students served under this part; or

"(B) adopting and implementing policies that ensure that each local educational agency in the State which receives grants under this part will adopt curriculum content and student performance standards, and assessments aligned with such standards, which meet all of the criteria in this subsection and any regulations regarding such standards and assessments which the Secretary may publish, and which are applicable to all students served by each such local educational agency.

"(4) ASSESSMENTS.—Each State plan shall demonstrate that the State has implemented a set of high-quality, yearly student assessments that in-

clude, at a minimum, assessments in mathematics, reading or language arts, and science, that will be used, starting not later than the 2000–2001 school year, as the primary means of determining the yearly performance of each local educational agency and school served under this title in enabling all children served under this part to meet the State's challenging student performance standards. Such assessments shall—

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

"(B) be aligned with the State's challenging content and student performance standards and provide coherent information about student attainment of such standards;

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

"(D) measure the proficiency of students in the academic subjects in which a State has adopted challenging content and student per-

formance standards and be administered not less than one or more times during—

"(i) grades 3 through 5;

"(ii) grades 6 through 9; and

"(iii) grades 10 through 12;

"(E) involve multiple up-to-date measures of student performance, including measures that assess higher order thinking skills and understanding;

"(F) provide for—

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

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

"(iii) the inclusion of limited English proficient students who shall be assessed, to the extent practicable, in the language and form most likely to yield accurate and reliable information on what such students know and can do in content areas;

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

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

"(H) provide individual student reports, which include assessment scores, or other information on the attainment of student performance standards; and

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

"(5) SPECIAL RULE.—

"(A) IN GENERAL.—Assessment measures that do not meet the requirements of paragraph (4)(C) may be included as one of the multiple measures, if a State includes in the State plan information regarding the State's efforts to validate such measures.

"(B) STUDENT PROFICIENCY IN GRADES K–2.—States may measure the proficiency of students in the academic subjects in which a State has adopted challenging content and stu-

dent performance standards one or more times during grades K–2.

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

"(7) ASSESSMENT DEVELOPMENT.—A State shall develop, and implement State assessments that are aligned to challenging State content standards that include, at a minimum, mathematics and reading or language arts by the 2000–2001 school year.

"(8) REQUIREMENT.—Each State plan shall describe—

"(A) how the State educational agency will assist each local educational agency and school affected by the State plan to develop the capac-

ity to comply with each of the requirements of sections 1112(c)(1)(D), 1114(c), and 1115(c) that is applicable to such agency or school; and

"(B) such other factors the State considers appropriate to provide students an opportunity to achieve the knowledge and skills described in the challenging content standards adopted by the State.

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

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

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

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

"(3) the State educational agency will notify local educational agencies and the public of the content and student performance standards and assessments developed under this section, and of the authority to operate schoolwide programs, and will fulfill the State educational agency's responsibilities regarding local educational agency improvement and school improvement under section 1116, including such corrective actions as are necessary;

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

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

"(6) the State educational agency will encourage schools to consolidate funds from other Federal,

State, and local sources for schoolwide reform in schoolwide programs under section 1114;

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

"(8) the State educational agency has involved the committee of practitioners established under section 1603(b) in developing the plan and monitoring its implementation; and

"(9) the State educational agency will inform local educational agencies of the local educational agency's authority to obtain waivers under title XIV and, if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999 (30 U.S.C. 589a et seq.).

"(d) PEER REVIEW AND SECRETARIAL APPROVAL.—

"(1) SECRETARIAL DUTIES.—The Secretary shall—

"(A) establish a peer review process to assist in the review of State plans;

"(B) approve a State plan after its submission unless the Secretary determines that the

plan does not meet the requirements of this section;

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

"(D) not decline to approve a State's plan before—

"(i) offering the State an opportunity to revise its plan;

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

"(iii) providing a hearing;

"(E) have the authority to disapprove a State plan for not meeting the requirements of this part, but shall not have the authority to require a State, as a condition of approval of the State plan, to include in, or delete from, such plan one or more specific elements of the State's content standards or to use specific assessment instruments or items; and

"(2) STATE REVISIONS.—States shall revise their plans if necessary to satisfy the requirements of this section. Revised plans shall be submitted to the Secretary for approval not later than 1 year after the date of the enactment of the Student Results Act of 1999.

"(e) DURATION OF THE PLAN.—

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

"(A) be submitted for the first year for which this part is in effect after the date of the enactment of the Student Results Act of 1999;

"(B) remain in effect for the duration of the State's participation under this part; and

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

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

"(f) LIMITATION ON CONDITIONS.—Nothing in this part shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or student performance standards and assessments, curriculum, or program of instruction, as a condition of eligibility to receive funds under this part.

"(g) PENALTIES.—

"(1) IN GENERAL.—If a State fails to meet the statutory deadlines for demonstrating that it has in place challenging content standards and student performance standards and assessments, and a system for measuring and monitoring adequate yearly progress, the State shall be ineligible to receive any administrative funds under section 1002(h) that exceed the amount received by the State for such purpose in the previous year.

"(2) ADDITIONAL FUNDS.—Based on the extent to which such content standards, performance standards, assessments, and monitoring of adequate yearly progress, are not in place, additional administrative funds shall be withheld in such amount as the Secretary determines appropriate, except that for each additional year that the State fails to comply with such requirements, the Secretary shall withhold

not less than one-fifth of the amount the State receives for administrative expenses under section 1002(h).

"(3) WAIVER.—Notwithstanding title XIV of this Act and the Education Flexibility Partnership Act or any other provision of law, a waiver shall not be granted except that a State may request a 1-time, 1-year waiver to meet the requirements of this section.".

"(h) SCHOOL REPORTS.—

"(1) IN GENERAL.—

"(A) ANNUAL REPORT.—Except as provided in subparagraph (C), not later than the beginning of the 2001–2002 school year, a State that receives assistance under this Act shall prepare and disseminate an annual report on all schools that receive funds under this part. States and local educational agencies may issue report cards under this section only for local educational agencies and schools receiving funds under this part, except that if a State or local educational agency issues a report card for all students, the State or local educational agency may include the information under this section as part of such report card.

"(B) IMPLEMENTATION.—The State shall ensure the dissemination of this information at all levels. Such information shall be—

"(i) concise; and

"(ii) presented in a format and manner that parents can understand, and which, to the extent practicable, shall be in a language the parents can understand.

"(C) PUBLIC DISSEMINATION.—In the event the State does not include such information through a report card, the State shall, not later than the beginning of the 2001–2002 school year, publicly report the information described in paragraph (2) through other public means, such as posting on the Internet, distribution to the media, and distribution through public agencies, for all schools that receive funds under this part.

"(2) CONTENT OF ANNUAL STATE REPORTS.—

"(A) REQUIRED INFORMATION.—The State shall, at a minimum, include in the annual State reports information for the State on each local educational agency and school receiving funds under this part regarding—

"(i) student performance on statewide assessments for the current and preceding years in at least mathematics, reading or language arts, and science, including—

"(I) a comparison of the proportions of students who performed at 'basic', 'proficient', and 'advanced' levels in each subject area, for each grade level at which assessments are required under this part, with proportions in each of the same three categories at the same grade levels in the previous school year; and

"(II) a statement of the percentage of students not tested and a listing of categories of the reasons why they were not tested;

"(ii) retention in grade, completion of advanced placement courses, and 4-year graduation rates;

"(iii) the professional qualifications of teachers in the aggregate, including the percentage of teachers teaching with emergency or provisional credentials, and the

percentage of class sections not taught by fully qualified teachers; and

"(iv) the professional qualifications of paraprofessionals, the number of paraprofessionals in the aggregate and the ratio of paraprofessionals to teachers in the classroom.

"(B) STUDENT DATA.—Student data in each report shall contain disaggregated results for the following categories:

"(i) gender;

"(ii) racial and ethnic group;

"(iii) migrant status;

"(iv) students with disabilities, as compared to students who are not disabled;

"(v) economically disadvantaged students, as compared to students who are not economically disadvantaged; and

"(vi) students with limited English proficiency, as compared to students who are proficient in English.

"(C) OPTIONAL INFORMATION.—A State may include in its report any other information it determines appropriate to reflect school quality and school achievement, including informa-

tion on average class size by grade level, and information on school safety, such as the incidence of school violence and drug and alcohol abuse, and the incidence of student suspensions and expulsions.

"(3) CONTENT OF LOCAL EDUCATIONAL AGENCIES REPORTS.—

"(A) MINIMUM REQUIREMENTS.—The State shall ensure that each local educational agency collects appropriate data and includes in its annual report for each school that receives funds under this part, at a minimum—

"(i) the information described in paragraphs (2)(A) and (2)(B) for each local educational agency and school—

"(I) in the case of a local educational agency—

"(aa) the number and percentage of schools identified for school improvement, including schools identified under section 1116(c) of this Act;

"(bb) information that shows how students in its schools perform on the statewide assess-

ment compared to students in the State as a whole;

"(II) in the case of a school—

"(aa) whether it has been identified for school improvement; and

"(bb) information that shows how its students performed on the statewide assessment compared to students in the local educational agency and the State as a whole.

"(B) OTHER INFORMATION.—A local educational agency may include in its annual reports any other appropriate information whether or not such information is included in the annual State report.

"(C) PUBLIC DISSEMINATION.—In the event the local educational agency does not include such information through a report card, the local educational agency shall, not later than the beginning of the 2001-2002 school year, publicly report the information described in paragraph (3) through other public means, such as posting on the Internet, distribution to

the media, and distribution through public agencies, only for schools that receive funds under this part, except that if a local educational agency issues a report card for all students, the local educational agency may include the information under this section as part of such report.

"(4) DISSEMINATION AND ACCESSIBILITY OF REPORTS.—

"(A) STATE REPORTS.—State annual reports under paragraph (2) shall be, disseminated to all schools and local educational agencies in the State, and made broadly available to the public through means such as posting on the Internet, distribution to the media, and distribution through public agencies.

"(B) LOCAL EDUCATIONAL AGENCY REPORTS.—Local educational agency reports under paragraph (3) shall be disseminated to all schools receiving funds under this part, in the school district and to all parents of students attending these schools and made broadly available to the public through means such as posting on the Internet, distribution to the media, and distribution through public agencies.

"(5) PARENTS RIGHT-TO-KNOW.—

"(A) QUALIFICATIONS.—A local educational agency that receives funds under this part shall provide, upon request, in an understandable and uniform format, to any parent of a student attending any school receiving funds under this part, information regarding the professional qualifications of the student's classroom teachers, including, at a minimum, the following:

"(i) Whether the teacher has met State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction.

"(ii) Whether the teacher is teaching under emergency or other provisional status through which State qualification or licensing criteria have been waived.

"(iii) The baccalaureate degree major of the teacher and any other graduate certification or degree held by the teacher, and the field of discipline of the certification or degree.

"(iv) Whether the child is provided services by paraprofessionals and the qualifications of such paraprofessional.

"(B) ADDITIONAL INFORMATION.—In addition to the information which parents may request under subparagraph (A), and the information provided in subsection (c), a school which receives funds under this part shall provide to each individual parent or guardian—

"(i) information on the level of performance of the individual student for whom they are the parent or guardian in each of the State assessments as required under this part; and

"(ii) timely notice that the student for whom they are the parent or guardian has been assigned or has been taught for two or more consecutive weeks by a substitute teacher or by a teacher not fully qualified.

"(6) PLAN CONTENT.—A State shall include in its plan under subsection (b) an assurance that it has in effect a policy that meets the requirements of this section.

"(i) PRIVACY.—Information collected under this section shall be collected and disseminated in a manner that protects the privacy of individuals.

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

SEC. 106. LOCAL EDUCATIONAL AGENCY PLANS.

(a) SUBGRANTS.—Paragraph (1) of section 1112(a) (20 U.S.C. 6312(a)(1)) is amended by striking "the Goals 2000: Educate America Act" and all that follows and inserting the following: "the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and other Acts, as appropriate.".

(b) PLAN PROVISIONS.—Subsection (b) of section 1112 (20 U.S.C. 6312(b)) is amended—

(1) by striking "Each" in the matter preceding paragraph (1) and inserting "In order to help low-achieving children achieve to high standards, each";

(2) in paragraph (1)—

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

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

(C) by striking ''and'' at the end of subparagraph (B);

(D) by inserting ''and'' at the end of subparagraph (C); and

(E) by adding at the end the following new subparagraph:

''(D) determine the literacy levels of first graders and their need for interventions, and a description of how the local educational agency will ensure that any such assessments—

''(i) are developmentally appropriate; and

''(ii) use multiple measures to provide information about the variety of skills that scientifically based research has identified as leading to early acquisition of reading skills.'';

(3) in paragraph (4)—

(A) in subparagraph (A), by striking '', and school-to-work transition programs''; and

(B) in subparagraph (B), by striking ''under part C or who were formerly eligible for services under part C in the 2-year period pre-

ceding the date of the enactment of the Improving America's School Act of 1994, neglected or delinquent youth and youth at risk of dropping out'' and inserting ''under part C, neglected or delinquent youth, Indian children served under title IX,'';

(4) in paragraph (7), by striking ''eligible homeless children'' and inserting ''homeless children'';

(5) by striking the period at the end of paragraph (9) and inserting ''; and''; and

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

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

''(11) a description of how the agency will promote the use of extended learning time, such as an extended school year and before and after school and summer programs; and

''(12) a description of the criteria established by the local educational agency pursuant to section 1119(b)(1).''.

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

"(c) ASSURANCES.—

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

"(A) inform eligible schools and parents of schoolwide project authority and the ability of such schools to consolidate funds from Federal, State, and local sources;

"(B) provide technical assistance and support to schoolwide programs;

"(C) work in consultation with schools as the schools develop the schools' plans pursuant to section 1114 and assist schools as the schools implement such plans or undertake activities pursuant to section 1115 so that each school can make adequate yearly progress toward meeting the State student performance standards;

"(D) fulfill such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(b)(9);

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

"(F) take into account the experience of model programs for the educationally disadvantaged, and the findings of relevant scientifically based research indicating that services may be most effective if focused on students in the earliest grades at schools that receive funds under this part;

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

"(H) comply with the requirements of section 1119 regarding the qualifications of teachers and paraprofessionals;

"(I) inform eligible schools of the local educational agency's authority to obtain waivers

on the school's behalf under title XIV of this Act, and if the State is an Ed-Flex Partnership State, waivers under the Education Flexibility Partnership Act of 1999; and

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

"(2) SPECIAL RULE.—In carrying out subparagraph (G) of paragraph (1) the Secretary—

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

"(B) upon publication, shall disseminate to local educational agencies the Head Start performance standards as in effect under section 641A(a) of the Head Start Act, and such agencies affected by such subparagraph shall plan for the implementation of such subparagraph (taking into consideration existing State and

local laws, and local teacher contracts), including pursuing the availability of other Federal, State, and local funding sources to assist in compliance with such subparagraph.

''(3) INAPPLICABILITY.—The provisions of this subsection shall not apply to preschool programs using the Even Start model or to Even Start programs which are expanded through the use of funds under this part.''.

(d) PLAN DEVELOPMENT AND DURATION.—Section 1112 is amended by striking subsection (d) and inserting the following:

''(d) PLAN DEVELOPMENT AND DURATION.—

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

''(2) DURATION.—Each such plan shall be submitted for the first year for which this part is in effect following the date of the enactment of the Student Results Act of 1999 and shall remain in effect for the duration of the agency's participation under this part.

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

(e) STATE APPROVAL.—Section 1112 (20 U.S.C. 6312(e)) is amended by striking subsection (e) and inserting the following:

"(e) STATE APPROVAL.—

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

"(2) APPROVAL.—The State educational agency shall approve a local educational agency's plan only if the State educational agency determines that the local educational agency's plan—

"(A) will enable schools served under this part to substantially help children served under this part meet the standards expected of all children described in section 1111(b)(1); and

"(B) will meet the requirements of this section.".

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

"(g) PARENTAL NOTIFICATION AND CONSENT FOR ENGLISH LANGUAGE INSTRUCTION.—

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

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

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

"(C) how the English language instruction program will specifically help the child acquire English and meet age-appropriate standards for grade promotion and graduation;

"(D) what the specific exit requirements are for the program;

"(E) the expected rate of graduation from the program into mainstream classes; and

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

"(2) CONSENT.—

"(A) AGENCY REQUIREMENTS.—

"(i) INFORMED CONSENT.—For a child who has been identified as limited English proficient prior to the beginning of the school year, each local educational agency that receives funds under this part shall obtain informed parental consent prior to the placement of a child in an English language instruction program for limited English proficient children funded under this part, if—

"(I) the program does not include classes which exclusively or almost exclusively use the English language in instruction; or

"(II) instruction is tailored for limited English proficient children.

"(ii) WRITTEN CONSENT NOT OBTAINED.—If written consent is not obtained, the local educational agency shall maintain a written record that includes the

date and the manner in which such informed consent was obtained.

"(iii) RESPONSE NOT OBTAINED.—

"(I) IN GENERAL.—If a response cannot be obtained after a reasonable and substantial effort has been made to obtain such consent, the local educational agency shall document that it has given such notice and its specific efforts made to obtain such consent.

"(II) DELIVERY OF PROOF OF DOCUMENTATION.—The proof of documentation shall be mailed or delivered in writing to the parents or guardian of the child prior to placing the child in a program described under in clause (i), and shall include a final notice requesting parental consent for such services. After such documentation has been mailed or delivered in writing, the local educational agency shall provide appropriate educational services.

"(III) SPECIAL RULE APPLICABLE DURING SCHOOL YEAR.—A local

educational agency may obtain parental consent under this subclause only for children who have not been identified as limited English proficient prior to the beginning of a school year. For such children the agency shall document, in writing, its specific efforts made to obtain such consent prior to placing the child in a program described in clause (i). After such documentation has been made, the local educational agency shall provide appropriate educational services to such child. The proof of documentation shall be mailed or delivered in writing to the parents or guardian of the child in a timely manner and shall include information on how to have their child immediately removed from the program upon their request. This subclause shall not be construed as exempting a local educational agency from complying with the requirements of this subparagraph.

"(B) PARENTAL RIGHTS.—A parent or the parents of a child participating in an English language instruction program for limited English proficient children assisted under this Act shall—

"(i) select among methods of instruction, if more than one method is offered in the program; and

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

"(3) RECEIPT OF INFORMATION.—A parent or the parents of a child identified for participation in an English language instruction program for limited English proficient children assisted under this part shall receive, in a manner and form understandable to the parent or parents, the information required by this subsection. At a minimum, the parent or parents shall receive—

"(A) timely information about English language instruction programs for limited English proficient children assisted under this Act; and

"(B) if a parent of a participating child so desires, notice of opportunities for regular meetings for the purpose of formulating and re-

sponding to recommendations from such parents.

''(4) BASIS FOR ADMISSION OR EXCLUSION.—Students shall not be admitted to or excluded from any federally assisted education program on the basis of a surname or language-minority status.''.

SEC. 107. ELIGIBLE SCHOOL ATTENDANCE AREAS.

Section 1113 (20 U.S.C. 6313) is amended to read as follows:

''SEC. 1113. ELIGIBLE SCHOOL ATTENDANCE AREAS.

''(a) DETERMINATION.—

''(1) IN GENERAL.—A local educational agency shall use funds received under this part only in eligible school attendance areas.

''(2) ELIGIBLE SCHOOL ATTENDANCE AREAS.—For the purposes of this part—

''(A) the term 'school attendance area' means, in relation to a particular school, the geographical area in which the children who are normally served by that school reside; and

''(B) the term 'eligible school attendance area' means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of

children from low-income families in the local educational agency as a whole.

"(3) LOCAL EDUCATIONAL AGENCY DISCRETION.—

"(A) IN GENERAL.—Notwithstanding paragraph (2), a local educational agency may—

"(i) designate as eligible any school attendance area or school in which at least 35 percent of the children are from low-income families;

"(ii) use funds received under this part in a school that is not in an eligible school attendance area, if the percentage of children from low-income families enrolled in the school is equal to or greater than the percentage of such children in a participating school attendance area of such agency;

"(iii) designate and serve a school attendance area or school that is not eligible under subsection (b), but that was eligible and that was served in the preceding fiscal year, but only for one additional fiscal year; and

"(iv) elect not to serve an eligible school attendance area or eligible school that has a higher percentage of children from low-income families if—

"(I) the school meets the comparability requirements of section 1120A(c);

"(II) the school is receiving supplemental funds from other State or local sources that are spent according to the requirements of section 1114 or 1115; and

"(III) the funds expended from such other sources equal or exceed the amount that would be provided under this part.

"(B) SPECIAL RULE.—Notwithstanding subparagraph (A)(iv), the number of children attending private elementary and secondary schools who are to receive services, and the assistance such children are to receive under this part, shall be determined without regard to whether the public school attendance area in which such children reside is assisted under subparagraph (A).

"(b) RANKING ORDER.—If funds allocated in accordance with subsection (f) are insufficient to serve all eligible school attendance areas, a local educational agency—

"(1) shall annually rank from highest to lowest according to the percentage of children from low-income families in each agency's eligible school attendance areas in the following order—

"(A) eligible school attendance areas in which the concentration of children from low-income families exceeds 75 percent; and

"(B) all remaining eligible school attendance areas in which the concentration of children from low-income families is 75 percent or lower either by grade span or for the entire local educational agency;

"(2) shall, within each category listed in paragraph (1), serve schools in rank order from highest to lowest according to the ranking assigned under paragraph (1);

"(3) notwithstanding paragraph (2), may give priority, within each such category and in rank order from highest to lowest subject to paragraph (4), to eligible school attendance areas that serve children in elementary schools; and

"(4) not serve a school described in paragraph (1)(B) before serving a school described in paragraph (1)(A).

"(c) LOW-INCOME MEASURES.—In determining the number of children ages 5 through 17 who are from low-income families, the local educational agency shall apply the measures described in paragraphs (1) and (2) of this subsection:

"(1) ALLOCATION TO PUBLIC SCHOOL ATTENDANCE AREAS.—The local educational agency shall use the same measure of poverty, which measure shall be the number of children ages 5 through 17 in poverty counted in the most recent census data approved by the Secretary, the number of children eligible for free and reduced priced lunches under the National School Lunch Act, the number of children in families receiving assistance under the State program funded under part A of title IV of the Social Security Act, or the number of children eligible to receive medical assistance under the Medicaid program, or a composite of such indicators, with respect to all school attendance areas in the local educational agency—

"(A) to identify eligible school attendance areas;

"(B) to determine the ranking of each area; and

"(C) to determine allocations under subsection (f).

"(2) ALLOCATION FOR EQUITABLE SERVICE TO PRIVATE SCHOOL STUDENTS.—

"(A) CALCULATION.—A local educational agency shall have the final authority, consistent with section 1120 to calculate the number of private school children, ages 5 through 17, who are low-income by—

"(i) using the same measure of low-income used to count public school children;

"(ii) using the results of a survey that, to the extent possible, protects the identity of families of private school students and allowing such survey results to be extrapolated if complete actual data are not available; or

"(iii) applying the low-income percentage of each participating public school attendance area, determined pursuant to this section, to the number of private school children who reside in that attendance area.

"(B) COMPLAINT PROCESS.—Any dispute regarding low-income data on private school students shall be subject to the complaint process authorized in section 14505.

"(d) EXCEPTION.—This section (other than subsections (a)(3) and (f)) shall not apply to a local educational agency with a total enrollment of less than 1,500 children.

"(e) WAIVER FOR DESEGREGATION PLANS.—The Secretary may approve a local educational agency's written request for a waiver of the requirements of subsections (a) and (f), and permit such agency to treat as eligible, and serve, any school that children attend under a desegregation plan ordered by a State or court or approved by the Secretary, or such a plan that the agency continues to implement after it has expired, if—

"(1) the number of economically disadvantaged children enrolled in the school is not less than 25 percent of the school's total enrollment; and

"(2) the Secretary determines on the basis of a written request from such agency and in accordance with such criteria as the Secretary establishes, that approval of that request would further the purposes of this part.

"(f) ALLOCATIONS.—

"(1) IN GENERAL.—A local educational agency shall allocate funds received under this part to eligible school attendance areas or eligible schools, identified under subsection (b) in rank order on the basis of the total number of children from low-income families in each area or school.

"(2) SPECIAL RULE.—(A) Except as provided in subparagraph (B), the per pupil amount of funds allocated to each school attendance area or school under paragraph (1) shall be at least 125 percent of the per pupil amount of funds a local educational agency received for that year under the poverty criteria described by the local educational agency in the plan submitted under section 1112, except that this paragraph shall not apply to a local educational agency that only serves schools in which the percentage of such children is 35 percent or greater.

"(B) A local educational agency may reduce the amount of funds allocated under subparagraph (A) for a school attendance area or school by the amount of any supplemental State and local funds expended in that school attendance area or school for programs that meet the requirements of section 1114 or 1115.

"(3) RESERVATION.—A local educational agency shall reserve such funds as are necessary under this part to provide services comparable to those provided to children in schools funded under this part to serve—

"(A) homeless children who do not attend participating schools, including providing educationally related support services to children in shelters;

"(B) children in local institutions for neglected or delinquent children; and

"(C) where appropriate, neglected and delinquent children in community day school programs.

"(4) SCHOOL IMPROVEMENT RESERVATION.—A local educational agency shall reserve such funds as are necessary under this part to meet such agency's school improvement responsibilities under section 1116, including taking corrective actions under section 1116(b)(9).

"(5) FINANCIAL INCENTIVES AND REWARDS RESERVATION.—A local educational agency may reserve such funds as are necessary under this part to provide financial incentives and rewards to teachers who serve in eligible schools under subsection

(b)(1)(A) and identified for improvement under section 1116(b)(1) for the purpose of attracting and retaining qualified and effective teachers.''.

SEC. 108. SCHOOLWIDE PROGRAMS.

Section 1114 (20 U.S.C. 6314) is amended to read as follows:

''SEC. 1114. SCHOOLWIDE PROGRAMS.

''(a) PURPOSE.—The purpose of a schoolwide program under this section is—

''(1) to enable a local educational agency to consolidate funds under this part with other Federal, State, and local funds, to upgrade the entire educational program in a high poverty school; and

''(2) to help ensure that all children in such a school meet challenging State standards for student performance, particularly those children who are most at-risk of not meeting those standards.

''(b) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—

''(1) IN GENERAL.—A local educational agency may consolidate funds under this part, together with other Federal, State, and local funds, in order to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 50 percent of the children are

from low-income families, or not less than 50 percent of the children enrolled in the school are from such families.

"(2) STATE ASSURANCES.—A local educational agency may start new schoolwide programs under this section only after the State educational agency provides written information to each local educational agency in the State that demonstrates that such State educational agency has established the statewide system of support and improvement required by subsections (c)(1) and (e) of section 1117.

"(3) IDENTIFICATION OF STUDENTS NOT REQUIRED.—(A) No school participating in a schoolwide program shall be required to identify particular children under this part as eligible to participate in a schoolwide program or to provide supplemental services to such children.

"(B) A school participating in a schoolwide program shall use funds available to carry out this section only to supplement the amount of funds that would, in the absence of funds under this part, be made available from non-Federal sources for the school, including funds needed to provide services that are required by law for children with disabilities and children with limited English proficiency.

"(4) EXEMPTION FROM STATUTORY AND REGULATORY REQUIREMENTS.—(A) Except as provided in subsection (c), the Secretary may, through publication of a notice in the Federal Register, exempt schoolwide programs under this section from statutory or regulatory provisions of any other noncompetitive formula grant program administered by the Secretary (other than formula or discretionary grant programs under the Individuals with Disabilities Education Act, except as provided in section 613(a)(2)(D) of such Act), or any discretionary grant program administered by the Secretary, to support schoolwide programs if the intent and purposes of such other programs are met.

"(B) A school that chooses to use funds from such other programs shall not be relieved of the requirements relating to health, safety, civil rights, student and parental participation and involvement, services to private school children, maintenance of effort, uses of Federal funds to supplement, not supplant non-Federal funds, or the distribution of funds to State or local educational agencies that apply to the receipt of funds from such programs.

"(C)(i) A school that consolidates funds from different Federal programs under this section shall

not be required to maintain separate fiscal accounting records, by program, that identify the specific activities supported by those particular funds as long as it maintains records that demonstrate that the schoolwide program, considered as a whole addresses the intent and purposes of each of the Federal programs that were consolidated to support the schoolwide program.

"(5) PROFESSIONAL DEVELOPMENT.—Each school receiving funds under this part for any fiscal year shall devote sufficient resources to effectively carry out the activities described in subsection (c)(1)(E) in accordance with section 1119A for such fiscal year, except that a school may enter into a consortium with another school to carry out such activities.

"(c) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

"(1) IN GENERAL.—A schoolwide program shall include the following components:

"(A) A comprehensive needs assessment of the entire school (including taking into account the needs of migratory children as defined in section 1309(2)) that is based on information which includes the performance of children in relation to the State content standards and the

State student performance standards described in section 1111(b)(1).

"(B) Schoolwide reform strategies that—

"(i) provide opportunities for all children to meet the State's proficient and advanced levels of student performance described in section 1111(b)(1)(D);

"(ii) use effective methods and instructional strategies that are based upon scientifically based research that—

"(I) strengthen the core academic program in the school;

"(II) increase the amount and quality of learning time, such as providing an extended school year and before- and after-school and summer programs and opportunities, and help provide an enriched and accelerated curriculum; and

"(III) include strategies for meeting the educational needs of historically underserved populations, including girls and women;

"(iii)(I) address the needs of all children in the school, but particularly the

needs of low-achieving children and those at risk of not meeting the State student performance standards who are members of the target population of any program that is included in the schoolwide program, which may include incorporation of gender-equitable methods and practices;

''(II) address how the school will determine if such needs have been met; and

''(iv) are consistent with, and are designed to implement, the State and local improvement plans, if any.

''(D) Instruction by fully qualified (as defined in section 1610) teachers.

''(E) In accordance with section 1119A, high quality and ongoing professional development for teachers and paraprofessionals, and, where appropriate, pupil services personnel, parents, principals, and other staff to enable all children in the school to meet the State's student performance standards.

''(F) Strategies to increase parental involvement in accordance with section 1118, such as family literary services.

"(G) Plans for assisting preschool children in the transition from early childhood programs, such as Head Start, Even Start, or a State-run preschool program, to local elementary school programs.

"(H) Measures to include teachers in the decisions regarding the use of assessments described in section 1111(b)(4) in order to provide information on, and to improve, the performance of individual students and the overall instructional program.

"(I) Activities to ensure that students who experience difficulty mastering the proficient or advanced levels of performance standards required by section 1111(b) shall be provided with effective, timely additional assistance which shall include measures to ensure that students' difficulties are identified on a timely basis and to provide sufficient information on which to base effective assistance.

"(2) PLAN.—Any eligible school that desires to operate a schoolwide program shall first develop (or amend a plan for such a program that was in existence on the day before the date of the enactment of the Student Results Act of 1999), a comprehensive

plan for reforming the total instructional program in the school that—

"(A) incorporates the components described in paragraph (1);

"(B) describes how the school will use resources under this part and from other sources to implement those components;

"(C) includes a list of State and local educational agency programs and other Federal programs under subsection (b)(4) that will be consolidated in the schoolwide program;

"(D) describes how the school will provide individual student assessment results, including an interpretation of those results, to the parents of a child who participates in the assessments required by section 1111(b)(4) and in a format and, to the extent practicable, in a language that they can understand; and

"(E) provides for the collection of data on the achievement and assessment results of students disaggregated by gender, major ethnic or racial groups, limited English proficiency status, migrant students, by children with disabilities as compared to other students, and by economically disadvantaged students as compared

to students who are not economically disadvantaged, except that such disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student.

"(3) PLAN DEVELOPMENT.—The comprehensive plan shall be—

"(A) developed during a 1-year period, unless—

"(i) the local educational agency determines that less time is needed to develop and implement the schoolwide program; or

"(ii) the school operated a schoolwide program on the day preceding the date of the enactment of the Student Results Act of 1999, in which case such school may continue to operate such program, but shall develop amendments to its existing plan during the first year of assistance under such Act to reflect the provisions of this section;

"(B) developed with the involvement of the community to be served and individuals who will carry out such plan, including teachers, principals, administrators (including administrators of programs described in other parts of this title), if appropriate pupil services personnel, school staff and parents, and, if the plan relates to a secondary school, students from such school;

"(C) in effect for the duration of the school's participation under this part and reviewed and revised, as necessary, by the school;

"(D) available to the local educational agency, parents, and the public, and the information contained in such plan shall be provided in a format, and to the extent practicable, in a language that they can understand; and

"(E) if appropriate, developed in coordination with programs under the Reading Excellence Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, and part B of this title.

"(d) ACCOUNTABILITY.—A schoolwide program under this section shall be subject to the school improvement provisions of section 1116.".

"(e) PREKINDERGARTEN PROGRAM.—A school that is eligible for a schoolwide program under this section may use funds made available under this title to establish or enhance prekindergarten programs for 3-, 4-, and 5-year old children, such as Even Start programs.".

SEC. 109. TARGETED ASSISTANCE SCHOOLS.

(a) IN GENERAL.—Subsection (a) of section 1115 (20 U.S.C. 6315(a)) is amended by striking "section 1113(c)" and inserting "section 1113(f)".

(b) ELIGIBLE CHILDREN.—Subsection (b) of section 1115 (20 U.S.C. 6315(b)) is amended to read as follows:

"(b) ELIGIBLE CHILDREN.—

"(1) ELIGIBLE POPULATION.—(A) The eligible population for services under this section is—

"(i) children not older than age 21 who are entitled to a free public education through grade 12; and

"(ii) children who are not yet at a grade level where the local educational agency provides a free public education.

"(B) From the population described in subparagraph (A), eligible children are children identified by the school as failing, or most at risk of failing, to meet the State's challenging student performance standards on the basis of assessments under this

part, and, as appropriate, on the basis of multiple, educationally related, objective criteria established by the local educational agency and supplemented by the school, except that children from preschool through grade 2 may be selected solely on the basis of such criteria as teacher judgment, interviews with parents, and developmentally appropriate measures.

''(2) CHILDREN INCLUDED.—(A)(i) Children with disabilities, migrant children, and children with limited English proficiency are eligible for services under this part on the same basis as other children.

''(ii) Funds received under this part may not be used to provide services that are otherwise required by law to be made available to such children but may be used to coordinate or supplement such services.

''(B) A child who, at any time in the 2 years preceding the year for which the determination is made, participated in a Head Start or Even Start program or in preschool services under this title, is eligible for services under this part.

''(C)(i) A child who, at any time in the 2 years preceding the year for which the determination is made, received services under part C is eligible for services under this part.

"(ii) A child in a local institution for neglected or delinquent children or attending a community day program for such children is eligible for services under this part.

"(D) A child who is homeless and attending any school in the local educational agency is eligible for services under this part.".

(c) COMPONENTS OF TARGETED ASSISTANCE SCHOOL PROGRAM.—Subsection (c) of section 1115 (20 U.S.C. 6315(c)) is amended to read as follows:

"(c) COMPONENTS OF A TARGETED ASSISTANCE SCHOOL PROGRAM.—

"(1) IN GENERAL.—To assist targeted assistance schools and local educational agencies to meet their responsibility to provide for all their students served under this title the opportunity to meet the State's challenging student performance standards in subjects as determined by the State, each targeted assistance program under this section shall—

"(A) use such program's resources under this part to help participating children meet such State's challenging student performance standards expected for all children;

"(B) ensure that planning for students served under this part is incorporated into existing school planning;

"(C) use effective methods and instructional strategies that are based upon scientifically based research that strengthens the core academic program of the school and that—

"(i) give primary consideration to providing extended learning time such as an extended school year, before- and after-school, and summer programs and opportunities;

"(ii) help provide an accelerated, high-quality curriculum, including applied learning; and

"(iii) minimize removing children from the regular classroom during regular school hours for instruction provided under this part;

"(D) coordinate with and support the regular education program, which may include services to assist preschool children in the transition from early childhood programs to elementary school programs;

"(E) provide instruction by fully qualified teacher as defined in section 1610;

"(F) in accordance with subsection (e)(3) and section 1119A, provide opportunities for professional development with resources provided under this part, and, to the extent practicable, from other sources, for teachers, principals, and administrators and other school staff, including, if appropriate, pupil services personnel, who work with participating children in programs under this section or in the regular education program; and

"(G) provide strategies to increase parental involvement in accordance with section 1118, such as family literacy services.

"(2) REQUIREMENTS.—Each school conducting a program under this section shall assist participating children selected in accordance with subsection (b) to meet the State's proficient and advanced levels of performance by—

"(A) the coordination of resources provided under this part with other resources; and

"(B) reviewing, on an ongoing basis, the progress of participating children and revising the targeted assistance program, if necessary,

to provide additional assistance to enable such children to meet the State's challenging student performance standards, such as an extended school year, before- and after-school, and summer, programs and opportunities, training for teachers regarding how to identify students that require additional assistance, and training for teachers regarding how to implement student performance standards in the classroom.''.

(d) INTEGRATION OF PROFESSIONAL DEVELOPMENT.—Subsection (d) of section 1115 (20 U.S.C. 6515(d) is amended to read as follows:

''(d) INTEGRATION OF PROFESSIONAL DEVELOPMENT.—To promote the integration of staff supported with funds under this part, public school personnel who are paid with funds received under this part may participate in general professional development and school planning activities.''.

(e) COMPREHENSIVE SERVICES.—Paragraph (2) of section 1115(e) (20 U.S.C. 6315(e)(2)) is amended—

(1) by inserting ''and'' at the end of subparagraph (A);

(2) by striking subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

SEC. 110. SCHOOL CHOICE.

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

"SEC. 1115A. SCHOOL CHOICE.

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

"(b) CHOICE PLAN.—A local educational agency that chooses to implement a public school choice program shall first develop a plan that includes assurances that—

"(1) all eligible students across grade levels served under this part will have equal access to the program;

"(2) the program does not include schools that follow a racially discriminatory policy;

"(3) describe how the school will use resources under this part and from other sources to implement the plan;

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

"(5) parents of eligible students in the local educational agency will be given prompt notice of the existence of the public school choice program and its availability to them, and a clear explanation of how the program will operate;

"(6) the program will include charter schools and any other public school and shall not include a school that is or has been identified as a school in school improvement or is or has been in corrective action for the past two consecutive years;

"(7) transportation services or the costs of transportation may be provided by the local educational agency with funds under this part; and

"(8) such local educational agency will comply with the other requirements of this part.".

SEC. 111. PUPIL SAFETY AND FAMILY SCHOOL CHOICE.

Subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) is amended by inserting after section 1115A of such Act (20 U.S.C. 6316) the following:

"SEC. 1115B. PUPIL SAFETY AND FAMILY SCHOOL CHOICE.

"(a) IN GENERAL.—If a student is eligible to be served under section 1115(b), or attends a school eligible for a schoolwide program under section 1114, and—

"(1) becomes a victim of a violent criminal offense while in or on the grounds of a public elementary school or secondary school that the student attends and that receives assistance under this part, then the local educational agency shall allow such student to attend another public school or public charter school in the same State as the school where the criminal offense occurred, that is selected by the student's parent; or

"(2) the public school that the student attends and that receives assistance under this part has been designated as an unsafe public school, then the local educational agency may allow such student to attend another public school or public charter school in the same State as the school where the criminal offense occurred, that is selected by the student's parent.

"(b) STATE EDUCATIONAL AGENCY DETERMINATIONS.—

"(1) The State educational agency shall determine, based upon State law, what actions constitute a violent criminal offense for purposes of this section.

"(2) The State educational agency shall determine which schools in the State are unsafe public schools.

"(3) The term 'unsafe public schools' means a public school that has serious crime, violence, illegal drug, and discipline problems, as indicated by conditions that may include high rates of—

(A) expulsions and suspensions of students from school;

(B) referrals of students to alternative schools for disciplinary reasons, to special programs or schools for delinquent youth, or to juvenile court;

(C) victimization of students or teachers by criminal acts, including robbery, assault and homicide;

(D) enrolled students who are under court supervision for past criminal behavior;

(E) possession, use, sale or distribution of illegal drugs;

(F) enrolled students who are attending school while under the influence of illegal drugs or alcohol;

(G) possession or use of guns or other weapons;

(H) participation in youth gangs; or

(I) crimes against property, such as theft or vandalism.

"(c) TRANSPORTATION COSTS.—The local educational agency that serves the public school in which the violent criminal offense occurred or that serves the designated unsafe public school may use funds provided under this part to provide transportation services or to pay the reasonable costs of transportation for the student to attend the school selected by the student's parent.

"(d) SPECIAL RULE.—Any school receiving assistance provided under this section shall comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and not discriminate on the basis of race, color, or national origin.

"(e) PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this section shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

"(f) MAXIMUM AMOUNT.—Notwithstanding any other provision of this section, the amount of assistance provided under this part for a student shall not exceed the per pupil expenditure for elementary or secondary education, as appropriate, by the local educational agency that serves the school—

(1) where the violent criminal offense occurred for the fiscal year preceding the fiscal year in which the offense occurred; or

(2) designated as an unsafe public school by the State educational agency for the fiscal year preceding the fiscal year for which the designation is made.

SEC. 112. ASSESSMENT AND LOCAL EDUCATIONAL AGENCY AND SCHOOL IMPROVEMENT.

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

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

(2) in paragraph (3), by striking ''individual school performance profiles'' and inserting ''school reports'';

(3) in paragraph (3), by striking ''and'' after the semicolon;

(4) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(5) by adding at the end the following:

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

(b) SCHOOL IMPROVEMENT.—Section 1116 (20 U.S.C. 6317) is amended by striking subsection (b) and by redesignating subsections (c) and (d) as subsections (b) and (c), respectively, and amending them to read as follows:

"(b) SCHOOL IMPROVEMENT.—

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

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

"(B) was in school improvement status under this section on the day preceding the date of the enactment of the Student Results Act of 1999.

"(2) TRANSITION.—The 2-year period described in paragraph (1)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Student Results Act of 1999 during which a school did not make adequate yearly progress as defined in the State's plan, as such plan was in effect on the day preceding the date of such enactment.

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

"(4) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

"(A) IN GENERAL.—Before identifying a school for school improvement under paragraph (1), the local educational agency shall provide the school with an opportunity to review the school-level data, including assessment data, on which the proposed identification is based.

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

"(5) NOTIFICATION TO PARENTS.—A local educational agency shall, in an easily understandable format, provide in writing to parents of each student in a school identified for school improvement—

"(A) an explanation of what the school improvement identification means and how the school compares in terms of academic performance to other schools in the local educational agency and State;

"(B) the reasons for such identification;

"(C) the data on which such identification is based;

"(D) an explanation of what the school is doing to address the problem of low achievement;

"(E) an explanation of how parents can become involved in upgrading the quality of the school;

"(F) an explanation of the right of parents, pursuant to paragraph (6), to transfer their child to another public school, including a public charter school, that is not in school improvement, and how such transfer shall operate; and

"(G) notification to parents in a format and, to the extent practicable, in a language they can understand.

"(6) PUBLIC SCHOOL CHOICE OPTION.—

"(A) SCHOOLS IDENTIFIED FOR IMPROVEMENT.—

"(i) SCHOOLS IDENTIFIED ON OR BEFORE ENACTMENT.—Not later than 18 months after the date of the enactment of the Student Results Act of 1999, a local educational agency shall provide all students enrolled in a school identified (on or before such date of enactment) for school improvement with an option to transfer to any other public school within the local educational agency or any public school consistent with subparagraph (B), including a public charter school that has not been identified for school improvement, unless such option to transfer is prohibited by State law, or local law, which includes school board-approved local educational agency policy.

"(ii) SCHOOLS IDENTIFIED AFTER ENACTMENT.—Not later than 18 months after the date on which a local educational agency identifies a school for school improvement, the agency shall provide all

students enrolled in such school with an option described in clause (i).

"(B) COOPERATIVE AGREEMENT.—If all public schools in the local educational agency to which a child may transfer to, are identified for school improvement, the agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in the area for the transfer.

"(C) TRANSPORTATION.—The local educational agency in which the schools have been identified for improvement may use funds under this part to provide transportation to students whose parents choose to transfer their child or children to a different school.

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

"(7) SCHOOL PLAN.—

"(A) IN GENERAL.—Each school identified under paragraph (1) for school improvement shall, not later than 3 months after being so identified, develop or revise a school plan, in

consultation with parents, school staff, the local educational agency, and other outside experts for approval by the local educational agency. Such plan shall—

"(i) incorporate scientifically-based research strategies that strengthen the core academic program in the school;

"(ii) adopt policies that have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards;

"(iii) address the professional development needs of staff, particularly teachers and principals;

"(iv) establish specific goals and objectives the school will undertake for making adequate yearly progress which include specific numerical performance goals and targets for each of the groups of students identified in the disaggregated data pursuant to section 1111(b)(2);

"(v) identify how the school will provide written notification to parents, in a format and to the extent practicable in a language such parents can understand; and

"(vi) specify the responsibilities of the local educational agency and the school under the plan.

"(B) CONDITIONAL APPROVAL.—A local educational agency may condition approval of a school plan on inclusion of one or more of the corrective actions specified in paragraph (9).

"(C) IMPLEMENTATION.—A school shall implement its plan or revised plan expeditiously, but not later than the beginning of the school year after which the school has been identified for improvement.

"(D) REVIEW.—The local educational agency shall promptly review the plan, work with the school as necessary, and approve the plan if it meets the requirements of this section.

"(8) TECHNICAL ASSISTANCE.—

"(A) IN GENERAL.—For each school identified for school improvement under paragraph (1), the local educational agency shall provide technical assistance as the school develops and implements its plan.

"(B) SPECIFIC TECHNICAL ASSISTANCE.—Such technical assistance—

"(i) shall include effective methods and instructional strategies that are based upon scientifically based research that strengthens the core academic program in the school and addresses the specific elements of student performance problems in the school;

"(ii) may be provided directly by the local educational agency, through mechanisms authorized under section 1117, or with the local educational agency's approval, by an institution of higher education, a private nonprofit organization, an educational service agency, a comprehensive regional assistance center under part A of title XIII, or other entities with experience in helping schools improve achievement.

"(C) TECHNICAL ASSISTANCE.—Technical assistance provided under this section by the local educational agency or an entity authorized by such agency shall be based upon scientifically based research.

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

"(A) IN GENERAL.—After providing technical assistance under paragraph (8) and subject to subparagraph (F), the local educational agency—

"(i) may take corrective action at any time with respect to a school that has been identified under paragraph (1);

"(ii) shall take corrective action with respect to any school that fails to make adequate yearly progress, as defined by the State, after the end of the second year following its identification under paragraph (1); and

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

"(B) DEFINITION.—As used in this paragraph, the term 'corrective action' means action, consistent with State and local law, that—

"(i) substantially and directly responds to the consistent academic failure that caused the local educational agency to take such action and to any underlying staffing, curricular, or other problems in the school; and

"(ii) is designed to substantially increase the likelihood that students will perform at the proficient and advanced performance levels.

"(C) CERTAIN SCHOOLS.—In the case of a school described in subparagraph (A)(ii), the local educational agency shall take not less than one of the following corrective actions:

"(i) Withhold funds from the school.

"(ii) Decrease decisionmaking authority at the school level.

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

"(iv) Reconstitute the school by requiring each person employed at the school to reapply for future employment at the same school or for any position in the local educational agency.

"(v) Authorize students to transfer to other higher performing public schools served by the local educational agency, including public charter schools, and provide such students transportation (or the costs of transportation) to such schools in con-

junction with not less than one additional action described under this subparagraph.

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

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

"(E) PUBLICATION.—The local educational agency shall publish, and disseminate to the public and to parents in a format and, to the extent practicable, in a language that they can understand, any corrective action it takes under this paragraph through such means as the Internet, the media, and public agencies.

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

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

"(10) STATE EDUCATIONAL AGENCY RESPONSIBILITIES.—If a State educational agency determines that a local educational agency failed to carry out its responsibilities under this section, it shall take such action as it finds necessary, consistent with this section, to improve the affected schools and to ensure that the local educational agency carries out its responsibilities under this section.

"(11) SPECIAL RULE.—Schools that, for at least two of the 3 years following identification under paragraph (1), make adequate yearly progress toward meeting the State's proficient and advanced

levels of performance shall no longer be identified for school improvement.

"(c) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—

"(1) IN GENERAL.—A State educational agency shall—

"(A) annually review the progress of each local educational agency receiving funds under this part to determine whether schools receiving assistance under this part are making adequate yearly progress as defined in section 1111(b)(2) toward meeting the State's student performance standards; and

"(B) publicize and disseminate to local educational agencies, teachers and other staff, parents, students, and the community the results of the State review consistent with section 1111, including statistically sound disaggregated results, as required by section 1111(b)(2).

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

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

"(B) was in improvement status under this section as this section was in effect on the day preceding the date of the enactment of the Student Results Act of 1999.

"(3) TRANSITION.—The 2-year period described in paragraph (2)(A) shall include any continuous period of time immediately preceding the date of the enactment of the Student Results Act of 1999, during which a local educational agency did not make adequate yearly progress as defined in the State's plan, as such plan was in effect on the day preceding the date of such enactment.

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

"(5) OPPORTUNITY TO REVIEW AND PRESENT EVIDENCE.—

"(A) REVIEW.—Before identifying a local educational agency for improvement under paragraph (2), a State educational agency shall

provide the local educational agency with an opportunity to review the local educational agency data, including assessment data, on which that proposed identification is based.

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

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

"(7) LOCAL EDUCATIONAL AGENCY REVISIONS.—

"(A) PLAN.—Each local educational agency identified under paragraph (2) shall, not later than 3 months after being so identified, develop or revise a local educational agency

plan, in consultation with parents, school staff, and others. Such plan shall—

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

"(ii) identify specific goals and objectives the local educational agency will undertake to make adequate yearly progress and which—

"(I) have the greatest likelihood of improving the performance of participating children in meeting the State's student performance standards;

"(II) address the professional development needs of staff; and

"(III) include specific numerical performance goals and targets for each of the groups of students identified in the disaggregated data pursuant to section 1111(b)(2);

"(iii) identify how the local educational agency will provide written notification to parents in a format, and to the extent practicable in a language, that they can understand, pursuant to paragraph (6); and

"(iv) specify the responsibilities of the State educational agency and the local educational agency under the plan.

"(B) IMPLEMENTATION.—The local educational agency shall implement its plan or revised plan expeditiously, but not later than the beginning of the school year after which the school has been identified for improvement.

"(8) STATE EDUCATIONAL AGENCY RESPONSIBILITY.—

"(A) IN GENERAL.—For each local educational agency identified under paragraph (2), the State educational agency shall provide technical or other assistance, if requested, as authorized under section 1117, to better enable the local educational agency—

"(i) to develop and implement its revised plan as approved by the State educational agency consistent with the requirements of this section; and

"(ii) to work with schools needing improvement.

"(B) TECHNICAL ASSISTANCE.—Technical assistance provided under this section by the State educational agency or an entity author-

ized by such agency shall be based upon scientifically based research.

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

"(A) IN GENERAL.—After providing technical assistance under paragraph (8) and subject to subparagraph (D), the State educational agency—

"(i) may take corrective action at any time with respect to a local educational agency that has been identified under paragraph (2);

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

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

"(B) DEFINITION.—As used in this paragraph, the term 'corrective action' means action, consistent with State law, that—

"(i) substantially and directly responds to the consistent academic failure that caused the State educational agency to take such action and to any underlying staffing, curricular, or other problems in the school; and

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

"(C) CERTAIN LOCAL EDUCATIONAL AGENCIES.—In the case of a local educational agency described in this paragraph, the State educational agency shall take not less than one of the following corrective actions:

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

"(ii) Reconstitute school district personnel.

"(iii) Remove particular schools from the jurisdiction of the local educational agency and establish alternative arrange-

ments for public governance and supervision of such schools.

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

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

"(vi) Authorize students to transfer from a school operated by a local educational agency to a higher performing public school operated by another local educational agency, or to a public charter school and provide such students transportation (or the costs of transportation to such schools, in conjunction with not less than one additional action described under this paragraph.

"(D) HEARING.—Prior to implementing any corrective action, the State educational agency shall provide due process and a hearing to the affected local educational agency, if State law provides for such process and hearing.

"(E) PUBLICATION.—The State educational agency shall publish, and disseminate to parents and the public any corrective action it takes under this paragraph through such means as the Internet, the media, and public agencies.

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

"(10) SPECIAL RULE.—A local educational agency, that, for at least two of the 3 years following identification under paragraph (2), makes adequate yearly progress toward meeting the State's proficient and advanced levels of performance shall no longer be identified for school improvement.".

SEC. 113. STATE ASSISTANCE FOR SCHOOL SUPPORT AND IMPROVEMENT.

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

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

"(a) SYSTEM FOR SUPPORT.—Each State educational agency shall establish a statewide system of intensive and sustained support and improvement for local educational agencies and schools receiving funds under this part, in order to increase the opportunity for all students in those agencies and schools to meet the State's content standards and student performance standards.

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

"(1) first, provide support and assistance to local educational agencies subject to corrective action under section 1116 and assist schools, in accordance with section 1116(b)(10), for which a local educational agency has failed to carry out its responsibilities under section 1116(b)(8) and (9);

"(2) second, provide support and assistance to other local educational agencies identified as in need of improvement under section 1116; and

"(3) third, provide support and assistance to other local educational agencies and schools participating under this part that need that support and assistance in order to achieve the purpose of this part.

"(c) APPROACHES.—In order to achieve the purpose described in subsection (a), each such system shall provide technical assistance and support through such approaches as—

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

"(2) the designation and use of "Distinguished Educators", chosen from schools served under this part that have been especially successful in improving academic achievement.

"(d) FUNDS.—Each State educational agency—

"(1) shall use funds reserved under section 1002(f); and

"(2) may use State administrative funds authorized under section 1002(h) for such purpose.

"(e) ALTERNATIVES.—The State may devise additional approaches to providing the assistance described in paragraphs (1) and (2) of subsection (c), such as providing assistance through institutions of higher education and educational service agencies or other local consortia, and the State may seek approval from the Secretary to

use funds made available under section 1002(h) for such approaches as part of the State plan.''.

SEC. 114. ACADEMIC ACHIEVEMENT AWARDS PROGRAM.

Subpart 1 of part A of title I is amended by inserting after section 1117 the following:

"SEC. 1117A. ACADEMIC ACHIEVEMENT AWARDS PROGRAM.

''(a) ESTABLISHMENT OF ACADEMIC ACHIEVEMENT AWARDS PROGRAM.—

''(1) IN GENERAL.—Each State receiving a grant under this part may establish a program for making academic achievement awards to recognize and financially reward schools served under this part that have—

''(A) significantly closed the achievement gap between the groups of students defined in section 1111(b)(2); or

''(B) exceeded their adequate yearly progress goals, consistent with section 1111(b)(2), for two or more consecutive years.

''(2) AWARDS TO TEACHERS.—A State program under paragraph (1) may also recognize and provide financial awards to teachers teaching in a school described in such paragraph whose students consistently make significant gains in academic achieve-

ment in the areas in which the teacher provides instruction.

"(b) FUNDING.—

"(1) RESERVATION OF FUNDS BY STATE.—For the purpose of carrying out this section, each State receiving a grant under this part may reserve, from the amount (if any) by which the funds received by the State under this part for a fiscal year exceed the amount received by the State under this part for the preceding fiscal year, not more than 30 percent of such excess amount.

"(2) USE WITHIN 3 YEARS.—Notwithstanding any other provision of law, the amount reserved under paragraph (1) by a State for each fiscal year shall remain available to the State until expended for a period not exceeding 3 years.

"(3) SPECIAL ALLOCATION RULE FOR SCHOOLS IN HIGH-POVERTY AREAS.—

"(A) IN GENERAL.—Each State receiving a grant under this part shall distribute at least 50 percent of the amount reserved under paragraph (1) for each fiscal year to schools described in subparagraph (B), or to teachers teaching in such schools.

"(B) SCHOOLS DESCRIBED.—A school described in subparagraph (A) is a school whose student population is in the highest quartile of schools statewide in terms of the percentage of children eligible for free and reduced priced lunches under the National School Lunch Act.".

SEC. 115. PARENTAL INVOLVEMENT CHANGES.

(a) LOCAL EDUCATIONAL AGENCY POLICY.—Subsection (a) of section 1118 (20 U.S.C. 6319(a)) is amended—

(1) in paragraph (1), by striking "programs, activities, and procedures" and inserting "activities and procedures".

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

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

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

"(G) promote consumer friendly environments at the local educational agency and schools served under this part.";

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

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

(b) NOTICE.—Paragraph (1) of section 1118(b) (20 U.S.C. 6319(b)(1)) is amended by inserting after the first sentence the following: "Parents shall be notified of the policy in a format, and to the extent practicable, in a language that they can understand.".

(c) PARENTAL INVOLVEMENT.—Paragraph (4) of section 1118(c) (20 U.S.C. 6319(c)(4)) is amended—

(1) in subparagraph (B), by striking "performance profiles required under section 1116(a)(3)" and inserting "school reports required under section 1111";

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

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

"(D) notice of the schools' identification as a school in school improvement under section 1116(b), if applicable, and a clear explanation of what such identification means;

"(E) notice of the corrective action that has been taken against the school under section 1116(b)(9) and 1116(c)(9), if applicable, and a clear explanation of what such action means;"; and

(4) in subparagraph (G) (as so redesignated), by striking "subparagraph (D)" and inserting "subparagraph (F)".

(d) BUILDING CAPACITY FOR INVOLVEMENT.—Subsection (e) of section 1118 (20 U.S.C 6319(e)) is amended to read as follows:

"(e) BUILDING CAPACITY FOR INVOLVEMENT.—To ensure effective involvement of parents and to support a partnership among the school, parents, and the community to improve student achievement, each school and local educational agency—

"(1) shall provide assistance to participating parents in such areas as understanding the State's content standards and State student performance standards, the provisions of section 1111(b)(8), State and local assessments, the requirements of this part, and how to monitor a child's progress and work with educators to improve the performance of their children as well as information on how parents

can participate in decisions relating to the education of their children;

"(2) shall provide materials and training, such as—

"(A) coordinating necessary literacy training from other sources to help parents work with their children to improve their children's achievement; and

"(B) training to help parents to work with their children to improve their children's achievement;

"(3) shall educate teachers, pupil services personnel, principals and other staff, with the assistance of parents, in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between home and school;

"(4) shall coordinate and integrate parent involvement programs and activities with Head Start, Even Start, the Home Instruction Programs for Preschool Youngsters, the Parents as Teachers Program, and public preschool programs and other programs, to the extent feasible and appropriate;

"(5) shall conduct other activities, as appropriate and feasible, such as parent resource centers and opportunities for parents to learn how to become full partners in the education of their children;

"(6) shall ensure, to the extent possible, that information related to school and parent programs, meetings, and other activities is sent to the homes of participating children in the language used in such homes;

"(7) shall provide such other reasonable support for parental involvement activities under this section as parents may request;

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

"(9) may involve parents in the development of training for teachers, principals, and other educators to improve the effectiveness of such training in improving instruction and services to the children of such parents in a format, and to the extent practicable, in a language the parent can understand;

"(10) may provide necessary literacy training from funds received under this part if the local edu-

cational agency has exhausted all other reasonably available sources of funding for such activities;

''(11) may pay reasonable and necessary expenses associated with local parental involvement activities, including transportation and child care costs, to enable parents to participate in school-related meetings and training sessions;

''(12) may train and support parents to enhance the involvement of other parents;

''(13) may arrange meetings at a variety of times, such as in the mornings and evenings, in order to maximize the opportunities for parents to participate in school related activities;

''(14) may arrange for teachers or other educators, who work directly with participating children, to conduct in-home conferences with parents who are unable to attend such conferences at school;

''(15) may adopt and implement model approaches to improving parental involvement, such as Even Start;

''(16) may establish a districtwide parent advisory council to advise on all matters related to parental involvement in programs supported under this part; and

"(17) may develop appropriate roles for community-based organizations and businesses in parent involvement activities, including providing information about opportunities for organizations and businesses to work with parents and schools, and encouraging the formation of partnerships between elementary, middle, and secondary schools and local businesses that include a role for parents.".

(e) ACCESSIBILITY.—Subsection (f) of section 1118 (20 U.S.C. 6319(f)) is amended to read as follows:

"(f) ACCESSIBILITY.—In carrying out the parental involvement requirements of this part, local educational agencies and schools, to the extent practicable, shall provide full opportunities for the participation of parents with limited English proficiency or with disabilities and parents of migratory children, including providing information and school reports required under section 1111 in a format, and to the extent practicable, in a language such parents understand.".

SEC. 116. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

Section 1119 (20 U.S.C. 6301) is amended to read as follows:

"SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS.

"(a) TEACHERS.—

"(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that all teachers hired on or after the effective date of the Student Results Act of 1999 and teaching in a program supported with funds under this part are fully qualified.

"(2) PLAN.—Each State receiving assistance under this part shall develop and submit to the Secretary a plan to ensure that all teachers teaching within the State are fully qualified not later than December 31, 2003. Such plan shall include an assurance that the State will require each local educational agency and school receiving funds under this part publicly to report their annual progress on the agency's and the school's performance in increasing the percentage of classes in core academic areas taught by fully qualified teachers.

"(b) NEW PARAPROFESSIONALS.—

"(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired 1 year or more after the effective date of the Student Results Act

of 1999 and working in a program supported with funds under this part shall—

"(A) have completed at least 2 years of study at an institution of higher education;

"(B) have obtained an associate's (or higher) degree; or

"(C) have met a rigorous standard of quality that demonstrates, through a formal assessment—

"(i) knowledge of, and the ability to assist in instructing reading, writing, and math; or

"(ii) knowledge of, and the ability to assist in instructing reading readiness, writing readiness, and math readiness, as appropriate.

"(2) CLARIFICATION.—For purposes of paragraph (1)(C), the receipt of a high school diploma (or its recognized equivalent) shall be necessary but not by itself sufficient to satisfy the requirements of such paragraph.

"(c) EXISTING PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals hired before the date that is 1 year after the effective date of the Student

Results Act of 1999 and working in a program supported with funds under this part shall, not later than 3 years after such effective date, satisfy the requirements of subsection (b).

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

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

"(B) whose duties consist solely of conducting parental involvement activities consistent with section 1118.

"(e) GENERAL REQUIREMENT FOR ALL PARAPROFESSIONALS.—Each local educational agency receiving assistance under this part shall ensure that all paraprofessionals working in a program supported with funds under this part, regardless of the paraprofessional's hiring date, possess a high school diploma or its recognized equivalent.

"(f) DUTIES OF PARAPROFESSIONALS.—

"(1) IN GENERAL.—Each local educational agency receiving assistance under this part shall ensure that a paraprofessional working in a program

supported with funds under this part is not assigned a duty inconsistent with this subsection.

"(2) RESPONSIBILITIES PARAPROFESSIONALS MAY BE ASSIGNED.—A paraprofessional described in paragraph (1) may only be assigned—

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

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

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

"(D) to conduct parental involvement activities;

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

"(F) to act as a translator; or

"(G) to provide instructional services to students;

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

"(A) may not provide any instructional service to a student unless the paraprofessional

is working under the direct supervision of a fully qualified teacher; and

"(B) may not provide instructional services to students in the area of reading, writing, or math unless the paraprofessional has demonstrated, through a State or local assessment, the ability effectively to carry out reading, writing, or math instruction.

"(g) USE OF FUNDS.—

"(1) PROFESSIONAL DEVELOPMENT.—A local educational agency receiving funds under this part may use such funds to support ongoing training and professional development to assist teachers and paraprofessionals in satisfying the requirements of this section.

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

"(A) IN GENERAL.—Beginning on and after the effective date of the Student Results Act of 1999, a local educational agency may not use funds received under this part to fund any paraprofessional hired after such date unless the hiring is to fill a vacancy created by the departure of another paraprofessional funded under this part and such new paraprofessional

satisfies the requirements of subsection (b) or (c).

"(B) EXCEPTION.—Subparagraph (A) shall not apply for a fiscal year to a local educational agency that can demonstrate to the State that all teachers under the jurisdiction of the agency are fully qualified.

"(h) VERIFICATION OF COMPLIANCE.—

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

"(2) AVAILABILITY OF INFORMATION.—Copies of attestations under paragraph (1)—

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

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

SEC. 117. PROFESSIONAL DEVELOPMENT.

Subpart 1 of part A of title I (20 U.S.C. 6311 et seq.) is amended by inserting after section 1119 the following:

"SEC. 1119A. PROFESSIONAL DEVELOPMENT.

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

"(b) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

"(1) REQUIRED ACTIVITIES.—Professional development activities under this section shall—

"(A) support professional development activities that give teachers, principals, and administrators the knowledge and skills to provide students with the opportunity to meet challenging State or local content standards and student performance standards;

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

"(C) advance teacher understanding of effective instructional strategies based on scientifically-based research for improving student

achievement, at a minimum, in reading or language arts and mathematics;

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

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

"(F) be tied to scientifically based research demonstrating the effectiveness of such professional development activities or programs in increasing student achievement or substantially increasing the knowledge and teaching skills of teachers;

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

needs, and the needs of the local educational agency;

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

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

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

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

"(2) OPTIONAL ACTIVITIES.—Such professional development activities may include—

"(A) instruction in the use of data and assessments to inform and instruct classroom practice;

"(B) instruction in ways that teachers, principals, pupil services personnel, and school administrators may work more effectively with parents;

"(C) the forming of partnerships with institutions of higher education to establish school-based teacher training programs that provide prospective teachers and novice teachers with an opportunity to work under the guidance of experienced teachers and college faculty;

"(D) the creation of career ladder programs for paraprofessionals (assisting teachers under this part) to obtain the education necessary for such paraprofessionals to become licensed and certified teachers;

"(E) instruction in ways to teach special needs children;

"(F) instruction in the ways that teachers, principals, and guidance counselors can work with parents and students from groups, such as females and minorities which are under represented in careers in mathematics, science, engineering, and technology, to encourage and maintain the interest of such students in these careers;

"(G) joint professional development activities involving programs under this part, Head Start, Even Start, or State-run preschool program personnel;

"(H) instruction in experiential-based teaching methods such as service or applied learning;

"(I) mentoring programs focusing on changing teacher behaviors and practices to help novice teachers, including teachers who are members of a minority group, develop and gain confidence in their skills, to increase the likelihood that they will continue in the teaching profession, and generally to improve the quality of their teaching; and

"(J) instruction in gender-equitable methods, techniques, and practices.

"(c) PROGRAM PARTICIPATION.—Each local educational agency receiving assistance under this part may design professional development programs so that—

"(1) all school staff in schools participating in a schoolwide program under section 1114 can participate in professional development activities; and

"(2) all school staff in targeted assistance schools may participate in professional development

activities if such participation will result in better addressing the needs of students served under this part.

"(d) PARENTAL PARTICIPATION.—Parents may participate in professional development activities under this part if the school determines that parental participation is appropriate.

"(e) CONSORTIA.—In carrying out such professional development programs, local educational agencies may provide services through consortia arrangements with other local educational agencies, educational service agencies or other local consortia, institutions of higher education, or other public or private institutions or organizations.

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

"(g) DEFINITION.—The term 'fully qualified' has the same meaning given such term in section 1610.

"(h) SPECIAL RULE.—No State educational agency shall require a school or a local educational agency to expend a specific amount of funds for professional development activities under this part, except that this paragraph

shall not apply with respect to requirements under section 1116(c)(9).''.

SEC. 118. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) GENERAL REQUIREMENT.—Subsection (a) of section 1120 (20 U.S.C. 6321(a)) is amended to read as follows:

''(a) GENERAL REQUIREMENT.—

''(1) IN GENERAL.—To the extent consistent with the number of eligible children identified under section 1115(b) in a local educational agency who are enrolled in private elementary and secondary schools, a local educational agency shall, after timely and meaningful consultation with appropriate private school officials, provide such children, on an equitable basis, special educational services or other benefits under this part (such as dual enrollment, educational radio and television, computer equipment and materials, other technology, and mobile educational services and equipment) that address their needs, and shall ensure that teachers and families of these students participate, on an equitable basis, in services and activities developed pursuant to sections 1118 and 1119A.

"(2) SECULAR, NEUTRAL, NONIDEOLOGICAL.—Such educational services or other benefits, including materials and equipment, shall be secular, neutral, and nonideological.

"(3) EQUITY.—Educational services and other benefits for such private school children shall be equitable in comparison to services and other benefits for public school children participating under this part, and shall be provided in a timely manner.

"(4) EXPENDITURES.—Expenditures for educational services and other benefits to eligible private school children shall be equal to the proportion of funds allocated to participating school attendance areas based on the number of children from low-income families who attend private schools, which the local educational agency may determine each year or every 2 years.

"(5) PROVISION OF SERVICES.—The local educational agency shall provide services under this section directly or through contracts with public and private agencies, organizations, and institutions.".

(b) CONSULTATION.—Subsection (b) of section 1120 (20 U.S.C. 6321(b)) is amended to read as follows:

"(b) CONSULTATION.—

"(1) IN GENERAL.—To ensure timely and meaningful consultation, a local educational agency shall consult with appropriate private school officials during the design and development of such agency's programs under this part, on issues such as—

"(A) how the children's needs will be identified;

"(B) what services will be offered;

"(C) how, where, and by whom the services will be provided;

"(D) how the services will be assessed and how the results of that assessment will be used to improve those services;

"(E) the size and scope of the equitable services to be provided to the eligible private school children, and the amount of funds generated by low-income private school children in each participating attendance area;

"(F) the method or sources of data that are used under subsection (a)(4) and section 1113(c)(2) to determine the number of children from low-income families in participating school attendance areas who attend private schools; and

"(G) how and when the agency will make decisions about the delivery of services to such children, including a thorough consideration and analysis of the views of the private school officials on the provision of contract services through potential third party providers. If the local educational agency disagrees with the views of the private school officials on the provision of services, through a contract, the local educational agency shall provide in writing to such private school officials, an analysis of the reasons why the local educational agency has chosen not to use a contractor.

"(2) TIMING.—Such consultation shall include meetings of agency and private school officials and shall occur before the local educational agency makes any decision that affects the opportunities of eligible private school children to participate in programs under this part. Such meetings shall continue throughout implementation and assessment of services provided under this section.

"(3) DISCUSSION.—Such consultation shall include a discussion of service delivery mechanisms a local educational agency can use to provide equitable services to eligible private school children.

"(4) DOCUMENTATION.—Each local educational agency shall provide to the State educational agency, and maintain in its records, a written affirmation signed by officials of each participating private school that the consultation required by this section has occurred.

"(5) COMPLIANCE.—Private school officials shall have the right to appeal to the State as to whether the consultation provided for in this section was meaningful and timely, and that due consideration was given to the views of private school officials. If the private school wishes to appeal, the basis of the claim of noncompliance with this section by the local educational agencies shall be provided to the State, and the local educational agency shall forward the documentation provided in subsection (b)(3) to the State.".

(c) STANDARDS FOR BYPASS.—Subsection (d) of section 1120 (20 U.S.C. 6321(d)) is amended to read as follows:

"(d) STANDARDS FOR A BYPASS.—If a local educational agency is prohibited by law from providing for the participation on an equitable basis of eligible children enrolled in private elementary and secondary schools or if the Secretary determines that a local educational agency

has substantially failed or is unwilling to provide for such participation, as required by this section, the Secretary shall—

"(1) waive the requirements of this section for such local educational agency;

"(2) arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section and sections 14505 and 14506; and

"(3) in making the determination, consider one or more factors, including the quality, size, scope, and location of the program and the opportunity of eligible children to participate.".

(d) CAPITAL EXPENSES.—Effective September 30, 2002, subsection (e) of section 1120 (20 U.S.C. 6321(e)) is hereby repealed.

SEC. 119. COORDINATION REQUIREMENTS.

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

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

(2) in subsection (b)—

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

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

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

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

SEC. 120. GRANTS FOR THE OUTLYING AREAS AND THE SECRETARY OF THE INTERIOR.

Section 1121 is amended to read as follows:

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

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

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

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

''(b) ASSISTANCE TO OUTLYING AREAS.—

''(1) FUNDS RESERVED.—From the amount made available for any fiscal year under subsection

(a), the Secretary shall award grants to the outlying areas.

"(2) COMPETITIVE GRANTS.—For fiscal years 2000 and 2001, the Secretary shall carry out the competition described in paragraph (3), except that the amount reserved to carry out such competition shall not exceed the amount reserved under this section for the freely associated states for fiscal year 1999.

"(3) LIMITATION FOR COMPETITIVE GRANTS.—

"(A) COMPETITIVE GRANTS.—The Secretary shall use funds described in paragraph (2) to award grants, on a competitive basis, to the outlying areas and freely associated States to carry out the purposes of this part.

"(B) AWARD BASIS.—The Secretary shall award grants under subparagraph (A) on a competitive basis, pursuant to the recommendations of the Pacific Region Educational Laboratory in Honolulu, Hawaii.

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

"(D) ADMINISTRATIVE COSTS.—The Secretary may provide not more than five percent of the amount reserved for grants under this paragraph to pay the administrative costs of the Pacific Region Educational Laboratory under subparagraph (B).

"(4) SPECIAL RULE.—The provisions of Public Law 95–134, permitting the consolidation of grants by the outlying areas, shall not apply to funds provided to the freely associated States under this section.

"(c) DEFINITIONS.—For the purposes of subsection (a) and (b)—

"(1) the term 'freely associated States' means the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau; and

"(2) the term 'outlying area' means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(d) ALLOTMENT TO THE SECRETARY OF THE INTERIOR.—

"(1) IN GENERAL.—The amount allotted for payments to the Secretary of the Interior under subsection (a)(2) for any fiscal year shall be, as deter-

mined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of—

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

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

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

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

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

SEC. 121. AMOUNTS FOR GRANTS.

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

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

"(a) ALLOCATION FORMULA.—Of the amount authorized to be appropriated to carry out this part for each of fiscal years 2000 through 2004 (referred to in this subsection as the current fiscal year)—

"(1) an amount equal to the amount appropriated to carry out section 1124 for fiscal year 1999 plus 42.5 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal year 1999 shall be allocated in accordance with section 1124;

"(2) an amount equal to the amount appropriated to carry out section 1124A for fiscal year 1999 plus 7.5 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal year 1999 shall be allocated in accordance with section 1124A; and

"(3) an amount equal to 50 percent of the amount, if any, by which the amount appropriated under section 1002(a) for the current fiscal year exceeds the amount appropriated under such section for fiscal year 1999 shall be allocated in accordance with section 1125.

"(b) ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.—

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

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

"(c) HOLD-HARMLESS AMOUNTS.—

"(1) AMOUNTS FOR SECTIONS 1124 AND 1125.—For each fiscal year, the amount made available to

each local educational agency under each of sections 1124 and 1125 shall be—

"(A) not less than 95 percent of the amount made available in the preceding fiscal year if the number of children counted for grants under section 1124 is not less than 30 percent of the total number of children aged 5 to 17 years, inclusive, in the local educational agency;

"(B) not less than 90 percent of the amount made available in the preceding fiscal year if the percentage described in subparagraph (A) is between 15 percent and 30 percent; and

"(C) not less than 85 percent of the amount made available in the preceding fiscal year if the percentage described in subparagraph (A) is below 15 percent.

"(2) AMOUNT FOR SECTION 1124A.—The amount made available to each local educational agency under section 1124A shall be not less than 85 percent of the amount made available in the preceding fiscal year.

"(3) PAYMENTS.—If sufficient funds are appropriated, the amounts described in paragraph (2)

shall be paid to all local educational agencies that received grants under section 1124A for the preceding fiscal year, regardless of whether the local educational agency meets the minimum eligibility criteria for that fiscal year provided in section 1124A(a)(1)(A) except that a local educational agency that does not meet such minimum eligibility criteria for four consecutive years shall no longer be eligible to receive a hold harmless amount referred to in paragraph (2).

"(4) POPULATION DATA.—In any fiscal year for which the Secretary calculates grants on the basis of population data for counties, the Secretary shall apply the hold harmless percentages in paragraphs (1) and (2) to counties, and if the Secretary's allocation for a county is not sufficient to meet the hold-harmless requirements of this subsection for every local educational agency within that county, the State educational agency shall reallocate funds proportionately from all other local educational agencies in the State that are receiving funds in excess of the hold harmless amounts specified in this subsection.

"(d) RATABLE REDUCTIONS.—

"(1) IN GENERAL.—If the sums made available under this part for any fiscal year are insufficient to

pay the full amounts that all States are eligible to receive under subsection (c) for such year, the Secretary shall ratably reduce such amounts for such year.

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

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

SEC. 122. BASIC GRANTS TO LOCAL EDUCATIONAL AGENCIES.

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

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

"(a) AMOUNT OF GRANTS.—

"(1) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—Except as provided in paragraph (4) and in section 1126, the grant that a local educational agency is eligible to receive under

this section for a fiscal year is the amount determined by multiplying—

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

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

"(2) CALCULATION OF GRANTS.—

"(A) ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—The Secretary shall calculate grants under this section on the basis of the number of children counted under subsection (c) for local educational agencies, unless the Secretary and the Secretary of Commerce determine that some or all of those data are unreliable or that their use would be otherwise inappropriate, in which case—

"(i) the two Secretaries shall publicly disclose the reasons for their determination in detail; and

"(ii) paragraph (3) shall apply.

"(B) ALLOCATIONS TO LARGE AND SMALL LOCAL EDUCATIONAL AGENCIES.—(i) For any fiscal year in which this paragraph applies, the Secretary shall calculate grants under this section for each local educational agency.

"(ii) The amount of a grant under this section for each large local educational agency shall be the amount determined under clause (i).

"(iii) For small local educational agencies, the State educational agency may either—

"(I) distribute grants under this section in amounts determined by the Secretary under clause (i); or

"(II) use an alternative method approved by the Secretary to distribute the portion of the State's total grants under this section that is based on those small agencies.

"(iv) An alternative method under clause (iii)(II) shall be based on population data that the State educational agency determines best reflect the current distribution of children in poor families among the State's small local edu-

cational agencies that meet the eligibility criteria of subsection (b).

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

"(vi) As used in this subparagraph—

"(I) the term 'large local educational agency' means a local educational agency serving an area with a total population of 20,000 or more; and

"(II) the term 'small local educational agency' means a local educational agency serving an area with a total population of less than 20,000.

"(3) ALLOCATIONS TO COUNTIES.—

"(A) CALCULATION.—For any fiscal year to which this paragraph applies, the Secretary shall calculate grants under this section on the basis of the number of children counted under section 1124(c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in ac-

cordance with regulations issued by the Secretary.

"(B) DIRECT ALLOCATIONS.—In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes it has data that would better target funds than allocating them by county, the State educational agency may apply to the Secretary for authority to make the allocations under this part for a particular fiscal year directly to local educational agencies without regard to counties.

"(C) ASSURANCES.—If the Secretary approves the State educational agency's application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that such allocations shall be made—

"(i) using precisely the same factors for determining a grant as are used under this part; or

"(ii) using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

"(D) APPEAL.—The State educational agency shall provide the Secretary an assurance that it shall establish a procedure through which a local edu-

cational agency that is dissatisfied with its determinations under subparagraph (B) may appeal directly to the Secretary for a final determination.

"(4) PUERTO RICO.—

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

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

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

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

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

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

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

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

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

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

"(5) DEFINITION.—For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands.

"(b) MINIMUM NUMBER OF CHILDREN TO QUALIFY.—A local educational agency is eligible for a basic grant under this section for any fiscal year only if the number of children counted under subsection (c) for that agency is both—

"(1) 10 or more; and

"(2) more than 2 percent of the total school-age population in the agency's jurisdiction.

"(c) CHILDREN TO BE COUNTED.—

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

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

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

"(C) the number of children aged 5 to 17, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (4).

"(2) DETERMINATION OF NUMBER OF CHILDREN.—For the purposes of this section, the Sec-

retary shall determine the number of children aged 5 to 17, inclusive, from families below the poverty level on the basis of the most recent satisfactory data, described in paragraph (3), available from the Department of Commerce. The District of Columbia and the Commonwealth of Puerto Rico shall be treated as individual local educational agencies. If a local educational agency contains two or more counties in their entirety, then each county will be treated as if such county were a separate local educational agency for purposes of calculating grants under this part. The total of grants for such counties shall be allocated to such a local educational agency, which local educational agency shall distribute to schools in each county within such agency a share of the local educational agency's total grant that is no less than the county's share of the population counts used to calculate the local educational agency's grant.

"(3) POPULATION UPDATES.—In fiscal year 2001 and every 2 years thereafter, the Secretary shall use updated data on the number of children, aged 5 to 17, inclusive, from families below the poverty level for local educational agencies or counties, published by the Department of Commerce, unless

the Secretary and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable. If the Secretary and the Secretary of Commerce determine that some or all of the data referred to in this paragraph are inappropriate or unreliable, they shall publicly disclose their reasons. In determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

"(4) OTHER CHILDREN TO BE COUNTED.—For the purposes of this section, the Secretary shall determine the number of children aged 5 to 17, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under a State program funded under part A of title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling

the most recent decennial census for a family of four in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics. The Secretary shall determine the number of such children and the number of children aged 5 through 17 living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year. For the purpose of this section, the Secretary shall consider all children who are in correctional institu-

tions to be living in institutions for delinquent children.

"(5) ESTIMATE.—When requested by the Secretary, the Secretary of Commerce shall make a special updated estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

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

"(1) 0.25 percent of total grants under this section; or

"(2) the average of—

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

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

SEC. 123. CONCENTRATION GRANTS.

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

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

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

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

"(i) 6,500; or

"(ii) 15 percent of the total number of children aged 5 through 17 in the agency.

"(B) Notwithstanding section 1122, no State described in subparagraph (A) shall receive less than the lesser of—

"(i) 0.25 percent of total grants; or

"(ii) the average of—

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

"(II) the greater of—

"(aa) $340,000; or

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

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

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

"(B) the quotient resulting from the division of the amount determined for those agen-

cies under section 1124(a)(1) for the fiscal year for which the determination is being made divided by the total number of children counted under section 1124(c) for that agency for that fiscal year.

"(3) AMOUNT.—The amount of the additional grant for which an eligible local educational agency or county is eligible under this section for any fiscal year shall be an amount which bears the same ratio to the amount available to carry out this section for that fiscal year as the product determined under paragraph (2) for such local educational agency for that fiscal year bears to the sum of such products for all local educational agencies in the United States for that fiscal year.

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

"(B) For any fiscal year for which the Secretary allocates funds under this section on the basis of counties, a State may reserve not more than 2 percent of its allocation under this section to make grants to local educational agencies that meet the criteria of paragraph (1)(A)(i) or (ii) but that are in ineligible counties that do not meet these criteria.

"(b) STATES RECEIVING MINIMUM GRANTS.—In States that receive the minimum grant under subsection (a)(1)(B), the State educational agency shall allocate such funds among the local educational agencies in each State either—

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

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

SEC. 124. TARGETED GRANTS.

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

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

"(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency in a State is eligible to receive a targeted grant under this section for any fiscal year if the number of children in the local educational agency counted under subsection 1124(c), before applica-

tion of the weighting factor described in subsection (c), is at least 10, and if the number of children counted for grants under section 1124 is at least 5 percent of the total population aged 5 to 17 years, inclusive, in the local educational agency. For each fiscal year for which the Secretary uses county population data to calculate grants, funds made available as a result of applying this subsection shall be reallocated by the State educational agency to other eligible local educational agencies in the State in proportion to the distribution of other funds under this section.

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

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

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

"(B) the amount in paragraph 1124(a)(1)(B).

"(2) PUERTO RICO.—For each fiscal year, the amount of the grant for which the Commonwealth of Puerto Rico is eligible under this section shall be equal to the number of children counted under sub-

section (c) for Puerto Rico, multiplied by the amount determined in subparagraph 1124(a)(4).

"(c) WEIGHTED CHILD COUNT.—

"(1) WEIGHTS FOR ALLOCATIONS TO COUNTIES.—

"(A) IN GENERAL.—For each fiscal year for which the Secretary uses county population data to calculate grants, the weighted child count used to determine a county's allocation under this section is the larger of the two amounts determined under clause (i) or (ii), as follows:

"(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

"(I) the number of children determined under section 1124(c) for that county constituting up to 12.20 percent, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

"(II) the number of such children constituting more than 12.20 percent, but not more than 17.70 percent, of such population, multiplied by 1.75;

"(III) the number of such children constituting more than 17.70 percent, but not more than 22.80 percent, of such population, multiplied by 2.5;

"(IV) the number of such children constituting more than 22.80 percent, but not more than 29.70 percent, of such population, multiplied by 3.25; and

"(V) the number of such children constituting more than 29.70 percent of such population, multiplied by 4.0.

"(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

"(I) the number of children determined under section 1124(c) constituting up to 1,917, inclusive, of the county's total population aged 5 to 17, inclusive, multiplied by 1.0;

"(II) the number of such children between 1,918 and 5,938, inclusive, in such population, multiplied by 1.5;

"(III) the number of such children between 5,939 and 20,199, inclu-

sive, in such population, multiplied by 2.0;

"(IV) the number of such children between 20,200 and 77,999, inclusive, in such population, multiplied by 2.5; and

"(V) the number of such children in excess of 77,999 in such population, multiplied by 3.0.

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

"(2) WEIGHTS FOR ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—For each fiscal year for which the Secretary uses local educational agency data, the weighted child count used to determine a local educational agency's grant under this section is the larger of the two amounts determined under clauses (i) and (ii), as follows:

"(i) BY PERCENTAGE OF CHILDREN.—This amount is determined by adding—

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

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

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

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

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

"(ii) BY NUMBER OF CHILDREN.—This amount is determined by adding—

"(I) the number of children determined under section 1124(c) constituting up to 575, inclusive, of the agency's total population aged 5 to 17, inclusive, multiplied by 1.0;

"(II) the number of such children between 576 and 1,870, inclusive, in such population, multiplied by 1.5;

"(III) the number of such children between 1,871 and 6,910, inclusive, in such population, multiplied by 2.0;

"(IV) the number of such children between 6,911 and 42,000, inclusive, in such population, multiplied by 2.5; and

"(V) the number of such children in excess of 42,000 in such population, multiplied by 3.0.

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

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

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

"(1) 0.25 percent of total appropriations; or

"(2) the average of—

"(A) one-quarter of 1 percent of the total amount available to carry out this section; and

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

SEC. 125. SPECIAL ALLOCATION PROCEDURES.

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

"SEC. 1126. SPECIAL ALLOCATION PROCEDURES.

"(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

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

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

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

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

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

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

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

SEC. 126. SECULAR, NEUTRAL, AND NONIDEOLOGICAL.

Part A is amended by adding at the end the following:

"SEC. 1128. SECULAR, NEUTRAL, AND NONIDEOLOGICAL.

"Any school that receives funds under this part shall ensure that educational services or other benefits provided

under this part, including materials and equipment, shall be secular, neutral, and nonideological.''.

PART B—EDUCATION OF MIGRATORY CHILDREN

SEC. 131. STATE ALLOCATIONS.

Section 1303 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6393) is amended—

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

''(a) STATE ALLOCATIONS.—

''(1) FISCAL YEAR 2000.—For fiscal year 2000, each State (other than the Commonwealth of Puerto Rico) is entitled to receive under this part an amount equal to—

''(A) the sum of the estimated number of migratory children aged three through 21 who reside in the State full time and the full-time equivalent of the estimated number of migratory children aged three through 21 who reside in the State part time, as determined in accordance with subsection (e); multiplied by

''(B) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this paragraph shall not be less than 32 percent, nor more than 48 percent, of the average expenditure per pupil in the United States.

"(2) SUBSEQUENT YEARS.—

"(A) BASE AMOUNT.—

"(i) IN GENERAL.—Except as provided in subsection (b) and clause (ii), each State is entitled to receive under this part, for fiscal year 2001 and succeeding fiscal years, an amount equal to—

"(I) the amount that such State received under this part for fiscal year 2000; plus

"(II) the amount allocated to the State under subparagraph (B).

"(ii) NONPARTICIPATING STATES.—In the case of a State (other than the Commonwealth of Puerto Rico) that did not receive any funds for fiscal year 2000 under this part, the State shall receive, for fiscal year 2001 and succeeding fiscal years, an amount equal to—

"(I) the amount that such State would have received under this part for fiscal year 2000 if its application under section 1304 for the year had been approved; plus

"(II) the amount allocated to the State under subparagraph (B).

"(B) ALLOCATION OF ADDITIONAL AMOUNT.—For fiscal year 2001 and succeeding fiscal years, the amount (if any) by which the funds appropriated to carry out this part for the year exceed such funds for fiscal year 2000 shall be allocated to a State (other than the Commonwealth of Puerto Rico) so that the State receives an amount equal to—

"(i) the sum of—

"(I) the number of identified eligible migratory children, aged 3 through 21, residing in the State during the previous year; and

"(II) the number of identified eligible migratory children, aged 3 through 21, who received services under this part in summer or intersession programs provided by the State during such year; multiplied by

"(ii) 40 percent of the average per-pupil expenditure in the State, except that the amount determined under this clause may not be less than 32 percent, or more

than 48 percent, of the average expenditure per-pupil in the United States.";

(2) by amending subsection (b) to read as follows:

"(b) ALLOCATION TO PUERTO RICO.—

"(1) FISCAL YEAR 2000.—For fiscal year 2000, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (a)(1)(A) for the Commonwealth of Puerto Rico by the product of—

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

"(B) 32 percent of the average per pupil expenditure in the United States.

"(2) SUBSEQUENT FISCAL YEARS.—For each fiscal year after fiscal year 2000, the grant which the Commonwealth of Puerto Rico shall be eligible to receive under this section shall be the amount determined by multiplying the number of children counted under subsection (a)(2)(B)(i)(I) and (a)(2)(B)(i)(II) for the Commonwealth of Puerto

Rico during the previous fiscal year, by the product of—

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

"(B) 32 percent of the average per pupil expenditure in the United States.

"(3) MINIMUM ALLOCATION.—

"(A) FISCAL YEAR 2000.—The percentage in paragraph (1)(A) shall not be less than 75.0 percent.

"(B) SUBSEQUENT FISCAL YEARS.—The percentage in paragraph (2)(A) shall not be less than—

"(i) for fiscal year 2001, 77.5 percent;

"(ii) for fiscal year 2002, 80.0 percent;

"(iii) for fiscal year 2003, 82.5 percent; and

"(iv) for fiscal year 2004 and succeeding fiscal years, 85.0 percent.

"(4) SPECIAL RULE.—If the application of paragraph (3) would result in any of the 50 States or the District of Columbia receiving less under this

part than it recieved under this part for the preceding fiscal year, the percentage in paragraph (1) or (2), respectively, shall be the greater of the percentage in paragraph (1)(A) or (2)(A) the percentage used for the preceding fiscal year.''; and

(3) by striking subsections (d) and (e).

SEC. 132. STATE APPLICATIONS; SERVICES.

(a) PROGRAM INFORMATION.—Section 1304(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6394(b)) is amended—

(1) in paragraph (1), by striking ''addressed through'' and all that follows through the semicolon at the end and inserting the following:

''addressed through—

''(A) the full range of services that are available for migratory children from appropriate local, State, and Federal educational programs;

''(B) joint planning among local, State, and Federal educational programs serving migrant children, including programs under parts A and C of title VII;

''(C) the integration of services available under this part with services provided by those other programs; and

"(D) measurable program goals and outcomes;";

(2) in paragraph (5), by striking "the requirements of paragraph (1); and" and inserting "the numbers and needs of migratory children, the requirements of subsection (d), and the availability of funds from other Federal, State, and local programs;";

(3) in paragraph (6), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following:

"(7) a description of how the State will encourage programs and projects assisted under this part to offer family literacy services if the program or project serves a substantial number of migratory children who have parents who do not have a high school diploma or its recognized equivalent or who have low levels of literacy.".

(b) ASSURANCES.—Section 1304(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6394(c)) is amended—

(1) in paragraph (1), by striking "1306(b)(1);" and inserting "1306(a);";

(2) in paragraph (3)—

(A) by striking "appropriate";

(B) by striking ''out, to the extent feasible,'' and inserting ''out''; and

(C) by striking ''1118;'' and inserting ''1118, unless extraordinary circumstances make implementation consistent with such section impractical;''; and

(3) in paragraph (7), by striking ''section 1303(e)'' and inserting ''paragraphs (1)(A) and (2)(B)(i) of section 1303(a)''.

SEC. 133. AUTHORIZED ACTIVITIES.

Section 1306 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6396) is amended to read as follows:

''SEC. 1306. AUTHORIZED ACTIVITIES.

''(a) IN GENERAL.—

''(1) FLEXIBILITY.—Each State educational agency, through its local educational agencies, shall have the flexibility to determine the activities to be provided with funds made available under this part, except that such funds shall first be used to meet the identified needs of migratory children that result from their migratory lifestyle, and to permit these children to participate effectively in school.

''(2) UNADDRESSED NEEDS.—Funds provided under this part shall be used to address the needs

of migratory children that are not addressed by services available from other Federal or non-Federal programs, except that migratory children who are eligible to receive services under part A of this title may receive those services through funds provided under that part, or through funds under this part that remain after the agency addresses the needs described in paragraph (1).

''(b) CONSTRUCTION.—Nothing in this part shall be construed to prohibit a local educational agency from serving migratory children simultaneously with students with similar educational needs in the same educational settings, where appropriate.

''(c) SPECIAL RULE.—Notwithstanding section 1114, a school that receives funds under this part shall continue to address the identified needs described in subsection (a)(1).''.

SEC. 134. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) DURATION.—Section 1308(a)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6398(a)(2)) is amended by striking ''subpart'' and inserting ''subsection''.

(b) STUDENT RECORDS.—Section 1308(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6398(b)) is amended to read as follows:

"(b) STUDENT RECORDS.—

"(1) ASSISTANCE.—The Secretary shall assist States in developing effective methods for the transfer of student records and in determining the number of migratory children in each State. The Secretary, in consultation with the States, shall determine the minimum data elements for records to be maintained and transferred when funds under this part are used for such purpose. The Secretary may assist States to implement a system of electronic records maintenance and transfer for migrant students.

"(2) NO COST FOR CERTAIN TRANSFERS.—A State educational agency or local educational agency receiving assistance under this part shall make student records available to another local educational agency that requests the records at no cost to the requesting agency, if the request is made in order to meet the needs of a migratory child.".

(c) AVAILABILITY OF FUNDS.—Section 1308(c) of the Elementary and Secondary Education Act of 1965 (20

U.S.C. 6398(c)) is amended by striking ''$6,000,000'' and inserting ''$10,000,000''.

(d) INCENTIVE GRANTS.—Section 1308(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6398(d)) is amended to read as follows:

''(d) INCENTIVE GRANTS.—From the amounts made available to carry out this section for any fiscal year, the Secretary may reserve not more than $3,000,000 to award grants of not more than $250,000 on a competitive basis to State educational agencies that propose a consortium arrangement with another State or other appropriate entity that the Secretary determines, pursuant to criteria that the Secretary shall establish, will improve the delivery of services to migratory children whose education is interrupted.''.

PART C—NEGLECTED OR DELINQUENT YOUTH

SEC. 141. NEGLECTED OR DELINQUENT YOUTH.

The heading for part D of title I is amended to read as follows:

''PART D—PREVENTION AND INTERVENTION PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN AND YOUTH''.

SEC. 142. FINDINGS.

Section 1401(a) is amended by striking paragraphs (6) through (9) and adding the following:

"(6) Youth returning from correctional facilities need to be involved in programs that provide them with high level skills and other support to help them stay in school and complete their education.

"(7) Pregnant and parenting teenagers are a high at-risk group for dropping out of school and should be targeted by dropout prevention programs.".

SEC. 143. ALLOCATION OF FUNDS.

Section 1412(b) is amended to read as follows:

"(b) SUBGRANTS TO STATE AGENCIES IN PUERTO RICO.—

"(1) IN GENERAL.—For each fiscal year, the amount of the subgrant for which a State agency in the Commonwealth of Puerto Rico shall be eligible to receive under this part shall be the amount determined by multiplying the number of children counted under subparagraph (a)(1)(A) for the Commonwealth of Puerto Rico by the product of—

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

"(B) 32 percent of the average per pupil expenditure in the United States.

"(2) MINIMUM ALLOCATION.—The percentage in paragraph (1)(A) shall not be less than—

"(A) for fiscal year 2000, 75.0 percent;

"(B) for fiscal year 2001, 77.5 percent;

"(C) for fiscal year 2002, 80.0 percent;

"(D) for fiscal year 2003, 82.5 percent; and

"(E) for fiscal year 2004 and succeeding fiscal years, 85.0 percent.

"(3) SPECIAL RULE.—If the application of paragraph (2) would result in any of the 50 States or the District of Columbia receiving less under this part than it received under this part for the preceding fiscal year, the percentage in paragraph (1) shall be the greater of the percentage in paragraph (1)(A) or the percentage used for the preceding fiscal year.".

SEC. 144. STATE PLAN AND STATE AGENCY APPLICATIONS.

Section 1414 is amended to read as follows:

"SEC. 1414. STATE PLAN AND STATE AGENCY APPLICATIONS.

"(a) STATE PLAN.—

"(1) IN GENERAL.—Each State educational agency that desires to receive a grant under this part shall submit, for approval by the Secretary, a

plan for meeting the educational needs of neglected and delinquent youth, for assisting in their transition from institutions to locally operated programs, and which is integrated with other programs under this Act or other Acts, as appropriate, consistent with section 14306.

"(2) CONTENTS.—Each such State plan shall—

"(A) describe the program goals, objectives, and performance measures established by the State that will be used to assess the effectiveness of the program in improving academic and vocational and technical skills of children in the program;

"(B) provide that, to the extent feasible, such children will have the same opportunities to learn as such children would have if such children were in the schools of local educational agencies in the State; and

"(C) contain assurances that the State educational agency will—

"(i) ensure that programs assisted under this part will be carried out in accordance with the State plan described in this subsection;

"(ii) carry out the evaluation requirements of section 1416;

"(iii) ensure that the State agencies receiving subgrants under this subpart comply with all applicable statutory and regulatory requirements; and

"(iv) provide such other information as the Secretary may reasonably require.

"(3) DURATION OF THE PLAN.—Each such State plan shall—

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

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

"(b) SECRETARIAL APPROVAL; PEER REVIEW.—

"(1) IN GENERAL.—The Secretary shall approve each State plan that meets the requirements of this part.

"(2) PEER REVIEW.—The Secretary may review any State plan with the assistance and advice of individuals with relevant expertise.

"(c) STATE AGENCY APPLICATIONS.—Any State agency that desires to receive funds to carry out a pro-

gram under this part shall submit an application to the State educational agency that—

"(1) describes the procedures to be used, consistent with the State plan under section 1111, to assess the educational needs of the children to be served;

"(2) provides assurances that in making services available to youth in adult correctional facilities, priority will be given to such youth who are likely to complete incarceration within a 2-year period;

"(3) describes the program, including a budget for the first year of the program, with annual updates to be provided to the State educational agency;

"(4) describes how the program will meet the goals and objectives of the State plan under this subpart;

"(5) describes how the State agency will consult with experts and provide the necessary training for appropriate staff, to ensure that the planning and operation of institution-wide projects under section 1416 are of high quality;

"(6) describes how the agency will carry out the evaluation requirements of section 14701 and how the results of the most recent evaluation are used to plan and improve the program;

"(7) includes data showing that the agency has maintained fiscal effort required of a local educational agency, in accordance with section 14501 of this title;

"(8) describes how the programs will be coordinated with other appropriate State and Federal programs, such as programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998, vocational and technical education programs, State and local dropout prevention programs, and special education programs;

"(9) describes how States will encourage correctional facilities receiving funds under this subpart to coordinate with local educational agencies or alternative education programs attended by incarcerated youth prior to their incarceration to ensure that student assessments and appropriate academic records are shared jointly between the correctional facility and the local educational agency or alternative education program;

"(10) describes how appropriate professional development will be provided to teachers and other staff;

"(11) designates an individual in each affected institution to be responsible for issues relating to the

transition of children and youth from the institution to locally operated programs;

"(12) describes how the agency will, endeavor to coordinate with businesses for training and mentoring for participating youth;

"(13) provides assurances that the agency will assist in locating alternative programs through which students can continue their education if students are not returning to school after leaving the correctional facility;

"(14) provides assurances that the agency will work with parents to secure parents' assistance in improving the educational achievement of their children and preventing their children's further involvement in delinquent activities;

"(15) provides assurances that the agency works with special education youth in order to meet an existing individualized education program and an assurance that the agency will notify the youth's local school if such youth—

"(A) is identified as in need of special education services while the youth is in the facility; and

"(B) intends to return to the local school;

"(16) provides assurances that the agency will work with youth who dropped out of school before entering the facility to encourage the youth to reenter school once the term of the youth has been completed or provide the youth with the skills necessary to gain employment, continue the education of the youth, or achieve a secondary school diploma or the recognized equivalent if the youth does not intend to return to school;

"(17) provides assurances that teachers and other qualified staff are also trained to work with children with disabilities and other students with special needs taking into consideration the unique needs of such students;

"(18) describes any additional services provided to youth, such as career counseling, distance learning, and assistance in securing student loans and grants; and

"(19) provides assurances that the program under this subpart will be coordinated with any programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 or other comparable programs, if applicable.".

SEC. 145. USE OF FUNDS.

Section 1415(a) is amended—

(1) in paragraph (1)(B), by inserting ''and vocational and technical training'' after ''secondary school completion''; and

(2) in paragraph (2)(B)—

(A) in clause (i), by inserting ''and'' after the semicolon;

(B) in clause (ii), by striking ''; and'' and inserting a period; and

(C) by striking clause (iii).

SEC. 146. PURPOSE.

Section 1421 is amended by striking paragraph (3) and inserting the following:

''(3) operate programs for youth returning from correctional facilities in local schools which may also serve youth at risk of dropping out of school.''.

SEC. 147. TRANSITION SERVICES.

Section 1418(a) is amended by striking ''10 percent'' and inserting ''15 percent''.

SEC. 148. PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES.

Section 1422 is amended—

(1) in subsection (a), by striking ''retained'';

(2) by amending subsection (b) to read as follows:

"(b) SPECIAL RULE.—A local educational agency which includes a correctional facility that operates a school is not required to operate a program of support for children returning from such school to a school not operated by a correctional agency but served by such local educational agency if more than 30 percent of the youth attending the school operated by the correctional facility will reside outside the boundaries of the local educational agency after leaving such facility."; and

(3) by adding at the end of section 1422 the following:

"(d) TRANSITIONAL AND ACADEMIC SERVICES.—Transitional and supportive programs operated in local educational agencies under this subpart shall be designed primarily to meet the transitional and academic needs of students returning to local educational agencies or alternative education programs from correctional facilities. Services to students at risk of dropping out of school shall not have a negative impact on meeting the transitional and academic needs of the students returning from correctional facilities.".

SEC. 149. LOCAL EDUCATIONAL AGENCY APPLICATIONS.

Section 1423 is amended by striking paragraphs (4) through (9) and inserting the following:

"(4) a description of the program operated by participating schools for children returning from correctional facilities and the types of services that such schools will provide such youth and other at-risk youth;

"(5) a description of the youth returning from correctional facilities and, as appropriate, other at-risk youth expected to be served by the program and how the school will coordinate existing educational programs to meet the unique educational needs of such youth;

"(6) as appropriate, a description of how schools will coordinate with existing social, health and other services to meet the needs of students returning from correctional facilities, students at risk of dropping out of school, and other participating students, including prenatal health care and nutrition services related to the health of the parent and child, parenting and child development classes, child care, targeted re-entry and outreach programs, referrals to community resources, and scheduling flexibility;

"(7) as appropriate, a description of any partnerships with local businesses to develop training,

curriculum-based youth entrepreneurship education and mentoring services for participating students;

''(8) as appropriate, a description of how programs will involve parents in efforts to improve the educational achievement of their children, prevent the involvement of their children in delinquent activities, and encourage their children to remain in school and complete their education;

''(9) a description of how the program under this subpart will be coordinated with other Federal, State, and local programs, such as programs under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 and vocational and technical education programs serving this at-risk population of youth.''.

SEC. 150. USES OF FUNDS.

Section 1424 is amended by striking paragraphs (1) through (3) and inserting the following:

''(1) programs that serve youth returning from correctional facilities to local schools to assist in the transition of such youth to the school environment and help them remain in school in order to complete their education;

"(2) providing assistance to other youth at risk of dropping out of school, including pregnant and parenting teenagers;

"(3) the coordination of social, health, and other services, including day care, for participating youth if the provision of such services will improve the likelihood that such youth will complete their education;

"(4) special programs to meet the unique academic needs of participating youth, including vocational and technical education, special education, career counseling, curriculum-based youth entrepreneurship education, and assistance in securing student loans or grants for postsecondary education; and

"(5) programs providing mentoring and peer mediation.".

SEC. 151. PROGRAM REQUIREMENTS.

Section 1425 is amended—

(1) in paragraph (1), by striking "where feasible, ensure educational programs" and inserting the following: "to the extent practicable, ensure that educational programs";

(2) in paragraph (3), by striking ''where feasible,'' and inserting the following: ''to the extent practicable,'';

(3) in paragraph (8), by striking ''where feasible,'' and inserting the following: ''to the extent practicable,'';

(4) in paragraph (9), by inserting ''and technical'' after ''vocational''; and

(5) by amending paragraph (11) to read as follows:

''(11) if appropriate, work with local businesses to develop training, curriculum-based youth entrepreneurship education, and mentoring programs for youth.''.

SEC. 152. PROGRAM EVALUATIONS.

Section 1431(a) is amended by striking ''sex, and if feasible,'' and inserting ''gender,''.

PART D—GENERAL PROVISIONS

SEC. 161. GENERAL PROVISIONS.

Part F of title I is amended to read as follows:

''PART F—GENERAL PROVISIONS

''SEC. 1601. FEDERAL REGULATIONS.

''(a) IN GENERAL.—The Secretary is authorized to issue such regulations as are necessary to reasonably ensure that there is compliance with this title.

"(b) NEGOTIATED RULEMAKING PROCESS.—

"(1) IN GENERAL.—Prior to publishing in the Federal Register proposed regulations to carry out this title, the Secretary shall obtain the advice and recommendations of representatives of Federal, State, and local administrators, parents, teachers, paraprofessionals, and members of local boards of education involved with the implementation and operation of programs under this title.

"(2) MEETINGS AND ELECTRONIC EXCHANGE.—Such advice and recommendation may be obtained through such mechanisms as regional meetings and electronic exchanges of information.

"(3) PROPOSED REGULATIONS.—After obtaining such advice and recommendations, and prior to publishing proposed regulations, the Secretary shall—

"(A) establish a negotiated rulemaking process on a minimum of three key issues, including—

"(i) accountability;

"(ii) implementation of assessments; and

"(iii) use of paraprofessionals;

"(B) select individuals to participate in such process from among individuals or groups which provided advice and recommendations, including representation from all geographic regions of the United States; and

"(C) prepare a draft of proposed regulations that shall be provided to the individuals selected by the Secretary under subparagraph (B) not less than 15 days prior to the first meeting under such process.

"(4) PROCESS.—Such process—

"(A) shall be conducted in a timely manner to ensure that final regulations are issued by the Secretary not later than 1 year after the date of the enactment of the Student Results Act of 1999; and

"(B) shall not be subject to the Federal Advisory Committee Act but shall otherwise follow the provisions of the Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

"(5) EMERGENCY SITUATION.—In an emergency situation in which regulations to carry out this title must be issued within a very limited time to assist State and local educational agencies with the operation of a program under this title, the Secretary

may issue proposed regulations without following such process but shall, immediately thereafter and prior to issuing final regulations, conduct regional meetings to review such proposed regulations.

''(c) LIMITATION.—Regulations to carry out this part may not require local programs to follow a particular instructional model, such as the provision of services outside the regular classroom or school program.

"SEC. 1602. AGREEMENTS AND RECORDS.

''(a) AGREEMENTS.—All published proposed regulations shall conform to agreements that result from negotiated rulemaking described in section 1601 unless the Secretary reopens the negotiated rulemaking process or provides a written explanation to the participants involved in the process explaining why the Secretary decided to depart from and not adhere to such agreements.

''(b) RECORDS.—The Secretary shall ensure that an accurate and reliable record of agreements reached during the negotiations process is maintained.

"SEC. 1603. STATE ADMINISTRATION.

''(a) RULEMAKING.—

''(1) IN GENERAL.—Each State that receives funds under this title shall—

''(A) ensure that any State rules, regulations, and policies relating to this title conform

to the purposes of this title and provide any such proposed rules, regulations, and policies to the committee of practitioners under subsection (b) for their review and comment;

"(B) minimize such rules, regulations, and policies to which their local educational agencies and schools are subject;

"(C) eliminate or modify State and local fiscal accounting requirements in order to facilitate the ability of schools to consolidate funds under schoolwide programs; and

(D) identify any such rule, regulation, or policy as a State-imposed requirement.

"(2) SUPPORT AND FACILITATION.—State rules, regulations, and policies under this title shall support and facilitate local educational agency and school-level systemic reform designed to enable all children to meet the challenging State student performance standards.

"(b) COMMITTEE OF PRACTITIONERS.—

"(1) IN GENERAL.—Each State educational agency shall create a State committee of practitioners to advise the State in carrying out its responsibilities under this title.

"(2) MEMBERSHIP.—Each such committee shall include—

"(A) as a majority of its members, representatives from local educational agencies;

"(B) administrators, including the administrators of programs described in other parts of this title;

"(C) teachers, including vocational educators;

"(D) parents;

"(E) members of local boards of education;

"(F) representatives of private school children; and

"(G) pupil services personnel.

"(3) DUTIES.—The duties of such committee shall include a review, prior to publication, of any proposed or final State rule or regulation pursuant to this title. In an emergency situation where such rule or regulation must be issued within a very limited time to assist local educational agencies with the operation of the program under this title, the State educational agency may issue a regulation without prior consultation, but shall immediately thereafter convene the State committee of practi-

tioners to review the emergency regulation prior to issuance in final form.

"SEC. 1604. CONSTRUCTION.

''(a) PROHIBITION OF FEDERAL MANDATES, DIRECTION, OR CONTROL.—Nothing in this title shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school's specific instructional content or pupil performance standards and assessments, curriculum, or program of instruction as a condition of eligibility to receive funds under this title.

''(b) EQUALIZED SPENDING.—Nothing in this title shall be construed to mandate equalized spending per pupil for a State, local educational agency, or school.

''(c) BUILDING STANDARDS.—Nothing in this title shall be construed to mandate national school building standards for a State, local educational agency, or school.

"SEC. 1605. APPLICABILITY TO HOME SCHOOLS.

''Nothing in this Act shall be construed to affect home schools.

"SEC. 1606. GENERAL PROVISION REGARDING NONRECIPIENT NONPUBLIC SCHOOLS.

''Nothing in this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private, religious, or home school,

whether or not a home school is treated as a private school or home school under State law. This section shall not be construed to bar private, religious, or home schools from participation in programs or services under this Act.

"SEC. 1607. LOCAL ADMINISTRATIVE COST LIMITATION.

"(a) LOCAL ADMINISTRATIVE COST LIMITATION.—Each local educational agency may use not more than 4 percent of funds received under part A for administrative expenses.

"(b) REGULATIONS.—The Secretary, after consulting with State and local officials and other experts in school finance, shall develop and issue regulations that define the term administrative cost for purposes of this title. Such definition shall be consistent with generally accepted accounting principles. The Secretary shall publish final regulations on this section not later than 1 year after the date of the enactment of the Student Results Act of 1999.

"SEC. 1608. PROHIBITION ON MANDATORY NATIONAL CERTIFICATION OF TEACHERS AND PARAPROFESSIONALS.

"(a) PROHIBITION ON MANDATORY TESTING OR CERTIFICATION.—Notwithstanding any other provision of law, the Secretary is prohibited from using Federal funds to plan, develop, implement, or administer any mandatory national teacher or paraprofessional test or certification.

"(b) PROHIBITION ON WITHHOLDING FUNDS.—The Secretary is prohibited from withholding funds from any State or local educational agency if such State or local educational agency fails to adopt a specific method of teacher or paraprofessional certification.

"SEC. 1609. GAO STUDIES.

"(a) STUDY ON PARAPROFESSIONALS.—The General Accounting Office shall conduct a study of paraprofessionals under part A of title I.

"(b) STUDY ON PORTABILITY.—The General Accounting Office shall conduct a study regarding how funds made available under this title could follow a child from school to school.

"(c) STUDY ON ELECTRONIC TRANSFER OF MIGRANT STUDENT RECORDS.—The General Accounting Office shall conduct a study on the feasibility of electronically transferring and maintaining migrant student records.

"(d) EVALUATION BY GENERAL ACCOUNTING OFFICE.—Not later than October 1, 2001, the Comptroller General shall conduct a comprehensive analysis and evaluation regarding the impact on this title of individual waivers for schools, local educational agency waivers, and statewide waivers granted pursuant to the Education Flexibility Partnership Act of 1999 (20 U.S.C. 589a et

seq.). The Comptroller General shall submit a report to the Committee on Education and the Workforce of the House of Representatives. In conducting such analysis and evaluation, the Comptroller General shall consider the following factors:

"(1) CONSISTENCY.—The extent to which the State's educational flexibility plan is consistent with ensuring high standards for all children and aligning the efforts of States, local educational agencies, and schools to help children served under this title to reach such standards.

"(2) STATE WAIVERS.—Evaluate the effect that waivers of State law have on addressing the needs and the performance of students in schools subject to this title.

"(3) ALLOCATION OF FUNDS.—The extent to which waivers have affected the allocation of funds to schools, including schools with the highest concentrations of poverty, and schools with the highest educational needs, that are eligible to receive funds under this title.

"SEC. 1610. DEFINITIONS.

"For purposes of this title—

"(1) The term 'Secretary' means the Secretary of Education.

"(2) FULLY QUALIFIED.—The term 'fully qualified'—

"(A) when used with respect to a public elementary or secondary school teacher (other than a teacher teaching in a public charter school), means that the teacher has obtained State certification as a teacher (including certification obtained through alternative routes to certification) or passed the State teacher licensing exam and holds a license to teach in such State; and

"(B) when used with respect to —

"(i) an elementary school teacher, means that the teacher holds a bachelor's degree and demonstrates knowledge and teaching skills in reading, writing, mathematics, science, and other areas of the elementary school curriculum; or

"(ii) a middle or secondary school teacher, means that the teacher holds a bachelor's degree and demonstrates a high level of competency in all subject areas in which he or she teaches through—

"(I) a high level of performance on a rigorous State or local academic subject areas test; or

"(II) completion of an academic major in each of the subject areas in which he or she provides instruction.

"(3) The term 'scientifically-based research'—

"(A) means the application of rigorous, systematic, and objective procedures; and

"(B) shall include research that—

"(i) employs systematic, empirical methods that draw on observation or experiment;

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

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

"(iv) has been accepted by a peer-reviewed journal or approved by a panel of

independent experts through a comparably rigorous, objective, and scientific review.

"SEC. 1611. PAPERWORK REDUCTION.

"(a) FINDINGS.—The Congress finds that—

"(1) instruction and other classroom activities provide the greatest opportunity for students, especially at-risk and disadvantaged students, to attain high standards and achieve academic success;

"(2) one of the greatest obstacles to establishing an effective, classroom-centered education system is the cost of paperwork compliance;

"(3) paperwork places a burden on teachers and administrators who must complete Federal and State forms to apply for Federal funds and absorbs time and money which otherwise would be spent on students;

"(4) the Education at a Crossroads Report released in 1998 by the Education Subcommittee on Oversight and Investigations states that requirements by the Department of Education result in more than 48.6 million hours of paperwork per year; and

"(5) paperwork distracts from the mission of schools, encumbers teachers and administrators with nonacademic responsibilities, and competes with

teaching and classroom activities which promote learning and achievement.

''(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that Federal and State educational agencies should reduce the paperwork requirements placed on schools, teachers, principals, and other administrators.''.

PART E—COMPREHENSIVE SCHOOL REFORM

SEC. 171. COMPREHENSIVE SCHOOL REFORM.

Title I is amended by adding at the end the following:

"PART G—COMPREHENSIVE SCHOOL REFORM

"SEC. 1701. COMPREHENSIVE SCHOOL REFORM.

''(a) FINDINGS AND PURPOSE.—

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

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

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

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

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

"(b) PROGRAM AUTHORIZED.—

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

"(2) ALLOCATION.—

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

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

Commonwealth of the Northern Mariana Islands; and

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

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

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

"(c) STATE AWARDS.—

"(1) STATE APPLICATION.—

"(A) IN GENERAL.—Each State educational agency that desires to receive a grant

under this section shall submit an application to the Secretary at such time, in such manner and containing such other information as the Secretary may reasonably require.

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

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

"(ii) how the agency will ensure that only comprehensive school reforms that are based on scientifically-based research receive funds under this section;

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

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

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

"(2) USES OF FUNDS.—

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

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

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

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

"(iii) renewable for two additional 1-year periods after the initial 1-year grant is made if schools are making substantial

progress in the implementation of their reforms.

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

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

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

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

"(E) ADMINISTRATIVE COSTS.—A State educational agency that receives a grant award under this section may reserve not more than 5

percent of such award for administrative, evaluation, and technical assistance expenses.

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

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

"(d) LOCAL AWARDS.—

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

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

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

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

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

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

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

"(B) integrates a comprehensive design for effective school functioning, including instruction, assessment, classroom management, pro-

fessional development, parental involvement, and school management, that aligns the school's curriculum, technology, professional development into a comprehensive reform plan for schoolwide change designed to enable all students to meet challenging State content and challenging student performance standards and addresses needs identified through a school needs assessment;

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

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

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

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

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

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

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

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

"(e) EVALUATION AND REPORT.—

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

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

"(3) REPORTS.—Prior to the completion of a national evaluation, the Secretary shall submit an interim report outlining first year implementation activities to the Committees on Education and the Workforce and Appropriations of the House of Representatives and the Committees on Health, Education, Labor, and Pensions and Appropriations of the Senate.

"(f) DEFINITION.—The term 'scientifically-based research'—

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

"(2) shall include research that—

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

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

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

"(D) has been accepted by a peer-reviewed journal or approved by a panel of independent

experts through a comparably rigorous, objective, and scientific review.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to carry out this section $175,000,000 for fiscal year 2000 and such sums as may be necessary for each of the four succeeding fiscal years.''.

TITLE II—MAGNET SCHOOLS ASSISTANCE AND PUBLIC SCHOOL CHOICE

SEC. 201. MAGNET SCHOOLS ASSISTANCE.

Title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7201 et seq.) is amended to read a follows:

"TITLE V—MAGNET SCHOOLS ASSISTANCE AND PUBLIC SCHOOL CHOICE

"PART A—MAGNET SCHOOL ASSISTANCE

"SEC. 5101. FINDINGS.

''The Congress finds that—

''(1) magnet schools are a significant part of our Nation's effort to achieve voluntary desegregation in our Nation's schools;

''(2) the use of magnet schools has increased dramatically since the date of the enactment of the Magnet Schools Assistance program, with approxi-

mately 2,000,000 students nationwide now attending such schools, of which more than 65 percent of the students are nonwhite;

"(3) magnet schools offer a wide range of distinctive programs that have served as models for school improvement efforts;

"(4) in administering the Magnet Schools Assistance program, the Federal Government has learned that—

"(A) where magnet programs are implemented for only a portion of a school's student body, special efforts must be made to discourage the isolation of—

"(i) magnet school students from other students in the school; and

"(ii) students by racial characteristics;

"(B) local educational agencies can maximize their effectiveness in achieving the purposes of the Magnet Schools Assistance program if such agencies have more flexibility in the administration of such program in order to serve students attending a school who are not enrolled in the magnet school program;

"(C) local educational agencies must be creative in designing magnet schools for stu-

dents at all academic levels, so that school districts do not select only the highest achieving students to attend the magnet schools;

"(D) consistent with desegregation guidelines, local educational agencies must seek to enable participation in magnet school programs by students who reside in the neighborhoods where the programs operate; and

"(E) in order to ensure that magnet schools are sustained after Federal funding ends, the Federal Government must assist school districts to improve their capacity to continue to operate magnet schools at a high level of performance; and

"(5) it is in the best interest of the Federal Government to—

"(A) continue the Federal Government's support of school districts implementing court-ordered desegregation plans and school districts voluntarily seeking to foster meaningful interaction among students of different racial and ethnic backgrounds, beginning at the earliest stage of such students' education;

"(B) ensure that all students have equitable access to quality education that will pre-

pare such students to function well in a technologically oriented society and a highly competitive economy;

"(C) maximize the ability of local educational agencies to plan, develop, implement and continue effective and innovative magnet schools that contribute to State and local systemic reform; and

"(D) ensure that grant recipients provide adequate data which demonstrates an ability to improve student achievement.

"SEC. 5102. STATEMENT OF PURPOSE.

"The purpose of this part is to assist in the desegregation of schools served by local educational agencies by providing financial assistance to eligible local educational agencies for—

"(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students;

"(2) the development and implementation of magnet school projects that will assist local educational agencies in achieving systemic reforms and providing all students the opportunity to meet chal-

lenging State content standards and challenging State student performance standards;

''(3) the development and design of innovative educational methods and practices that promote diversity and increase choices in public elementary and secondary schools and educational programs; and

''(4) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational and technical skills of students attending such schools.

''SEC. 5103. PROGRAM AUTHORIZED.

''The Secretary, in accordance with this part, is authorized to make grants to eligible local educational agencies, and consortia of such agencies where appropriate, to carry out the purpose of this part for magnet schools that are—

''(1) part of an approved desegregation plan; and

''(2) designed to bring students from different social, economic, ethnic, and racial backgrounds together.

''SEC. 5104. DEFINITION.

''For the purpose of this part, the term 'magnet school' means a public elementary or secondary school or

public elementary or secondary education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds.

"SEC. 5105. ELIGIBILITY.

"A local educational agency, or consortium of such agencies where appropriate, is eligible to receive assistance under this part to carry out the purposes of this part if such agency or consortium—

"(1) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, that requires the desegregation of minority-group-segregated children or faculty in the elementary and secondary schools of such agency; or

"(2) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to such local educational agency or consortium of such agencies under this part, adopt and implement a plan that has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority-group-segregated children or faculty in such schools.

"SEC. 5106. APPLICATIONS AND REQUIREMENTS.

"(a) APPLICATIONS.—An eligible local educational agency or consortium of such agencies desiring to receive assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may reasonably require.

"(b) INFORMATION AND ASSURANCES.—Each such application shall include—

"(1) a description of—

"(A) how assistance made available under this part will be used to promote desegregation, including how the proposed magnet school project will increase interaction among students of different social, economic, ethnic, and racial backgrounds;

"(B) the manner and extent to which the magnet school project will increase student achievement in the instructional area or areas offered by the school;

"(C) how an applicant will continue the magnet school project after assistance under this part is no longer available, including, if applicable, an explanation of why magnet schools established or supported by the applicant with

funds under this part cannot be continued without the use of funds under this part;

"(D) how funds under this part will be used to improve student academic performance for all students attending the magnet schools; and

"(E) the criteria to be used in selecting students to attend the proposed magnet school projects; and

"(2) assurances that the applicant will—

"(A) use funds under this part for the purposes specified in section 5102;

"(B) employ fully qualified teachers (as defined in section 1119) in the courses of instruction assisted under this part;

"(C) not engage in discrimination based on race, religion, color, national origin, sex, or disability in—

"(i) the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

"(ii) the assignment of students to schools, or to courses of instruction within

the school, of such agency, except to carry out the approved plan; and

"(iii) designing or operating extracurricular activities for students;

"(D) carry out a high-quality education program that will encourage greater parental decisionmaking and involvement; and

"(E) give students residing in the local attendance area of the proposed magnet school projects equitable consideration for placement in those projects.

"SEC. 5107. PRIORITY.

"In approving applications under this part, the Secretary shall give priority to applicants that—

"(1) demonstrate the greatest need for assistance, based on the expense or difficulty of effectively carrying out an approved desegregation plan and the projects for which assistance is sought;

"(2) propose to carry out new magnet school projects, or significantly revise existing magnet school projects; and

"(3) propose to select students to attend magnet school projects by methods such as lottery, rather than through academic examination.

"SEC. 5108. USE OF FUNDS.

''(a) IN GENERAL.—Grant funds made available under this part may be used by an eligible local educational agency or consortium of such agencies—

''(1) for planning and promotional activities directly related to the development, expansion, continuation, or enhancement of academic programs and services offered at magnet schools;

''(2) for the acquisition of books, materials, and equipment, including computers and the maintenance and operation thereof, necessary for the conduct of programs in magnet schools;

''(3) for the payment, or subsidization of the compensation, of elementary and secondary school teachers who are fully qualified (as defined in section 1119), and instructional staff where applicable, who are necessary for the conduct of programs in magnet schools;

''(4) with respect to a magnet school program offered to less than the entire student population of a school, for instructional activities that—

''(A) are designed to make available the special curriculum that is offered by the magnet school project to students who are enrolled in the school but who are not enrolled in the magnet school program; and

"(B) further the purposes of this part; and

"(5) for activities, which may include professional development, that will build the recipient's capacity to operate magnet school programs once the grant period has ended.

"(b) SPECIAL RULE.—Grant funds under this part may be used in accordance with paragraphs (2) and (3) of subsection (a) only if the activities described in such paragraphs are directly related to improving the students' academic performance based on the State's challenging content standards and challenging student performance standards or directly related to improving the students' reading skills or knowledge of mathematics, science, history, geography, English, foreign languages, art, or music, or to improving vocational and technical skills.

"SEC. 5109. PROHIBITIONS.

"(a) TRANSPORTATION.—Grants under this part may not be used for transportation or any activity that does not augment academic improvement.

"(b) PLANNING.—A local educational agency shall not expend funds under this part after the third year that such agency receives funds under this part for such project.

"SEC. 5110. LIMITATIONS.

"(a) DURATION OF AWARDS.—A grant under this part shall be awarded for a period that shall not exceed three fiscal years.

"(b) LIMITATION ON PLANNING FUNDS.—A local educational agency may expend for planning not more than 50 percent of the funds received under this part for the first year of the project, 15 percent of such funds for the second such year, and 10 percent of such funds for the third such year.

"(c) AMOUNT.—No local educational agency or consortium awarded a grant under this part shall receive more than $4,000,000 under this part in any one fiscal year.

"(d) TIMING.—To the extent practicable, the Secretary shall award grants for any fiscal year under this part not later than July 1 of the applicable fiscal year.

"SEC. 5111. EVALUATIONS.

"(a) RESERVATION.—The Secretary may reserve not more than 2 percent of the funds appropriated under section 5112(a) for any fiscal year to carry out evaluations, technical assistance, and dissemination projects with respect to magnet school projects and programs assisted under this part.

"(b) CONTENTS.—Each evaluation described in subsection (a), at a minimum, shall address—

"(1) how and the extent to which magnet school programs lead to educational quality and improvement;

"(2) the extent to which magnet school programs enhance student access to quality education;

"(3) the extent to which magnet school programs lead to the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority students; and

"(4) the extent to which magnet school programs differ from other school programs in terms of the organizational characteristics and resource allocations of such magnet school programs.

"SEC. 5112. AUTHORIZATION OF APPROPRIATIONS; RESERVATION.

"(a) AUTHORIZATION.—For the purpose of carrying out this part, there are authorized to be appropriated $120,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2004.

"(b) AVAILABILITY OF FUNDS FOR GRANTS TO AGENCIES NOT PREVIOUSLY ASSISTED.—In any fiscal year for which the amount appropriated pursuant to subsection (a) exceeds $75,000,000, the Secretary shall give priority to using such amounts in excess of $75,000,000

to award grants to local educational agencies or consortia of such agencies that did not receive a grant under this part in the preceding fiscal year.

"PART B—PUBLIC SCHOOL CHOICE

"SEC. 5201. SHORT TITLE.

''This part may be cited as the 'Public School Choice Act of 1999'.

"SEC. 5202. FINDINGS AND PURPOSE.

''(a) FINDINGS.—The Congress finds that—

''(1) a wide variety of educational opportunities, options, and choices in the public school system is needed to help all children achieve to high standards;

''(2) high-quality public school choice programs that are genuinely open and accessible to all students (including poor, minority, limited English proficient, and disabled students) broaden educational opportunities and promote excellence in education;

''(3) current research shows that—

''(A) students learn in different ways, benefiting from different teaching methods and instructional settings; and

''(B) family involvement in a child's education is a key factor supporting student achievement;

"(4) public school systems have begun to develop a variety of innovative programs that offer expanded choices to parents and students; and

"(5) the Federal Government should support and expand efforts to give students and parents the high-quality public school choices they seek, to help eliminate barriers to effective public school choice, and to disseminate the lessons learned from high-quality choice programs so that all public schools can benefit from these efforts.

"(b) PURPOSE.—It is the purpose of this part to identify and support innovative approaches to high-quality public school choice by providing financial assistance for the demonstration, development, implementation, and evaluation of, and dissemination of information about, public school choice projects that stimulate educational innovation for all public schools and contribute to standards-based school reform efforts.

"SEC. 5203. GRANTS.

"(a) IN GENERAL.—From funds appropriated under section 5206(a) and not reserved under section 5206(b), the Secretary is authorized to make grants to State and local educational agencies to support programs that promote innovative approaches to high-quality public school choice.

"(b) DURATION.—Grants under this part shall not exceed 3 years.

"SEC. 5204. USES OF FUNDS.

"(a) IN GENERAL—

"(1) PUBLIC SCHOOL CHOICE.—Funds under this part may be used to demonstrate, develop, implement, evaluate, and disseminate information on innovative approaches to promote public school choice, including the design and development of new public school choice options, the development of new strategies for overcoming barriers to effective public school choice, the design and development of new strategies for overcoming transportation barriers, and the design and development of public school choice systems that promote high standards for all students and the continuous improvement of all public schools.

"(2) INNOVATIVE APPROACHES.—Such approaches at the school, local educational agency, and State levels may include—

"(A) inter-district or intra-district approaches to public school choice, including approaches that increase equal access to high-quality educational programs and diversity in schools;

"(B) public elementary and secondary programs that involve partnerships with institutions of higher education and that are located on the campuses of those institutions;

"(C) programs that allow students in public secondary schools to enroll in postsecondary courses and to receive both secondary and postsecondary academic credit;

"(D) worksite satellite schools, in which State or local educational agencies form partnerships with public or private employers, to create public schools at parents' places of employment; and

"(E) public school choice programs that augment the existing transportation services necessary to meet the needs of children participating in such programs.

"(b) LIMITATIONS.—Funds under this part—

"(1) shall supplement, and not supplant, non-Federal funds expended for existing programs; and

"(2) may not be used to fund projects that are specifically authorized under part A of title V, or part C of title X.

"SEC. 5205. GRANT APPLICATION; PRIORITIES.

"(a) APPLICATION REQUIRED.—A State or local educational agency desiring to receive a grant under this part shall submit an application to the Secretary.

"(b) APPLICATION CONTENTS.—Each application shall include—

"(1) a description of the program for which funds are sought and the goals for such program;

"(2) a description of how the program funded under this part will be coordinated with, and will complement and enhance, programs under other related Federal and non-Federal projects;

"(3) if the program includes partners, the name of each partner and a description of the partner's responsibilities;

"(4) a description of the policies and procedures the applicant will use to ensure—

"(A) its accountability for results, including its goals and performance indicators; and

"(B) that the program is open and accessible to, and will promote high academic standards for, all students; and

"(5) such other information as the Secretary may require.

"(c) PRIORITIES.—

"(1) HIGH-POVERTY AGENCIES.—The Secretary shall give a priority to applications for projects that would serve high-poverty local educational agencies.

"(2) PARTNERSHIPS.—The Secretary may give a priority to applications demonstrating that the applicant will carry out its project in partnership with one or more public and private agencies, organizations, and institutions, including institutions of higher education and public and private employers.

"SEC. 5206. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—For the purpose of carrying out this part, there are authorized to be appropriated $20,000,000 for fiscal year 2000 and such sums as may be necessary for each of the four succeeding fiscal years.

"(b) RESERVATION FOR EVALUATION, TECHNICAL ASSISTANCE, AND DISSEMINATION.—From the amount appropriated under subsection (a) for any fiscal year, the Secretary may reserve not more than 5 percent to carry out evaluations under subsection (c), to provide technical assistance, and to disseminate information.

"(c) EVALUATIONS.—The Secretary may use funds reserved under subsection (b) to carry out one or more evaluations of programs assisted under this part, which shall, at a minimum, address—

"(1) how, and the extent to which, the programs supported with funds under this part promote educational equity and excellence; and

"(2) the extent to which public schools of choice supported with funds under this part are—

"(A) held accountable to the public;

"(B) effective in improving public education; and

"(C) open and accessible to all students.

"SEC. 5207. DEFINITIONS.

"For purposes of this part:

"(1) HIGH-POVERTY LOCAL EDUCATIONAL AGENCY.—The term 'high-poverty local educational agency' means a local educational agency in which—

"(A) the percentage of children, ages 5 to 17, from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available is 20 percent or greater; or

"(B) the number of such children exceeds 10,000.

"(2) OTHER TERMS.—Other terms used in this part shall have the meaning given such terms in section 14101 (20 U.S.C. 8801).

"PART C—WOMEN'S EDUCATIONAL EQUITY

"SEC. 5301. SHORT TITLE; FINDINGS.

"(a) SHORT TITLE.—This part may be cited as the 'Women's Educational Equity Act of 1994'.

"(b) FINDINGS.—The Congress finds that—

"(1) since the enactment of title IX of the Education Amendments of 1972, women and girls have made strides in educational achievement and in their ability to avail themselves of educational opportunities;

"(2) because of funding provided under the Women's Educational Equity Act, more curricula, training, and other educational materials concerning educational equity for women and girls are available for national dissemination;

"(3) teaching and learning practices in the United States are frequently inequitable as such practices relate to women and girls, for example—

"(A) sexual harassment, particularly that experienced by girls, undermines the ability of

schools to provide a safe and equitable learning or workplace environment;

"(B) classroom textbooks and other educational materials do not sufficiently reflect the experiences, achievements, or concerns of women and, in most cases, are not written by women or persons of color;

"(C) girls do not take as many mathematics and science courses as boys, girls lose confidence in their mathematics and science ability as girls move through adolescence, and there are few women role models in the sciences;

"(D) the low number of girls taking higher level computer science courses leading to technical careers, and the low degree of participation of women in the development of education technology, will perpetuate a cycle of disadvantage for girls in elementary schools and secondary schools as technology is increasingly integrated into the classroom; and

"(E) pregnant and parenting teenagers are at high risk for dropping out of school and existing dropout prevention programs do not adequately address the needs of such teenagers;

"(4) efforts to improve the quality of public education also must include efforts to ensure equal access to quality education programs for all women and girls;

"(5) Federal support should address not only research and development of innovative model curricula and teaching and learning strategies to promote gender equity, but should also assist schools and local communities implement gender equitable practices;

"(6) Federal assistance for gender equity must be tied to systemic reform, involve collaborative efforts to implement effective gender practices at the local level, and encourage parental participation; and

"(7) excellence in education, high educational achievements and standards, and the full participation of women and girls in American society, cannot be achieved without educational equity for women and girls.

"SEC. 5302. STATEMENT OF PURPOSES.

"It is the purpose of this part—

"(1) to promote gender equity in education in the United States;

"(2) to provide financial assistance to enable educational agencies and institutions to meet the re-

quirements of title IX of the Educational Amendments of 1972; and

''(3) to promote equity in education for women and girls who suffer from multiple forms of discrimination based on sex, race, ethnic origin, limited-English proficiency, disability, or age.

"SEC. 5303. PROGRAMS AUTHORIZED.

''(a) IN GENERAL.—The Secretary is authorized—

''(1) to promote, coordinate, and evaluate gender equity policies, programs, activities and initiatives in all Federal education programs and offices;

''(2) to develop, maintain, and disseminate materials, resources, analyses, and research relating to education equity for women and girls;

''(3) to provide information and technical assistance to assure the effective implementation of gender equity programs;

''(4) to coordinate gender equity programs and activities with other Federal agencies with jurisdiction over education and related programs;

''(5) to assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to education equity for women and girls; and

"(6) to perform any other activities consistent with achieving the purposes of this part.

"(b) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, public agencies, private nonprofit agencies, organizations, institutions, student groups, community groups, and individuals, for a period not to exceed four years, to—

"(A) provide grants to develop model equity programs;

"(B) provide funds for the implementation of equity programs in schools throughout the Nation; and

"(C) provide grants to local educational agencies in communities with an historic tie to a major leader in the women's sufferage movement to educate its students about the significance of the community's significant former resident.

"(2) SUPPORT AND TECHNICAL ASSISTANCE.—To achieve the purposes of this part, the Secretary is authorized to provide support and technical assistance—

"(A) to implement effective gender-equity policies and programs at all educational levels, including—

"(i) assisting educational agencies and institutions to implement policies and practices to comply with title IX of the Education Amendments of 1972;

"(ii) training for teachers, counselors, administrators, and other school personnel, especially preschool and elementary school personnel, in gender equitable teaching and learning practices;

"(iii) leadership training for women and girls to develop professional and marketable skills to compete in the global marketplace, improve self-esteem, and benefit from exposure to positive role models;

"(iv) school-to-work transition programs, guidance and counseling activities, and other programs to increase opportunities for women and girls to enter a technologically demanding workplace and, in particular, to enter highly skilled, high paying careers in which women and girls have been underrepresented;

"(v) enhancing educational and career opportunities for those women and girls who suffer multiple forms of discrimination, based on sex and on race, ethnic origin, limited-English proficiency, disability, socioeconomic status, or age;

"(vi) assisting pregnant students and students rearing children to remain in or to return to secondary school, graduate, and prepare their preschool children to start school;

"(vii) evaluating exemplary model programs to assess the ability of such programs to advance educational equity for women and girls;

"(viii) introduction into the classroom of textbooks, curricula, and other materials designed to achieve equity for women and girls;

"(ix) programs and policies to address sexual harassment and violence against women and girls and to ensure that educational institutions are free from threats to the safety of students and personnel;

"(x) nondiscriminatory tests of aptitude and achievement and of alternative assessments that eliminate biased assessment instruments from use;

"(xi) programs to increase educational opportunities, including higher education, vocational training, and other educational programs for low-income women, including underemployed and unemployed women, and women receiving assistance under a State program funded under part A of title IV of the Social Security Act;

"(xii) programs to improve representation of women in educational administration at all levels; and

"(xiii) planning, development and initial implementation of—

"(I) comprehensive institution- or districtwide evaluation to assess the presence or absence of gender equity in educational settings;

"(II) comprehensive plans for implementation of equity programs in State and local educational agencies

and institutions of higher education; including community colleges; and

"(III) innovative approaches to school-community partnerships for educational equity;

"(B) for research and development, which shall be coordinated with each of the research institutes of the Office of Educational Research and Improvement to avoid duplication of research efforts, designed to advance gender equity nationwide and to help make policies and practices in educational agencies and institutions, and local communities, gender equitable, including—

"(i) research and development of innovative strategies and model training programs for teachers and other education personnel;

"(ii) the development of high quality and challenging assessment instruments that are nondiscriminatory;

"(iii) the development and evaluation of model curricula, textbooks, software, and other educational materials to ensure

the absence of gender stereotyping and bias;

''(iv) the development of instruments and procedures that employ new and innovative strategies to assess whether diverse educational settings are gender equitable;

''(v) the development of instruments and strategies for evaluation, dissemination, and replication of promising or exemplary programs designed to assist local educational agencies in integrating gender equity in their educational policies and practices;

''(vi) updating high quality educational materials previously developed through awards made under this part;

''(vii) the development of policies and programs to address and prevent sexual harassment and violence to ensure that educational institutions are free from threats to safety of students and personnel;

''(viii) the development and improvement of programs and activities to increase opportunity for women, including con-

tinuing educational activities, vocational education, and programs for low-income women, including underemployed and unemployed women, and women receiving assistance under the State program funded under part A of title IV of the Social Security Act; and

''(ix) the development of guidance and counseling activities, including career education programs, designed to ensure gender equity.

"SEC. 5304. APPLICATIONS.

''An application under this part shall—

''(1) set forth policies and procedures that will ensure a comprehensive evaluation of the activities assisted under this part, including an evaluation of the practices, policies, and materials used by the applicant and an evaluation or estimate of the continued significance of the work of the project following completion of the award period;

''(2) where appropriate, demonstrate how funds received under this part will be used to promote the attainment of one or more of the National Education Goals;

"(3) demonstrate how the applicant will address perceptions of gender roles based on cultural differences or stereotypes;

"(4) where appropriate, describe how funds under this part will be used in a manner that is consistent with programs under the School-to-Work Opportunities Act of 1994;

"(5) for applications for assistance under section 5303(b)(1), demonstrate how the applicant will foster partnerships and, where applicable, share resources with State educational agencies, local educational agencies, institutions of higher education, community-based organizations (including organizations serving women), parent, teacher, and student groups, businesses or other recipients of Federal educational funding which may include State literacy resource centers;

"(6) for applications for assistance under section 5303(b)(1), demonstrate how parental involvement in the project will be encouraged; and

"(7) for applications for assistance under section 5303(b)(1), describe plans for continuation of the activities assisted under this part with local support following completion of the grant period and termination of Federal support under this part.

"SEC. 5305. CRITERIA AND PRIORITIES.

"(a) CRITERIA AND PRIORITIES.—

"(1) IN GENERAL.—The Secretary shall establish separate criteria and priorities for awards under paragraphs (1) and (2) of section 5303(b) to ensure that funds under this part are used for programs that most effectively will achieve the purposes of this part.

"(2) CRITERIA.—The criteria described in subsection (a) may include the extent to which the activities assisted under this part—

"(A) address the needs of women and girls of color and women and girls with disabilities;

"(B) meet locally defined and documented educational equity needs and priorities, including compliance with title IX of the Education Amendments of 1972;

"(C) are a significant component of a comprehensive plan for educational equity and compliance with title IX of the Education Amendments of 1972 in the particular school district, institution of higher education, vocational-technical institution, or other educational agency or institution; and

"(D) implement an institutional change strategy with long-term impact that will con-

tinue as a central activity of the applicant after the grant under this part has terminated.

"(b) PRIORITIES.—In approving applications under this part, the Secretary may give special consideration to applications—

"(1) submitted by applicants that have not received assistance under this part or under part C of title IX of this Act (as such part was in effect on October 1, 1988);

"(2) for projects that will contribute significantly to directly improving teaching and learning practices in the local community; and

"(3) for projects that will—

"(A) provide for a comprehensive approach to enhancing gender equity in educational institutions and agencies;

"(B) draw on a variety of resources, including the resources of local educational agencies, community-based organizations, institutions of higher education, and private organizations;

"(C) implement a strategy with long-term impact that will continue as a central activity of the applicant after the grant under this part has terminated;

"(D) address issues of national significance that can be duplicated; and

"(E) address the educational needs of women and girls who suffer multiple or compound discrimination based on sex and on race, ethnic origin, disability, or age.

"(c) SPECIAL RULE.—To the extent feasible, the Secretary shall ensure that grants awarded under this part for each fiscal year address—

"(1) all levels of education, including preschool, elementary and secondary education, higher education, vocational education, and adult education;

"(2) all regions of the United States; and

"(3) urban, rural, and suburban educational institutions.

"(d) COORDINATION.—Research activities supported under this part—

"(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

"(2) may include collaborative research activities which are jointly funded and carried out with

the Office of Educational Research and Improvement.

"(e) LIMITATION.—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted with funds under this part.

"SEC. 5306. REPORT.

"The Secretary, not later than January 1, 2004, shall submit to the President and Congress a report on the status of educational equity for girls and women in the Nation.

"SEC. 5307. ADMINISTRATION.

"(a) EVALUATION; DISSEMINATION; REPORT.—The Secretary—

"(1) shall evaluate, in accordance with section 14701, materials and programs developed under this part;

"(2) shall disseminate materials and programs developed under this part; and

"(3) shall report to Congress regarding such evaluation, materials, and programs not later than January 1, 2003.

"(b) PROGRAM OPERATIONS.—The Secretary shall ensure that the activities assisted under this part are administered within the Department by a person who has

recognized professional qualifications and experience in the field of gender equity education.

"SEC. 5308. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $5,000,000 for fiscal year 2000 and such sums as may be necessary for each of the four succeeding fiscal years, of which not less than two-thirds of the amount appropriated under this section for each fiscal year shall be available to carry out the activities described in section 5303(b)(1).".

SEC. 202. CONTINUATION OF AWARDS.

Notwithstanding the amendment made by section 201, any local educational agency or consortium of such agencies that was awarded a grant under section 5111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7211) prior to the date of the enactment of this Act shall continue to receive funds in accordance with the terms of such award until the date on which the award period terminates under such terms.

TITLE III—TEACHER LIABILITY PROTECTION

SEC. 301. TEACHER LIABILITY PROTECTION.

The Elementary and Secondary Education Act of 1965 (20 U.S.C 6301 et seq.) is amended by adding at the end the following:

"TITLE XV—TEACHER LIABILITY PROTECTION

"SEC. 15001. SHORT TITLE.

''This title may be cited as the 'Teacher Liability Protection Act of 1999'.

"SEC. 15002. FINDINGS AND PURPOSE.

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

''(1) The ability of teachers, principals and other school professionals to teach, inspire and shape the intellect of our Nation's elementary and secondary school students is deterred and hindered by frivolous lawsuits and litigation.

''(2) Each year more and more teachers, principals and other school professionals face lawsuits for actions undertaken as part of their duties to provide millions of school children quality educational opportunities.

''(3) Too many teachers, principals and other school professionals face increasingly severe and random acts of violence in the classroom and in schools.

''(4) Providing teachers, principals and other school professionals a safe and secure environment is an important part of the effort to improve and expand educational opportunities.

"(5) Clarifying and limiting the liability of teachers, principals and other school professionals who undertake reasonable actions to maintain order, discipline and an appropriate educational environment is an appropriate subject of Federal legislation because—

"(A) the scope of the problems created by the legitimate fears of teachers, principals and other school professionals about frivolous, arbitrary or capricious lawsuits against teachers is of national importance; and

"(B) millions of children and their families across the Nation depend on teachers, principals and other school professionals for the intellectual development of children.

"(b) PURPOSE.—The purpose of this title is to provide teachers, principals and other school professionals the tools they need to undertake reasonable actions to maintain order, discipline and an appropriate educational environment.

"SEC. 15003. PREEMPTION AND ELECTION OF STATE NON-APPLICABILITY.

"(a) PREEMPTION.—This title preempts the laws of any State to the extent that such laws are inconsistent with this title, except that this title shall not preempt any

State law that provides additional protection from liability relating to teachers.

"(b) ELECTION OF STATE REGARDING NONAPPLICABILITY.—This title shall not apply to any civil action in a State court against a teacher in which all parties are citizens of the State if such State enacts a statute in accordance with State requirements for enacting legislation—

"(1) citing the authority of this subsection;

"(2) declaring the election of such State that this title shall not apply, as of a date certain, to such civil action in the State; and

"(3) containing no other provisions.

"SEC. 15004. LIMITATION ON LIABILITY FOR TEACHERS.

"(a) LIABILITY PROTECTION FOR TEACHERS.—Except as provided in subsections (b) and (c), no teacher in a school shall be liable for harm caused by an act or omission of the teacher on behalf of the school if—

"(1) the teacher was acting within the scope of the teacher's employment or responsibilities related to providing educational services;

"(2) the actions of the teacher were carried out in conformity with local, State, and Federal laws, rules and regulations in furtherance of efforts to

control, discipline, expel, or suspend a student or maintain order or control in the classroom or school;

"(3) if appropriate or required, the teacher was properly licensed, certified, or authorized by the appropriate authorities for the activities or practice in the State in which the harm occurred, where the activities were or practice was undertaken within the scope of the teacher's responsibilities;

"(4) the harm was not caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the teacher; and

"(5) the harm was not caused by the teacher operating a motor vehicle, vessel, aircraft, or other vehicle for which the State requires the operator or the owner of the vehicle, craft, or vessel to—

"(A) possess an operator's license; or

"(B) maintain insurance.

"(b) CONCERNING RESPONSIBILITY OF TEACHERS TO SCHOOLS AND GOVERNMENTAL ENTITIES.—Nothing in this section shall be construed to affect any civil action brought by any school or any governmental entity against any teacher of such school.

"(c) EXCEPTIONS TO TEACHER LIABILITY PROTECTION.—If the laws of a State limit teacher liability subject to one or more of the following conditions, such conditions shall not be construed as inconsistent with this section:

"(1) A State law that requires a school or governmental entity to adhere to risk management procedures, including mandatory training of teachers.

"(2) A State law that makes the school or governmental entity liable for the acts or omissions of its teachers to the same extent as an employer is liable for the acts or omissions of its employees.

"(3) A State law that makes a limitation of liability inapplicable if the civil action was brought by an officer of a State or local government pursuant to State or local law.

"(d) LIMITATION ON PUNITIVE DAMAGES BASED ON THE ACTIONS OF TEACHERS.—

"(1) GENERAL RULE.—Punitive damages may not be awarded against a teacher in an action brought for harm based on the action of a teacher acting within the scope of the teacher's responsibilities to a school or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an action of such teacher which constitutes willful or criminal

misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

"(2) CONSTRUCTION.—Paragraph (1) does not create a cause of action for punitive damages and does not preempt or supersede any Federal or State law to the extent that such law would further limit the award of punitive damages.

"(e) EXCEPTIONS TO LIMITATIONS ON LIABILITY.—

"(1) IN GENERAL.—The limitations on the liability of a teacher under this title shall not apply to any misconduct that—

"(A) constitutes a crime of violence (as that term is defined in section 16 of title 18, United States Code) or act of international terrorism (as that term is defined in section 2331 of title 18, United States Code) for which the defendant has been convicted in any court;

"(B) involves a sexual offense, as defined by applicable State law, for which the defendant has been convicted in any court;

"(C) involves misconduct for which the defendant has been found to have violated a Federal or State civil rights law; or

"(D) where the defendant was under the influence (as determined pursuant to applicable

State law) of intoxicating alcohol or any drug at the time of the misconduct.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to effect subsection (a)(3) or (d).

"SEC. 15005. LIABILITY FOR NONECONOMIC LOSS.

"(a) GENERAL RULE.—In any civil action against a teacher, based on an action of a teacher acting within the scope of the teacher's responsibilities to a school or governmental entity, the liability of the teacher for noneconomic loss shall be determined in accordance with subsection (b).

"(b) AMOUNT OF LIABILITY.—

"(1) IN GENERAL.—Each defendant who is a teacher, shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant (determined in accordance with paragraph (2)) for the harm to the claimant with respect to which that defendant is liable. The court shall render a separate judgment against each defendant in an amount determined pursuant to the preceding sentence.

"(2) PERCENTAGE OF RESPONSIBILITY.—For purposes of determining the amount of noneconomic

loss allocated to a defendant who is a teacher under this section, the trier of fact shall determine the percentage of responsibility of that defendant for the claimant's harm.

"SEC. 15006. DEFINITIONS.

For purposes of this title:

"(1) ECONOMIC LOSS.—The term 'economic loss' means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

"(2) HARM.—The term 'harm' includes physical, nonphysical, economic, and noneconomic losses.

"(3) NONECONOMIC LOSSES.—The term 'noneconomic losses' means losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation and all other nonpecuniary losses of any kind or nature.

"(4) SCHOOL.—The term 'school' means a public or private kindergarten, a public or private elementary school or secondary school (as defined in section 14101, or a home school.

"(5) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, any other territory or possession of the United States, or any political subdivision of any such State, territory, or possession.

"(6) TEACHER.—The term 'teacher' means a teacher, instructor, principal, administrator, or other educational professional that works in a school, a local school board and any member of such board, and a local educational agency and any employee of such agency.

"SEC. 15007. EFFECTIVE DATE.

"(a) IN GENERAL.—This title shall take effect 90 days after the date of the enactment of the Student Results Act of 1999.

"(b) APPLICATION.—This title applies to any claim for harm caused by an act or omission of a teacher if that claim is filed on or after the effective date of the Student

Results Act of 1999, without regard to whether the harm that is the subject of the claim or the conduct that caused the harm occurred before such effective date.''.

TITLE IV—INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

Subtitle A—Elementary and Secondary Education Act of 1965

SEC. 401. AMENDMENTS.

Part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801 et seq.) is amended to read as follows:

"PART A—INDIAN EDUCATION

"SEC. 9101. FINDINGS.

''Congress finds that—

''(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

''(A) are based on high-quality, internationally competitive content standards and student performance standards and build on Indian culture and the Indian community;

''(B) assist local educational agencies, Indian tribes, and other entities and individuals in

providing Indian students the opportunity to achieve such standards; and

"(C) meet the unique educational and culturally related academic needs of American Indian and Alaska Native students;

"(2) since the date of the enactment of the initial Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

"(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

"(4) the dropout rate for Indian students is unacceptably high; 9 percent of Indian students who were eighth graders in 1988 had dropped out of school by 1990;

"(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

"(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

"SEC. 9102. PURPOSE.

"(a) PURPOSE.—It is the purpose of this part to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the unique educational and culturally related academic needs of American Indians and Alaska Natives, so that such students can achieve to the same challenging State performance standards expected of all other students.

"(b) PROGRAMS.—This part carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

"(1) meeting the unique educational and culturally related academic needs of American Indians and Alaska Natives;

"(2) the education of Indian children and adults;

"(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

"(4) research, evaluation, data collection, and technical assistance.

"Subpart 1—Formula Grants to Local Educational Agencies

"SEC. 9111. PURPOSE.

"It is the purpose of this subpart to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that such programs—

"(1) are based on challenging State content standards and State student performance standards that are used for all students; and

"(2) are designed to assist Indian students in meeting those standards and assist the Nation in reaching the National Education Goals.

"SEC. 9112. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

"(a) IN GENERAL.—

"(1) ENROLLMENT REQUIREMENTS.—A local educational agency shall be eligible for a grant under this subpart for any fiscal year if the number of Indian children eligible under section 9117 and who were enrolled in the schools of the agency, and to whom the agency provided free public education, during the preceding fiscal year—

"(A) was at least 10; or

"(B) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

"(2) EXCLUSION.—The requirement of paragraph (1) shall not apply in Alaska, California, or Oklahoma, or with respect to any local educational agency located on, or in proximity to, a reservation.

"(b) INDIAN TRIBES.—

"(1) IN GENERAL.—If a local educational agency that is eligible for a grant under this subpart does not establish a parent committee under section 9114(c)(4) for such grant, an Indian tribe that represents not less than one-half of the eligible Indian children who are served by such local educational agency may apply for such grant.

"(2) SPECIAL RULE.—The Secretary shall treat each Indian tribe applying for a grant pursuant to

paragraph (1) as if such Indian tribe were a local educational agency for purposes of this subpart, except that any such tribe is not subject to section 9114(c)(4), section 9118(c), or section 9119.

"SEC. 9113. AMOUNT OF GRANTS.

"(a) AMOUNT OF GRANT AWARDS.—

"(1) IN GENERAL.—Except as provided in subsection (b) and paragraph (2), the Secretary shall allocate to each local educational agency which has an approved application under this subpart an amount equal to the product of—

"(A) the number of Indian children who are eligible under section 9117 and served by such agency; and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which such agency is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) REDUCTION.—The Secretary shall reduce the amount of each allocation determined under paragraph (1) in accordance with subsection (e).

"(b) MINIMUM GRANT.—

"(1) IN GENERAL.—Notwithstanding subsection (e), a local educational agency or an Indian tribe (as authorized under section 9112(b)) that is eligible for a grant under section 9112, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (d), that submits an application that is approved by the Secretary, shall, subject to appropriations, receive a grant under this subpart in an amount that is not less than $3,000.

"(2) CONSORTIA.—Local educational agencies may form a consortium for the purpose of obtaining grants under this subpart.

"(3) INCREASE.—The Secretary may increase the minimum grant under paragraph (1) to not more than $4,000 for all grantees if the Secretary determines such increase is necessary to ensure the quality of the programs provided.

"(c) DEFINITION.—For the purpose of this section, the term 'average per-pupil expenditure of a State' means an amount equal to—

"(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without re-

gard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

"(2) the aggregate number of children who were included in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

"(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—(1) Subject to subsection (e), in addition to the grants awarded under subsection (a), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

"(A) the total number of Indian children enrolled in schools that are operated by—

"(i) the Bureau of Indian Affairs; or

"(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of that tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988; and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which the school is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) Any school described in paragraph (1)(A) that wishes to receive an allocation under this subpart shall submit an application in accordance with section 9114, and shall otherwise be treated as a local educational agency for the purpose of this subpart, except that such school shall not be subject to section 9114(c)(4), section 9118(c), or section 9119.

"(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 9162(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

"SEC. 9114. APPLICATIONS.

"(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include

a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

"(1) provides programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

"(2)(A) is consistent with State and local plans under other provisions of this Act; and

"(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards under title I;

"(3) explains how Federal, State, and local programs, especially under title I, will meet the needs of such students;

"(4) demonstrates how funds made available under this subpart will be used for activities described in section 9115;

"(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

"(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

"(B) all teachers who will be involved in programs assisted under this subpart have been properly trained to carry out such programs; and

"(6) describes how the local educational agency—

"(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this subpart, in meeting the goals described in paragraph (2);

"(B) will provide the results of each assessment referred to in subparagraph (A) to—

"(i) the committee of parents described in subsection (c)(4); and

"(ii) the community served by the local educational agency; and

"(C) is responding to findings of any previous assessments that are similar to the assessments described in subparagraph (A).

"(c) ASSURANCES.—Each application submitted under subsection (a) shall include assurances that—

"(1) the local educational agency will use funds received under this subpart only to supplement the

level of funds that, in the absence of the Federal funds made available under this subpart, such agency would make available for the education of Indian children, and not to supplant such funds;

"(2) the local educational agency will submit such reports to the Secretary, in such form and containing such information, as the Secretary may require to—

"(A) carry out the functions of the Secretary under this subpart; and

"(B) determine the extent to which funds provided to the local educational agency under this subpart are effective in improving the educational achievement of Indian students served by such agency;

"(3) the program for which assistance is sought—

"(A) is based on a comprehensive local assessment and prioritization of the unique educational and culturally related academic needs of the American Indian and Alaska Native students to whom the local educational agency is providing an education;

"(B) will use the best available talents and resources, including individuals from the Indian community; and

"(C) was developed by such agency in open consultation with parents of Indian children and teachers, and, if appropriate, Indian students from secondary schools, including public hearings held by such agency to provide the individuals described in this subparagraph a full opportunity to understand the program and to offer recommendations regarding the program; and

"(4) the local educational agency developed the program with the participation and written approval of a committee—

"(A) that is composed of, and selected by—

"(i) parents of Indian children in the local educational agency's schools and teachers; and

"(ii) if appropriate, Indian students attending secondary schools;

"(B) a majority of whose members are parents of Indian children;

"(C) that sets forth such policies and procedures, including policies and procedures relating to the hiring of personnel, as will ensure that the program for which assistance is sought will be operated and evaluated in consultation with, and with the involvement of, parents of the children, and representatives of the area, to be served;

"(D) with respect to an application describing a schoolwide program in accordance with section 9115(c), has—

"(i) reviewed in a timely fashion the program; and

"(ii) determined that the program will not diminish the availability of culturally related activities for American Indian and Alaskan Native students; and

"(E) has adopted reasonable bylaws for the conduct of the activities of the committee and abides by such bylaws.

"SEC. 9115. AUTHORIZED SERVICES AND ACTIVITIES.

"(a) GENERAL REQUIREMENTS.—Each local educational agency that receives a grant under this subpart shall use the grant funds, in a manner consistent with the

purpose specified in section 9111, for services and activities that—

"(1) are designed to carry out the comprehensive program of the local educational agency for Indian students, and described in the application of the local educational agency submitted to the Secretary under section 9114(b);

"(2) are designed with special regard for the language and cultural needs of the Indian students; and

"(3) supplement and enrich the regular school program of such agency.

"(b) PARTICULAR ACTIVITIES.—The services and activities referred to in subsection (a) may include—

"(1) culturally related activities that support the program described in the application submitted by the local educational agency;

"(2) early childhood and family programs that emphasize school readiness;

"(3) enrichment programs that focus on problem solving and cognitive skills development and directly support the attainment of challenging State content standards and State student performance standards;

"(4) integrated educational services in combination with other programs that meet the needs of Indian children and their families;

"(5) career preparation activities to enable Indian students to participate in programs such as the programs supported by the Carl D. Perkins Vocational and Technical Education Act of 1998, including programs for tech-prep, mentoring, and apprenticeship;

"(6) activities to educate individuals concerning substance abuse and to prevent substance abuse;

"(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purposes described in section 9111; and

"(8) family literacy services.

"(c) SCHOOLWIDE PROGRAMS.—Notwithstanding any other provision of law, a local educational agency may use funds made available to such agency under this subpart to support a schoolwide program under section 1114 if—

"(1) the committee composed of parents established pursuant to section 9114(c)(4) approves the use of the funds for the schoolwide program; and

"(2) the schoolwide program is consistent with the purposes described in section 9111.

"(d) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds provided to a grantee under this subpart for any fiscal year may be used for administrative purposes.

"SEC. 9116. INTEGRATION OF SERVICES AUTHORIZED.

"(a) PLAN.—An entity receiving funds under this subpart may submit a plan to the Secretary for the integration of education and related services provided to Indian students.

"(b) COORDINATION OF PROGRAMS.—Upon the receipt of an acceptable plan, the Secretary, in cooperation with each Federal agency providing grants for the provision of education and related services to the applicant, shall authorize the applicant to coordinate, in accordance with such plan, its federally funded education and related services programs, or portions thereof, serving Indian students in a manner that integrates the program services involved into a single, coordinated, comprehensive program and reduces administrative costs by consolidating administrative functions.

"(c) PROGRAMS AFFECTED.—The funds that may be consolidated in a demonstration project under any such plan referred to in subsection (b) shall include funds for any Federal program exclusively serving Indian children or the funds reserved under any program to exclusively

serve Indian children under which the applicant is eligible for receipt of funds under a statutory or administrative formula for the purposes of providing education and related services which would be used to serve Indian students.

"(d) PLAN REQUIREMENTS.—For a plan to be acceptable pursuant to subsection (b), it shall—

"(1) identify the programs or funding sources to be consolidated;

"(2) be consistent with the purposes of this section authorizing the services to be integrated in a demonstration project;

"(3) describe a comprehensive strategy which identifies the full range of potential educational opportunities and related services to be provided to assist Indian students to achieve the goals set forth in this subpart;

"(4) describe the way in which services are to be integrated and delivered and the results expected from the plan;

"(5) identify the projected expenditures under the plan in a single budget;

"(6) identify the local, State, or tribal agency or agencies to be involved in the delivery of the services integrated under the plan;

"(7) identify any statutory provisions, regulations, policies, or procedures that the applicant believes need to be waived in order to implement its plan;

"(8) set forth measures of student achievement and performance goals designed to be met within a specified period of time; and

"(9) be approved by a parent committee formed in accordance with section 9114(c)(4), if such a committee exists.

"(e) PLAN REVIEW.—Upon receipt of the plan from an eligible entity, the Secretary shall consult with the Secretary of each Federal department providing funds to be used to implement the plan, and with the entity submitting the plan. The parties so consulting shall identify any waivers of statutory requirements or of Federal departmental regulations, policies, or procedures necessary to enable the applicant to implement its plan. Notwithstanding any other provision of law, the Secretary of the affected department or departments shall have the authority to waive any regulation, policy, or procedure promulgated by that department that has been so identified by the applicant or department, unless the Secretary of the affected department determines that such a waiver is inconsistent with the intent of this subpart or those provisions of the

statute from which the program involved derives its authority which are specifically applicable to Indian students.

"(f) PLAN APPROVAL.—Within 90 days after the receipt of an applicant's plan by the Secretary, the Secretary shall inform the applicant, in writing, of the Secretary's approval or disapproval of the plan. If the plan is disapproved, the applicant shall be informed, in writing, of the reasons for the disapproval and shall be given an opportunity to amend its plan or to petition the Secretary to reconsider such disapproval.

"(g) RESPONSIBILITIES OF DEPARTMENT OF EDUCATION.—Not later than 180 days after the date of the enactment of the Student Results Act of 1999, the Secretary of Education, the Secretary of the Interior, and the head of any other Federal department or agency identified by the Secretary of Education, shall enter into an interdepartmental memorandum of agreement providing for the implementation of the demonstration projects authorized under this section. The lead agency head for a demonstration program under this section shall be—

"(1) the Secretary of the Interior, in the case of applicant meeting the definition of contract or grant school under title XI of the Education Amendments of 1978; or

"(2) the Secretary of Education, in the case of any other applicant.

"(h) RESPONSIBILITIES OF LEAD AGENCY.—The responsibilities of the lead agency shall include—

"(1) the use of a single report format related to the plan for the individual project which shall be used by an eligible entity to report on the activities undertaken under the project;

"(2) the use of a single report format related to the projected expenditures for the individual project which shall be used by an eligible entity to report on all project expenditures;

"(3) the development of a single system of Federal oversight for the project, which shall be implemented by the lead agency; and

"(4) the provision of technical assistance to an eligible entity appropriate to the project, except that an eligible entity shall have the authority to accept or reject the plan for providing such technical assistance and the technical assistance provider.

"(i) REPORT REQUIREMENTS.—A single report format shall be developed by the Secretary, consistent with the requirements of this section. Such report format, together with records maintained on the consolidated program at the local level, shall contain such information as

will allow a determination that the eligible entity has complied with the requirements incorporated in its approved plan, including the demonstration of student achievement, and will provide assurances to each Secretary that the eligible entity has complied with all directly applicable statutory requirements and with those directly applicable regulatory requirements which have not been waived.

"(j) NO REDUCTION IN AMOUNTS.—In no case shall the amount of Federal funds available to an eligible entity involved in any demonstration project be reduced as a result of the enactment of this section.

"(k) INTERAGENCY FUND TRANSFERS AUTHORIZED.—The Secretary is authorized to take such action as may be necessary to provide for an interagency transfer of funds otherwise available to an eligible entity in order to further the purposes of this section.

"(l) ADMINISTRATION OF FUNDS.—

"(1) IN GENERAL.—Program funds shall be administered in such a manner as to allow for a determination that funds from specific a program or programs are spent on allowable activities authorized under such program, except that the eligible entity shall determine the proportion of the funds granted which shall be allocated to such program.

"(2) SEPARATE RECORDS NOT REQUIRED.—Nothing in this section shall be construed as requiring the eligible entity to maintain separate records tracing any services or activities conducted under its approved plan to the individual programs under which funds were authorized, nor shall the eligible entity be required to allocate expenditures among such individual programs.

"(m) OVERAGE.—All administrative costs may be commingled and participating entities shall be entitled to the full amount of such costs (under each program or department's regulations), and no overage shall be counted for Federal audit purposes, provided that the overage is used for the purposes provided for under this section.

"(n) FISCAL ACCOUNTABILITY.—Nothing in this part shall be construed so as to interfere with the ability of the Secretary or the lead agency to fulfill the responsibilities for the safeguarding of Federal funds pursuant to the Single Audit Act of 1984.

"(o) REPORT ON STATUTORY OBSTACLES TO PROGRAM INTEGRATION.—

"(1) PRELIMINARY REPORT.—Not later than 2 years after the date of the enactment of the Student Results Act of 1999, the Secretary of Education shall submit a preliminary report to the Committee

on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives on the status of the implementation of the demonstration program authorized under this section.

"(2) FINAL REPORT.—Not later than 5 years after the date of the enactment of the Student Results Act of 1999, the Secretary of Education shall submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives on the results of the implementation of the demonstration program authorized under this section. Such report shall identify statutory barriers to the ability of participants to integrate more effectively their education and related services to Indian students in a manner consistent with the purposes of this section.

"(p) DEFINITIONS.—For the purposes of this section, the term 'Secretary' means—

"(1) the Secretary of the Interior, in the case of applicant meeting the definition of contract or grant school under title XI of the Education Amendments of 1978; or

"(2) the Secretary of Education, in the case of any other applicant.

"SEC. 9117. STUDENT ELIGIBILITY FORMS.

"(a) IN GENERAL.—The Secretary shall require that, as part of an application for a grant under this subpart, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this subpart and that otherwise meets the requirements of subsection (b).

"(b) FORMS.—

"(1) IN GENERAL.—The form described in subsection (a) shall include—

"(A) either—

"(i)(I) the name of the tribe or band of Indians (as described in section 9161(3)) with respect to which the child claims membership;

"(II) the enrollment number establishing the membership of the child (if readily available); and

"(III) the name and address of the organization that maintains updated and

accurate membership data for such tribe or band of Indians; or

"(ii) if the child is not a member of a tribe or band of Indians, the name, the enrollment number (if readily available), and the organization (and address thereof) responsible for maintaining updated and accurate membership rolls of the tribe of any parent or grandparent of the child from whom the child claims eligibility;

"(B) a statement of whether the tribe or band of Indians with respect to which the child, parent, or grandparent of the child claims membership is federally recognized;

"(C) the name and address of the parent or legal guardian of the child;

"(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

"(E) any other information that the Secretary considers necessary to provide an accurate program profile.

"(2) MINIMUM INFORMATION.—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under

section 9113, an eligibility form prepared pursuant to this section for a child shall include—

"(A) the name of the child;

"(B) the name of the tribe or band of Indians (as described in section 9161(3)) with respect to which the child claims eligibility; and

"(C) the dated signature of the parent or guardian of the child.

"(3) FAILURE.—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child for the purposes of determining the amount of a grant award made under section 9113.

"(c) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to affect a definition contained in section 9161.

"(d) FORMS AND STANDARDS OF PROOF.—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–1986 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

"(1) to establish such eligibility; and

"(2) to meet the requirements of subsection (a).

"(e) DOCUMENTATION.—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant under section 9113, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe or band. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

"(f) MONITORING AND EVALUATION REVIEW.—

"(1) IN GENERAL.—(A) For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this subpart, the Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this subpart. The sampling conducted under this subparagraph shall take into account the size of the local educational agency and the geographic location of such agency.

"(B) A local educational agency may not be held liable to the United States or be subject to any

penalty, by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

"(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

"(A) be ineligible to apply for any other grant under this part; and

"(B) be liable to the United States for any funds that have not been expended.

"(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (a) shall not be counted for the purpose of computing the amount of a grant under section 9113.

"(g) TRIBAL GRANT AND CONTRACT SCHOOLS.—Notwithstanding any other provision of this section, in awarding funds under this subpart to a tribal school that receives a grant or contract from the Bureau of Indian Affairs, the Secretary shall use only one of the following, as selected by the school:

"(1) A count of the number of students in those schools certified by the Bureau.

"(2) A count of the number of students for whom the school has eligibility forms that comply with this section.

"(h) TIMING OF CHILD COUNTS.—For purposes of determining the number of children to be counted in calculating the amount of a local educational agency's grant under this subpart (other than in the case described in subsection (g)(1)), the local educational agency shall—

"(1) establish a date on, or a period not longer than 31 consecutive days during which, the agency counts those children, so long as that date or period occurs before the deadline established by the Secretary for submitting an application under section 9114; and

"(2) determine that each such child was enrolled, and receiving a free public education, in a school of the agency on that date or during that period, as the case may be.

"SEC. 9118. PAYMENTS.

"(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this subpart the amount determined under

section 9113. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

"(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this subpart to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this subpart in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

"(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

"(1) IN GENERAL.—The Secretary may not pay a local educational agency the full amount of a grant award determined under section 9113 for any fiscal year unless the State educational agency notifies the Secretary, and the Secretary determines that, with respect to the provision of free public education by the local educational agency for the preceding fiscal year, the combined fiscal effort of the local educational agency and the State, computed on either a

per student or aggregate expenditure basis, was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

"(2) FAILURE TO MAINTAIN EFFORT.—If, for any fiscal year, the Secretary determines that a local educational agency failed to maintain the fiscal effort of such agency at the level specified in paragraph (1), the Secretary shall—

"(A) reduce the amount of the grant that would otherwise be made to such agency under this subpart in the exact proportion of such agency's failure to maintain its fiscal effort at such level; and

"(B) not use the reduced amount of the agency's expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

"(3) WAIVER.—(A) The Secretary may waive the requirement of paragraph (1), for not more than 1 year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such

as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

"(B) The Secretary shall not use the reduced amount of such agency's expenditures for the fiscal year preceding the fiscal year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

"(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this subpart, any amounts that—

"(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this subpart; or

"(2) otherwise become available for reallocation under this subpart.

"SEC. 9119. STATE EDUCATIONAL AGENCY REVIEW.

"Before submitting an application to the Secretary under section 9114, a local educational agency shall submit the application to the State educational agency, which may comment on such application. If the State educational agency comments on the application, it shall comment on

all applications submitted by local educational agencies in the State and shall provide those comments to the respective local educational agencies, with an opportunity to respond.

"Subpart 2—Special Programs and Projects To Improve Educational Opportunities for Indian Children

"SEC. 9121. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.

''(a) PURPOSE.—

''(1) IN GENERAL.—It is the purpose of this section to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

''(2) COORDINATION.—The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this subpart with—

''(A) other programs funded under this Act; and

''(B) other Federal programs operated for the benefit of American Indian and Alaska Native children.

"(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary and secondary school for Indian students, Indian institution, including an Indian institution of higher education, or a consortium of such institutions.

"(c) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

"(A) innovative programs related to the educational needs of educationally disadvantaged children;

"(B) educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in one or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

"(C) bilingual and bicultural programs and projects;

"(D) special health and nutrition services, and other related activities, that address the unique health, social, and psychological problems of Indian children;

"(E) special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation;

"(F) comprehensive guidance, counseling, and testing services;

"(G) early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

"(H) partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary school to postsecondary education;

"(I) partnership projects between schools and local businesses for career preparation programs designed to provide Indian youth with

the knowledge and skills such youth need to make an effective transition from school to a high-skill, high-wage career;

"(J) programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education;

"(K) family literacy services; or

"(L) other services that meet the purpose described in subsection (a)(1).

"(2) PROFESSIONAL DEVELOPMENT.—Professional development of teaching professionals and paraprofessional may be a part of any program assisted under this section.

"(d) GRANT REQUIREMENTS AND APPLICATIONS.—

"(1) GRANT REQUIREMENTS.—(A) The Secretary may make multiyear grants under this section for the planning, development, pilot operation, or demonstration of any activity described in subsection (c) for a period not to exceed 5 years.

"(B) In making multiyear grants under this section, the Secretary shall give priority to applications that present a plan for combining two or more of the activities described in subsection (c) over a period of more than 1 year.

"(C) The Secretary shall make a grant payment to an eligible entity after the initial year of the multiyear grant only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (2) and any subsequent modifications to such application.

"(D)(i) In addition to awarding the multiyear grants described in subparagraph (A), the Secretary may award grants to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

"(ii) The Secretary may award a dissemination grant under this subparagraph if, prior to awarding the grant, the Secretary determines that the material or program to be disseminated has been adequately reviewed and has demonstrated—

"(I) educational merit; and

"(II) the ability to be replicated.

"(2) APPLICATION.—(A) Any eligible entity that desires to receive a grant under this section shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(B) Each application submitted to the Secretary under subparagraph (A), other than an application for a dissemination grant under paragraph (1)(D), shall contain—

"(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

"(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section;

"(iii) information demonstrating that the proposed program is either a research-based program (which may be a research-based program that has been modified to be culturally appropriate for the students who will be served);

"(iv) a description of how the applicant will incorporate the proposed services into the ongoing school program once the grant period is over; and

"(v) such other assurances and information as the Secretary may reasonably require.

"(e) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds provided to a grantee under this subpart for any fiscal year may be used for administrative purposes.

"SEC. 9122. PROFESSIONAL DEVELOPMENT FOR TEACHERS AND EDUCATION PROFESSIONALS.

"(a) PURPOSES.—The purposes of this section are—

"(1) to increase the number of qualified Indian individuals in teaching or other education professions that serve Indian people;

"(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

"(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

"(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means—

"(1) an institution of higher education, including an Indian institution of higher education;

"(2) a State or local educational agency, in consortium with an institution of higher education; and

"(3) an Indian tribe or organization, in consortium with an institution of higher education.

"(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities having applications approved under this section to enable such entities to carry out the activities described in subsection (d).

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Grant funds under this section shall be used to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include but are not limited to, continuing programs, symposia, workshops, conferences, and direct financial support.

"(2) SPECIAL RULES.—(A) For education personnel, the training received pursuant to a grant under this section may be inservice or preservice training.

"(B) For individuals who are being trained to enter any field other than teaching, the training received pursuant to a grant under this section shall be in a program that results in a graduate degree.

"(e) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information, as the Secretary may reasonably require.

"(f) SPECIAL RULE.—In making grants under this section, the Secretary—

"(1) shall consider the prior performance of the eligible entity; and

"(2) may not limit eligibility to receive a grant under this section on the basis of—

"(A) the number of previous grants the Secretary has awarded such entity; or

"(B) the length of any period during which such entity received such grants.

"(g) GRANT PERIOD.—Each grant under this section shall be awarded for a period of not more than 5 years.

"(h) SERVICE OBLIGATION.—

"(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives training pursuant to a grant made under this section—

"(A) perform work—

"(i) related to the training received under this section; and

"(ii) that benefits Indian people; or

"(B) repay all or a prorated part of the assistance received.

"(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under

which a grant recipient under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

"Subpart 3—National Research Activities

"SEC. 9141. NATIONAL ACTIVITIES.

''(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 9162(b) for each fiscal year to—

''(1) conduct research related to effective approaches for the education of Indian children and adults;

''(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

''(3) collect and analyze data on the educational status and needs of Indians; and

''(4) carry out other activities that are consistent with the purpose of this part.

''(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher

education, including Indian institutions of higher education, and other public and private agencies and institutions.

"(c) COORDINATION.—Research activities supported under this section—

"(1) shall be carried out in consultation with the Office of Educational Research and Improvement to assure that such activities are coordinated with and enhance the research and development activities supported by the Office; and

"(2) may include collaborative research activities which are jointly funded and carried out by the Office of Indian Education Programs and the Office of Educational Research and Improvement.

"Subpart 4—Federal Administration

"SEC. 9151. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

"(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (hereafter in this section referred to as the 'Council'), which shall—

"(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time-to-time, by Indian tribes and organizations; and

"(2) represent different geographic areas of the United States.

"(b) DUTIES.—The Council shall—

"(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this part—

"(A) with respect to which the Secretary has jurisdiction; and

"(B)(i) that includes Indian children or adults as participants; or

"(ii) that may benefit Indian children or adults;

"(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

"(3) submit to the Congress, not later than June 30 of each year, a report on the activities of the Council, including—

"(A) any recommendations that the Council considers appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

"(B) recommendations concerning the funding of any program described in subparagraph (A).

"SEC. 9152. PEER REVIEW.

"The Secretary may use a peer review process to review applications submitted to the Secretary under subpart 2 or 3.

"SEC. 9153. PREFERENCE FOR INDIAN APPLICANTS.

"In making grants under subpart 2 or 3, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants.

"SEC. 9154. MINIMUM GRANT CRITERIA.

"The Secretary may not approve an application for a grant under subpart 2 unless the application is for a grant that is—

"(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant; and

"(2) based on relevant research findings.

"Subpart 5—Definitions; Authorizations of Appropriations

"SEC. 9161. DEFINITIONS.

"For the purposes of this part:

"(1) ADULT.—The term 'adult' means an individual who—

"(A) has attained the age of 16 years; or

"(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

"(2) FREE PUBLIC EDUCATION.—The term 'free public education' means education that is—

"(A) provided at public expense, under public supervision and direction, and without tuition charge; and

"(B) provided as elementary or secondary education in the applicable State or to preschool children.

"(3) INDIAN.—The term 'Indian' means an individual who is—

"(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

"(i) any tribe or band terminated since 1940; and

"(ii) any tribe or band recognized by the State in which the tribe or band resides;

"(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

"(C) considered by the Secretary of the Interior to be an Indian for any purpose;

"(D) an Eskimo, Aleut, or other Alaska Native; or

"(E) a member of an organized Indian group that received a grant under the Indian Education Act of 1988 as it was in effect the day preceding the date of the enactment of the Improving America's Schools Act of 1994.

"SEC. 9162. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) SUBPART 1.—For the purpose of carrying out subpart 1 of this part, there are authorized to be appropriated $62,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 through 2004.

"(b) SUBPARTS 2 AND 3.—For the purpose of carrying out subparts 2 and 3 of this part, there are authorized to be appropriated $4,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 through 2004.".

PART B—NATIVE HAWAIIAN EDUCATION

SEC. 402. NATIVE HAWAIIAN EDUCATION.

Part B of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7901 et seq.) is repealed.

PART C—ALASKA NATIVE EDUCATION

SEC. 403. ALASKA NATIVE EDUCATION.

Part C of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7931 et seq.) is amended—

(1) by repealing sections 9304 through 9306 and inserting the following:

"SEC. 9304. PROGRAM AUTHORIZED.

"(a) GENERAL AUTHORITY.—

"(1) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to, or enter into contracts with, Alaska Native organizations, educational entities with experience in developing or operating Alaska Native programs or programs of instruction conducted in Alaska Native languages, and consortia of such organizations and entities to carry out programs that meet the purpose of this part.

"(2) PERMISSIBLE ACTIVITIES.—Programs under this part may include—

"(A) the development and implementation of plans, methods, and strategies to improve the education of Alaska Natives;

"(B) the development of curricula and educational programs that address the educational needs of Alaska Native students, including—

"(i) curriculum materials that reflect the cultural diversity or the contributions of Alaska Natives;

"(ii) instructional programs that make use of Native Alaskan languages; and

"(iii) networks that introduce successful programs, materials, and techniques to urban and rural schools;

"(C) professional development activities for educators, including—

"(i) programs to prepare teachers to address the cultural diversity and unique needs of Alaska Native students;

"(ii) in-service programs to improve the ability of teachers to meet the unique needs of Alaska Native students; and

"(iii) recruiting and preparing teachers who are Alaska Natives, reside in communities with high concentrations of Alas-

ka Native students, or are likely to succeed as teachers in isolated, rural communities and engage in cross-cultural instruction;

"(D) the development and operation of home instruction programs for Alaska Native preschool children, the purpose of which is to ensure the active involvement of parents in their children's education from the earliest ages;

"(E) family Literacy Services;

"(F) the development and operation of student enrichment programs in science and mathematics that—

"(i) are designed to prepare Alaska Native students from rural areas, who are preparing to enter high school, to excel in science and math; and

"(ii) provide appropriate support services to the families of such students that are needed to enable such students to benefit from the program;

"(G) research and data collection activities to determine the educational status and needs of Alaska Native children and adults;

"(H) other research and evaluation activities related to programs under this part; and

"(I) other activities, consistent with the purposes of this part, to meet the educational needs of Alaska Native children and adults.

"(3) HOME INSTRUCTION PROGRAMS.—Home instruction programs for Alaska Native preschool children under paragraph (2)(D) may include—

"(A) programs for parents and their infants, from prenatal through age three;

"(B) preschool programs; and

"(C) training, education, and support for parents in such areas as reading readiness, observation, story-telling, and critical thinking.—

"(b) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of funds provided to a grantee under this section for any fiscal year may be used for administrative purposes.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 through 2004 to carry out this part.";

(2) in section 9307—

(A) by amending subsection (b) to read as follows:

"(b) APPLICATIONS.—State and local educational agencies may apply for an award under this part only as part of a consortium involving an Alaska Native organization. This consortium may include other eligible applicants.";

(B) by amending subsection (d) to read as follows:

"(d) LOCAL EDUCATIONAL AGENCY COORDINATION.—Each applicant for an award under this part shall inform each local educational agency serving students who would participate in the project about its application."; and

(C) by striking subsection (e); and

(3) by redesignating sections 9307 and 9308 as sections 9305 and 9306, respectively.

Subtitle B—Amendments to the Education Amendments of 1978

SEC. 410. AMENDMENTS TO THE EDUCATIONS AMENDMENTS OF 1978.

Part B of title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) is amended to read as follows:

"PART B—BUREAU OF INDIAN AFFAIRS PROGRAMS

"SEC. 1120. FINDING AND POLICY.

''(a) FINDING.—Congress finds and recognizes that the Federal Government has the sole responsibility for the operation and financial support of the Bureau of Indian Affairs funded school system that it has established on or near Indian reservations and Indian trust lands throughout the Nation for Indian children.

''(b) POLICY.—It is the policy of the United States to work in full cooperation with Indian tribes toward the goal of assuring that the programs of the Bureau of Indian Affairs funded school system are of the highest quality and meet the unique educational and cultural needs of Indian children.

"SEC. 1121. ACCREDITATION AND STANDARDS FOR THE BASIC EDUCATION OF INDIAN CHILDREN IN BUREAU OF INDIAN AFFAIRS SCHOOLS.

''(a) PURPOSE; DECLARATIONS OF PURPOSES.—

''(1) PURPOSE.—The purpose of the standards implemented under this section shall be to afford Indian students being served by a school funded by the Bureau of Indian Affairs the same opportunities as all other students in the United States to achieve the same challenging State performance standards expected of all students.

"(2) DECLARATIONS OF PURPOSES.—Local school boards for schools operated by the Bureau of Indian Affairs, in cooperation and consultation with their tribal governing bodies and their communities, are encouraged to adopt declarations of purposes of education for their communities taking into account the implications of such purposes on education in their communities and for their schools. In adopting such declarations of purpose, the school boards shall consider the effect those declarations may have on the motivation of students and faculties. Such declarations shall represent the aspirations of the community for the kinds of people the community would like its children to become, and shall include assurances that all learners will become accomplished in things and ways important to them and respected by their parents and communities, shaping worthwhile and satisfying lives for themselves, exemplifying the best values of the community and humankind, and becoming increasingly effective in shaping the character and quality of the world all learners share. These declarations of purpose shall influence the standards for accreditation to be accepted by the schools.

"(b) STUDIES AND SURVEYS RELATING TO STANDARDS.—Not later than 1 year after the date of the enactment of the Student Results Act of 1999, the Secretary, in consultation with the Secretary of Education, consortia of education organizations, and Indian organizations and tribes, and making the fullest use possible of other existing studies, surveys, and plans, shall carry out by contract with an Indian organization, studies and surveys to establish and revise standards for the basic education of Indian children attending Bureau funded schools. Such studies and surveys shall take into account factors such as academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

"(c) REVISION OF MINIMUM ACADEMIC STANDARDS.—

"(1) IN GENERAL.—Not later than 2 years after the date of the enactment of the Student Results Act of 1999, the Secretary shall—

"(A) propose revisions to the minimum academic standards published in the Federal Register on September 9, 1995 (50 Fed. Reg. 174) for the basic education of Indian children

attending Bureau funded schools in accordance with the purpose described in subsection (a) and the findings of the studies and surveys conducted under subsection (b);

"(B) publish such proposed revisions to such standards in the Federal Register for the purpose of receiving comments from the tribes, tribal school boards, Bureau funded schools, and other interested parties; and

"(C) consistent with the provisions of this section and section 1131, take such actions as are necessary to coordinate standards implemented under this section with the Comprehensive School Reform Plan developed by the Bureau and—

"(i) with the standards of the improvement plans for the States in which any school operated by the Bureau of Indian Affairs is located; or

"(ii) in the case where schools operated by the Bureau are within the boundaries of reservation land of one tribe but within the boundaries of more than one State, with the standards of the State im-

provement plan of one such State selected by the tribe.

"(2) FURTHER REVISIONS.—Not later that 6 months after the close of the comment period, the Secretary shall establish final standards, distribute such standards to all tribes and publish such final standards in the Federal Register. The Secretary shall revise such standards periodically as necessary. Prior to any revision of such final standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(3) APPLICABILITY OF STANDARDS.—Except as provided in subsection (e), the final standards published under paragraph (2) shall apply to all Bureau funded schools not accredited under subsection (f), and may also serve as a model for educational programs for Indian children in public schools.

"(4) CONSIDERATIONS WHEN ESTABLISHING AND REVISING STANDARDS.—In establishing and revising such standards, the Secretary shall take into account the unique needs of Indian students and

support and reinforcement of the specific cultural heritage of each tribe.

"(d) ALTERNATIVE OR MODIFIED STANDARDS.—The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (c), where necessary, so that the programs of each school are in compliance with the minimum accreditation standards required for schools in the State or region where the school is located.

"(e) WAIVER OF STANDARDS; ALTERNATIVE STANDARDS.—A tribal governing body, or the local school board so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsection (c) and (d) if such standards are deemed by such body to be inappropriate. The tribal governing body or designated school board shall, not later than 60 days after a waiver under this subsection, submit to the Secretary a proposal for alternative standards that take into account the specific needs of the tribe's children. Such alternative standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and not subject to review.

"(f) ACCREDITATION AND IMPLEMENTATION OF STANDARDS.—

"(1) DEADLINE FOR MEETING STANDARDS.—Not later the second academic year after publication of the standards, to the extent necessary funding is provided, all Bureau funded schools shall meet the standards established under subsections (c) and (d) or shall be accredited—

"(A) by a tribal accrediting body, if the accreditation standards of the tribal accrediting body have been accepted by formal action of the tribal governing body and are equal to or exceed the accreditation standards of the State or region in which the school is located;

"(B) by a regional accreditation agency; or

"(C) by State accreditation standards for the State in which it is located.

"(2) DETERMINATION OF STANDARDS TO BE APPLIED.—The accreditation type or standards applied for each school shall be determined by the school board of the school, in consultation with the Administrator of the school, provided that in the case where the School Board and the Administrator fail to agree on the type of accreditation and standards to apply, the decision of the school board with

the approval of the tribal governing body shall be final.

"(3) ASSISTANCE TO SCHOOL BOARDS.—The Secretary, through contracts and grants, shall assist school boards of contract or grant schools in implementation of the standards established under subsections (c) and (d), if the school boards request that such standards, in part or in whole, be implemented.

"(4) FISCAL CONTROL AND FUND ACCOUNTING STANDARDS.—The Bureau shall, either directly or through contract with an Indian organization, establish a consistent system of reporting standards for fiscal control and fund accounting for all contract and grant schools. Such standards shall provide data comparable to those used by Bureau operated schools.

"(g) ANNUAL PLAN FOR MEETING OF STANDARDS.—Except as provided in subsections (e) and (f), the Secretary shall begin to implement the standards established under this section immediately upon the date of their establishment. On an annual basis, the Secretary shall submit to the appropriate committees of Congress, all Bureau funded schools, and the tribal governing bodies of such schools a detailed plan to bring all Bureau schools

and contract or grant schools up to the level required by the applicable standards established under this section. Such plan shall include detailed information on the status of each school's educational program in relation to the applicable standards established under this section, specific cost estimates for meeting such standards at each school and specific timelines for bringing each school up to the level required by such standards.

"(h) CLOSURE OR CONSOLIDATION OF SCHOOLS.—

"(1) IN GENERAL.—Except as specifically required by statute, no school or peripheral dormitory operated by the Bureau on or after January 1, 1992, may be closed or consolidated or have its program substantially curtailed unless done according to the requirements of this subsection.

"(2) EXCEPTIONS.—This subsection shall not apply—

"(A) in those cases where the tribal governing body, or the local school board concerned (if so designated by the tribal governing body), requests closure or consolidation; or

"(B) when a temporary closure, consolidation, or substantial curtailment is required by plant conditions which constitute an immediate hazard to health and safety.

"(3) REGULATIONS.—The Secretary shall, by regulation, promulgate standards and procedures for the closure, transfer to another authority, consolidation, or substantial curtailment of Bureau schools, in accordance with the requirements of this subsection.

"(4) NOTICE.—Whenever closure, transfer to another authority, consolidation, or substantial curtailment of a school is under active consideration or review by any division of the Bureau or the Department of the Interior, the affected tribe, tribal governing body, and designated local school board, will be notified immediately, kept fully and currently informed, and afforded an opportunity to comment with respect to such consideration or review. When a formal decision is made to close, transfer to another authority, consolidate, or substantially curtail a school, the affected tribe, tribal governing body, and designated school board shall be notified at least 6 months prior to the end of the school year preceding the proposed closure date. Copies of any such notices and information shall be transmitted promptly to the appropriate committees of Congress and published in the Federal Register.

"(5) REPORT.—The Secretary shall make a report to the appropriate committees of Congress, the

affected tribe, and the designated school board describing the process of the active consideration or review referred to in paragraph (4). The report shall include a study of the impact of such action on the student population, identify those students with particular educational and social needs, and ensure that alternative services are available to such students. Such report shall include the description of the consultation conducted between the potential service provider, current service provider, parents, tribal representatives and the tribe or tribes involved, and the Director of the Office of Indian Education Programs within the Bureau regarding such students.

"(6) LIMITATION ON CERTAIN ACTIONS.—No irrevocable action may be taken in furtherance of any such proposed school closure, transfer to another authority, consolidation or substantial curtailment (including any action which would prejudice the personnel or programs of such school) prior to the end of the first full academic year after such report is made.

"(7) TRIBAL GOVERNING BODY APPROVAL REQUIRED FOR CERTAIN ACTIONS.—The Secretary may terminate, contract, transfer to any other authority,

consolidate, or substantially curtail the operation or facilities of—

"(A) any Bureau funded school that is operated on or after of January 1, 1999;

"(B) any program of such a school that is operated on or after January 1, 1999; or

"(C) any school board of a school operated under a grant under the Tribally Controlled Schools Act of 1988,

only if the tribal governing body approves such action.

"(i) APPLICATION FOR CONTRACTS OR GRANTS FOR NON-BUREAU FUNDED SCHOOLS OR EXPANSION OF BUREAU FUNDED SCHOOLS.—

"(1) IN GENERAL.—(A)(i) The Secretary shall only consider the factors described in subparagraph (B) in reviewing—

"(I) applications from any tribe for the awarding of a contract or grant for a school that is not a Bureau funded school; and

"(II) applications from any tribe or school board of any Bureau funded school for—

"(aa) a school which is not a Bureau funded school; or

"(bb) the expansion of a Bureau funded school which would increase the amount of funds received by the Indian tribe or school board under section 1127.

"(ii) With respect to applications described in this subparagraph, the Secretary shall give consideration to all the factors described in subparagraph (B), but no such application shall be denied based primarily upon the geographic proximity of comparable public education.

"(B) With respect to applications described in subparagraph (A) the Secretary shall consider the following factors relating to the program and services that are the subject of the application:

"(i) The adequacy of the facilities or the potential to obtain or provide adequate facilities.

"(ii) Geographic and demographic factors in the affected areas.

"(iii) The adequacy of the applicant's program plans or, in the case of a Bureau funded school, of projected needs analysis done either by the tribe or the Bureau.

"(iv) Geographic proximity of comparable public education.

"(v) The stated needs of all affected parties, including students, families, tribal governments at both the central and local levels, and school organizations.

"(vi) Adequacy and comparability of programs already available.

"(vii) Consistency of available programs with tribal educational codes or tribal legislation on education.

"(viii) The history and success of these services for the proposed population to be served, as determined from all factors, including but not limited to standardized examination performance.

"(2) DETERMINATION ON APPLICATION.—(A) The Secretary shall make a determination of whether to approve any application described in paragraph (1)(A) not later than 180 days after such application is submitted to the Secretary.

"(B) If the Secretary fails to make the determination with respect to an application by the date described in subparagraph (A), the application shall be treated a having been approved by the Secretary.

"(3) REQUIREMENTS FOR APPLICATIONS.—(A) Notwithstanding paragraph (2)(B), an application

described in paragraph (1)(A) may be approved by the Secretary only if—

"(i) the application has been approved by the tribal governing body of the students served by (or to be served by) the school or program that is the subject of the application; and

"(ii) written evidence of such approval is submitted with the application.

"(B) Each application described in paragraph (1)(A) shall provide information concerning each of the factors described in paragraph (1)(B).

"(4) DENIAL OF APPLICATIONS.—Whenever the Secretary makes a determination to deny approval of any application described in paragraph (1)(A), the Secretary shall—

"(A) state the objections in writing to the applicant not later 180 days after the application is submitted to the Secretary;

"(B) provide assistance to the applicant to overcome stated objections; and

"(C) provide the applicant a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act and an opportunity to appeal the objections raised by the Secretary.

"(5) EFFECTIVE DATE OF A SUBJECT APPLICATION.—(A) Except as otherwise provided in this paragraph, the action which is the subject of any application described in paragraph (1)(A) that is approved by the Secretary shall become effective at the beginning of the academic year following the fiscal year in which the application is approved, or at an earlier date determined by the Secretary.

"(B) If an application is treated as having been approved by the Secretary under paragraph (2)(B), the action that is the subject of the application shall become effective on the date that is 18 months after the date on which the application is submitted to the Secretary, or at an earlier date determined by the Secretary.

"(6) STATUTORY CONSTRUCTION.—Nothing in this section shall be read so as to preclude the expansion of grades and related facilities at a Bureau funded school where such expansion and the maintenance of such expansion is occasioned or paid for with non-Bureau funds.

"(j) GENERAL USE OF FUNDS.—Funds received by Bureau funded schools from the Bureau of Indian Affairs and under any program from the Department of Education or any other Federal agency for the purpose of pro-

viding education or related services may be used for schoolwide projects to improve the educational program for all Indian students.

"(k) STUDY ON ADEQUACY OF FUNDS AND FORMULAS.—The Comptroller General shall conduct a study, in consultation with Indian tribes and local school boards, to determine the adequacy of funding, and formulas used by the Bureau to determine funding, for programs operated by Bureau funded schools, taking into account unique circumstances applicable to Bureau funded schools, as well as expenditures for comparable purposes in public schools nationally. Upon completion of the study, the Secretary of the Interior shall take such action as necessary to ensure distribution of the findings of the study to all affected Indian tribes, local school boards, and associations of local school boards.

"SEC. 1122. NATIONAL CRITERIA FOR HOME LIVING SITUATIONS.

"(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Education, Indian organizations and tribes, and Bureau funded schools, shall revise the national standards for home-living (dormitory) situations to include such factors as heating, lighting, cooling, adult-child ratios, needs for counselors (including special needs related to off-reservation home-living (dormitory) situa-

tions), therapeutic programs, space, and privacy. Such standards shall be implemented in Bureau operated schools, and shall serve as minimum standards for contract or grant schools. Once established, any revisions of such standards shall be developed according to the requirements established under section 1138A.

"(b) IMPLEMENTATION.—The Secretary shall implement the revised standards established under this section immediately upon their completion.

"(c) PLAN.—At the time of each annual budget submission for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress, the tribes, and the affected schools, and publish in the Federal Register, a detailed plan to bring all Bureau funded schools that provide home-living (dormitory) situations up to the standards established under this section. Such plan shall include a statement of the relative needs of each Bureau funded home-living (dormitory) school, projected future needs of each Bureau funded home-living (dormitory) school, detailed information on the status of each school in relation to the standards established under this section, specific cost estimates for meeting each standard for each such school, aggregate cost estimates for bringing all such schools into compliance with the criteria established under this section, and

specific timelines for bringing each school into compliance with such standards.

"(d) WAIVER.—The criteria established under this section may be waived in the same manner as the standards provided under section 1121(c) may be waived.

"(e) CLOSURE FOR FAILURE TO MEET STANDARDS PROHIBITED.—No school in operation on or before January 1, 1987 (regardless of compliance or noncompliance with the criteria established under this section), may be closed, transferred to another authority, consolidated, or have its program substantially curtailed for failure to meet the criteria.

"SEC. 1123. CODIFICATION OF REGULATIONS.

"(a) PART 32 OF TITLE 25 OF CODE OF FEDERAL REGULATIONS.—The provisions of part 32 of title 25 of the Code of Federal Regulations, as in effect on January 1, 1987, are incorporated into this Act and shall be treated as though such provisions are set forth in this subsection. Such provisions may be altered only by means of an Act of Congress. To the extent that such provisions of part 32 do not conform with this Act or any statutory provision of law enacted before November 1, 1978, the provisions of this Act and the provisions of such other statutory law shall govern.

"(b) REGULATION DEFINED.—For purposes of this part, the term 'regulation' means any rules, regulations, guidelines, interpretations, orders, or requirements of general applicability prescribed by any officer or employee of the executive branch.

"SEC. 1124. SCHOOL BOUNDARIES.

"(a) ESTABLISHMENT BY SECRETARY.—The Secretary shall establish, by regulation, separate geographical attendance areas for each Bureau funded school.

"(b) ESTABLISHMENT BY TRIBAL BODY.——In any case where there is more than one Bureau funded school located on an Indian reservation, at the direction of the tribal governing body, the relevant school boards of the Bureau funded schools on the reservation may, by mutual consent, establish the relevant attendance areas for such schools, subject to the approval of the tribal governing body. Any such boundaries so established shall be accepted by the Secretary.

"(c) BOUNDARY REVISIONS.—

"(1) IN GENERAL.—On or after July 1, 1999, no geographical attendance area shall be revised or established with respect to any Bureau funded school unless the tribal governing body or the local school board concerned (if so designated by the tribal governing body) has been afforded—

"(A) at least 6 months notice of the intention of the Bureau to revise or establish such attendance area; and

"(B) the opportunity to propose alternative boundaries.

Any tribe may petition the Secretary for revision of existing attendance area boundaries. The Secretary shall accept such proposed alternative or revised boundaries unless the Secretary finds, after consultation with the affected tribe or tribes, that such revised boundaries do not reflect the needs of the Indian students to be served or do not provide adequate stability to all of the affected programs. The Secretary shall cause such revisions to be published in the Federal Register.

"(2) TRIBAL RESOLUTION DETERMINATION.—Nothing in this section shall be interpreted as denying a tribal governing body the authority, on a continuing basis, to adopt a tribal resolution allowing parents the choice of the Bureau funded school their children may attend, regardless of the attendance boundaries established under this section.

"(d) FUNDING RESTRICTIONS.—The Secretary shall not deny funding to a Bureau funded school for any eligible Indian student attending the school solely because that

student's home or domicile is outside of the geographical attendance area established for that school under this section. No funding shall be made available without tribal authorization to enable a school to provide transportation for any student to or from the school and a location outside the approved attendance area of the school.

"(e) RESERVATION AS BOUNDARY.—In any case where there is only one Bureau funded program located on an Indian reservation, the attendance area for the program shall be the boundaries (established by treaty, agreement, legislation, court decisions, or executive decisions and as accepted by the tribe) of the reservation served, and those students residing near the reservation shall also receive services from such program.

"(f) OFF-RESERVATION HOME-LIVING (DORMITORY) SCHOOLS.—Notwithstanding any geographical attendance areas, attendance at off-reservation home-living (dormitory) schools shall include students requiring special emphasis programs to be implemented at each off-reservation home-living (dormitory) school. Such attendance shall be coordinated between education line officers, the family, and the referring and receiving programs.

"SEC. 1125. FACILITIES CONSTRUCTION.

"(a) COMPLIANCE WITH HEALTH AND SAFETY STANDARDS.—The Secretary shall immediately begin to

bring all schools, dormitories, and other Indian education-related facilities operated by the Bureau or under contract or grant with the Bureau into compliance with all applicable tribal, Federal, or State health and safety standards, whichever provides greater protection (except that the tribal standards to be applied shall be no greater than any otherwise applicable Federal or State standards), with section 504 of the Rehabilitation Act of 1973, and with the Americans with Disabilities Act of 1990. Nothing in this section shall require termination of the operations of any facility which does not comply with such provisions and which is in use on the date of the enactment of the Student Results Act of 1999.

''(b) COMPLIANCE PLAN.—At the time that the annual budget request for Bureau educational services is presented, the Secretary shall submit to the appropriate committees of Congress a detailed plan to bring all facilities covered under subsection (a) of this section into compliance with the standards referred to in subsection (a). Such plan shall include detailed information on the status of each facility's compliance with such standards, specific cost estimates for meeting such standards at each school, and specific timelines for bringing each school into compliance with such standards.

''(c) CONSTRUCTION PRIORITIES.—

"(1) SYSTEM TO ESTABLISH PRIORITIES.—On an annual basis the Secretary shall submit to the appropriate committees of Congress and cause to be published in the Federal Register, the system used to establish priorities for replacement and construction projects for Bureau funded schools and home-living schools, including boarding schools and dormitories. At the time any budget request for education is presented, the Secretary shall publish in the Federal Register and submit with the budget request the current list of all Bureau funded school construction priorities.

"(2) LONG-TERM CONSTRUCTION AND REPLACEMENT LIST.—In addition to the plan submitted under subsection (b), the Secretary shall—

"(A) not later than 18 months after the date of the enactment of the Student Results Act of 1999, establish a long-term construction and replacement list for all Bureau funded schools;

"(B) using the list prepared under subparagraph (A), propose a list for the orderly replacement of all Bureau funded education-related facilities over a period of 40 years to en-

able planning and scheduling of budget requests;

"(C) cause the list prepared under subsection (B) to be published in the Federal Register and allow a period of not less than 120 days for public comment;

"(D) make such revisions to the list prepared under subparagraph (B) as are appropriate based on the comments received; and

"(E) cause the final list to be published in the Federal Register.

"(3) EFFECT ON OTHER LIST.—Nothing in this section shall be construed as interfering with or changing in any way the construction priority list as it exists on the date of the enactment of the Student Results Act of 1999.

"(d) HAZARDOUS CONDITION AT BUREAU SCHOOL.—

"(1) CLOSURE OR CONSOLIDATION.—A Bureau funded school may be closed or consolidated, and the programs of a Bureau funded school may be substantially curtailed by reason of plant conditions that constitute an immediate hazard to health and safety only if a health and safety officer of the Bu-

reau determines that such conditions exist at the Bureau funded school.

"(2) INSPECTION.—(A) After making a determination described in paragraph (1), the Bureau health and safety officer shall conduct an inspection of the condition of such plant accompanied by an appropriate tribal, county, municipal, or State health and safety officer in order to determine whether conditions at such plant constitute an immediate hazard to health and safety. Such inspection shall be completed by not later than the date that is 30 days after the date on which the action described in paragraph (1) is taken. No further negative action may be taken unless the findings are concurred in by the second, non-Bureau of Indian Affairs inspector.

"(B) If the health and safety officer conducting the inspection of a plant required under subparagraph (A) determines that conditions at the plant do not constitute an immediate hazard to health and safety, any consolidation or curtailment that was made under paragraph (1) shall immediately cease and any school closed by reason of conditions at the plant shall be reopened immediately.

"(C) If a Bureau funded school is temporarily closed or consolidated or the programs of a Bureau

funded school are substantially curtailed under this subsection and the Secretary determines that the closure, consolidation, or curtailment will exceed 1 year, the Secretary shall submit to the Congress, by not later than 6 months after the date on which the closure, consolidation, or curtailment was initiated, a report which sets forth the reasons for such temporary actions, the actions the Secretary is taking to eliminate the conditions that constitute the hazard, and an estimated date by which such actions will be concluded.

''(e) FUNDING REQUIREMENT.—

''(1) DISTRIBUTION OF FUNDS.—Beginning with the fiscal year following the year of the date of the enactment of the Student Results Act of 1999, all funds appropriated for the operations and maintenance of Bureau funded schools shall be distributed by formula to the schools. No funds from this account may be retained or segregated by the Bureau to pay for administrative or other costs of any facilities branch or office, at any level of the Bureau.

''(2) REQUIREMENTS FOR CERTAIN USES.—No funds shall be withheld from the distribution to the budget of any school operated under contract or grant by the Bureau for maintenance or any other

facilities or road related purpose, unless such school has consented, as a modification to the contract or in writing for grants schools, to the withholding of such funds, including the amount thereof, the purpose for which the funds will be used, and the timeline for the services to be provided. The school may, at the end of any fiscal year, cancel an agreement under this paragraph upon giving the Bureau 30 days notice of its intent to do so.

''(f) NO REDUCTION IN FEDERAL FUNDING.—Nothing in this section shall be construed to diminish any Federal funding due to the receipt by the school of funding for facilities improvement or construction from a State or any other source.

"SEC. 1126. BUREAU OF INDIAN AFFAIRS EDUCATION FUNCTIONS.

''(a) FORMULATION AND ESTABLISHMENT OF POLICY AND PROCEDURE; SUPERVISION OF PROGRAMS AND EXPENDITURES.—The Secretary shall vest in the Assistant Secretary for Indian Affairs all functions with respect to formulation and establishment of policy and procedure and supervision of programs and expenditures of Federal funds for the purpose of Indian education administered by the Bureau. The Assistant Secretary shall carry out

such functions through the Director of the Office of Indian Education Programs.

"(b) DIRECTION AND SUPERVISION OF PERSONNEL OPERATIONS.—Not later than 6 months after the date of the enactment of the Student Results Act of 1999, the Director of the Office of Indian Education Programs shall direct and supervise the operations of all personnel directly and substantially involved in the provision of education services by the Bureau, including school or institution custodial or maintenance personnel, facilities management, contracting, procurement, and finance personnel. The Assistant Secretary for Indian Affairs shall coordinate the transfer of functions relating to procurement, contracts, operation, and maintenance of schools and other support functions to the Director.

"(c) EVALUATION OF PROGRAMS; SERVICES AND SUPPORT FUNCTIONS; TECHNICAL AND COORDINATING ASSISTANCE.—Education personnel who are under the direction and supervision of the Director of the Office of Indian Education Programs in accordance with the first sentence of subsection (b) shall—

"(1) monitor and evaluate Bureau education programs;

"(2) provide all services and support functions for education programs with respect to personnel matters involving staffing actions and functions; and

"(3) provide technical and coordinating assistance in areas such as procurement, contracting, budgeting, personnel, curriculum, and operation and maintenance of school facilities.

"(d) CONSTRUCTION, IMPROVEMENT, OPERATION, AND MAINTENANCE OF FACILITIES.—

"(1) PLAN FOR CONSTRUCTION.—The Assistant Secretary shall submit in the annual budget a plan—

"(A) for school facilities to be constructed under section 1125(c);

"(B) for establishing priorities among projects and for the improvement and repair of educational facilities, which together shall form the basis for the distribution of appropriated funds; and

"(C) for capital improvements to be made over the five succeeding years.

"(2) PROGRAM FOR OPERATION AND MAINTENANCE.—

"(A) IN GENERAL.—The Assistant Secretary shall establish a program, including the

distribution of appropriated funds, for the operation and maintenance of education facilities. Such program shall include—

"(i) a method of computing the amount necessary for each educational facility;

"(ii) similar treatment of all Bureau funded schools;

"(iii) a notice of an allocation of appropriated funds from the Director of the Office of Indian Education Programs directly to the education line officers and appropriate school officials;

"(iv) a method for determining the need for, and priority of, facilities repair and maintenance projects, both major and minor. In making such determination, the Assistant Secretary shall cause to be conducted a series of meetings at the agency and area level with representatives of the Bureau funded schools in those areas and agencies to receive comment on the lists and prioritization of such projects; and

"(v) a system for the conduct of routine preventive maintenance.

"(B) The appropriate education line officers shall make arrangements for the maintenance of education facilities with the local supervisors of the Bureau maintenance personnel. The local supervisors of Bureau maintenance personnel shall take appropriate action to implement the decisions made by the appropriate education line officers, except that no funds under this chapter may be authorized for expenditure unless such appropriate education line officer is assured that the necessary maintenance has been, or will be, provided in a reasonable manner.

"(3) IMPLEMENTATION.—The requirements of this subsection shall be implemented as soon as practicable after the date of the enactment of the Student Results Act of 1999.

"(e) ACCEPTANCE OF GIFTS AND BEQUESTS.—Notwithstanding any other provision of law, the Director shall promulgate guidelines for the establishment of mechanisms for the acceptance of gifts and bequests for the use and benefit of particular schools or designated Bureau operated education programs, including, where appropriate, the establishment and administration of trust funds. When a Bureau operated program is the beneficiary of

such a gift or bequest, the Director shall make provisions for monitoring its use and shall report to the appropriate committees of Congress the amount and terms of such gift or bequest, the manner in which such gift or bequest shall be used, and any results achieved by such action.

''(f) FUNCTIONS CLARIFIED.—For the purpose of this section, the term 'functions' includes powers and duties.

"SEC. 1127. ALLOTMENT FORMULA.

''(a) FACTORS CONSIDERED; REVISION TO REFLECT STANDARDS.—

''(1) FORMULA.—The Secretary shall establish, by regulation adopted in accordance with section 1138A, a formula for determining the minimum annual amount of funds necessary to sustain each Bureau funded school. In establishing such formula, the Secretary shall consider—

''(A) the number of eligible Indian students served and total student population of the school;

''(B) special cost factors, such as—

''(i) the isolation of the school;

''(ii) the need for special staffing, transportation, or educational programs;

''(iii) food and housing costs;

"(iv) maintenance and repair costs associated with the physical condition of the educational facilities;

"(v) special transportation and other costs of isolated and small schools;

"(vi) the costs of home-living (dormitory) arrangements, where determined necessary by a tribal governing body or designated school board;

"(vii) costs associated with greater lengths of service by education personnel;

"(viii) the costs of therapeutic programs for students requiring such programs; and

"(ix) special costs for gifted and talented students;

"(C) the cost of providing academic services which are at least equivalent to those provided by public schools in the State in which the school is located; and

"(D) such other relevant factors as the Secretary determines are appropriate.

"(2) REVISION OF FORMULA.—Upon the establishment of the standards required in sections 1121 and 1122, the Secretary shall revise the formula es-

tablished under this subsection to reflect the cost of funding such standards. Not later than January 1, 2001, the Secretary shall review the formula established under this section and shall take such steps as are necessary to increase the availability of counseling and therapeutic programs for students in off-reservation home-living (dormitory) schools and other Bureau operated residential facilities. Concurrent with such action, the Secretary shall review the standards established under section 1122 to be certain that adequate provision is made for parental notification regarding, and consent for, such counseling and therapeutic programs.

''(b) PRO RATA ALLOTMENT.—Notwithstanding any other provision of law, Federal funds appropriated for the general local operation of Bureau funded schools shall be allotted pro rata in accordance with the formula established under subsection (a).

''(c) ANNUAL ADJUSTMENT; RESERVATION OF AMOUNT FOR SCHOOL BOARD ACTIVITIES.—

''(1) ANNUAL ADJUSTMENT.—For fiscal year 2001, and for each subsequent fiscal year, the Secretary shall adjust the formula established under subsection (a) to—

"(A) use a weighted unit of 1.2 for each eligible Indian student enrolled in the seventh and eighth grades of the school in considering the number of eligible Indian students served by the school;

"(B) consider a school with an enrollment of less than 50 eligible Indian students as having an average daily attendance of 50 eligible Indian students for purposes of implementing the adjustment factor for small schools;

"(C) take into account the provision of residential services on less than a 9-month basis at a school when the school board and supervisor of the school determine that a less than 9-month basis will be implemented for the school year involved;

"(D) use a weighted unit of 2.0 for each eligible Indian student that—

"(i) is gifted and talented; and

"(ii) is enrolled in the school on a full-time basis,

in considering the number of eligible Indian students served by the school; and

"(E) use a weighted unit of 0.25 for each eligible Indian student who is enrolled in a

yearlong credit course in an Indian or Native language as part of the regular curriculum of a school, in considering the number of eligible Indian students served by such school.

The adjustment required under subparagraph (E) shall be used for such school after—

"(i) the certification of the Indian or Native language curriculum by the school board of such school to the Secretary, together with an estimate of the number of full-time students expected to be enrolled in the curriculum in the second school year for which the certification is made; and

(ii) the funds appropriated for allotment under this section are designated by the appropriations Act appropriating such funds as the amount necessary to implement such adjustment at such school without reducing allotments made under this section to any school by virtue of such adjustment.

"(2) RESERVATION OF AMOUNT.—

"(A) IN GENERAL.—From the funds allotted in accordance with the formula established under subsection (a) for each Bureau school, the local school board of such school may re-

serve an amount which does not exceed the greater of—

"(i) $8,000; or

"(ii) the lesser of—

"(I) $15,000; or

"(II) 1 percent of such allotted funds,

for school board activities for such school, including (notwithstanding any other provision of law) meeting expenses and the cost of membership in, and support of, organizations engaged in activities on behalf of Indian education.

"(B) TRAINING.—Each school board shall see that each new member of the school board receives, within 12 months of the individual's assuming a position on the school board, 40 hours of training relevant to that individual's service on the board. Such training may include legal issues pertaining to schools funded by the Bureau, legal issues pertaining to school boards, ethics, and other topics deemed appropriate by the school board.

"(d) RESERVATION OF AMOUNT FOR EMERGENCIES.—The Secretary shall reserve from the funds available for distribution for each fiscal year under this

section an amount which, in the aggregate, shall equal 1 percent of the funds available for such purpose for that fiscal year. Such funds shall be used, at the discretion of the Director of the Office of Indian Education Programs, to meet emergencies and unforeseen contingencies affecting the education programs funded under this section. Funds reserved under this subsection may only be expended for education services or programs, including emergency repairs of educational facilities, at a schoolsite (as defined by section 5204(c)(2) of the Tribally Controlled Schools Act of 1988). Funds reserved under this subsection shall remain available without fiscal year limitation until expended. However, the aggregate amount available from all fiscal years may not exceed 1 percent of the current year funds. Whenever, the Secretary makes funds available under this subsection, the Secretary shall report such action to the appropriate committees of Congress within the annual budget submission.

"(e) SUPPLEMENTAL APPROPRIATIONS.—Supplemental appropriations enacted to meet increased pay costs attributable to school level personnel shall be distributed under this section.

"(f) ELIGIBLE INDIAN STUDENT DEFINED.—For the purpose of this section, the term 'eligible Indian student' means a student who—

"(1) is a member of or is at least one-fourth degree Indian blood descendant of a member of an Indian tribe which is eligible for the special programs and services provided by the United States through the Bureau because of their status as Indians; and

"(2) resides on or near an Indian reservation or meets the criteria for attendance at a Bureau off-reservation home-living (dormitory) school.

"(g) TUITION.—

"(1) IN GENERAL.—An eligible Indian student may not be charged tuition for attendance at a Bureau school or contract or grant school. A student attending a Bureau school under paragraph (2)(C) may not be charged tuition for attendance at such a school.

"(2) ATTENDANCE OF NON-INDIAN STUDENTS AT BUREAU SCHOOLS.—The Secretary may permit the attendance at a Bureau school of a student who is not an eligible Indian student if—

"(A) the Secretary determines that the student's attendance will not adversely affect the school's program for eligible Indian students because of cost, overcrowding, or violation of standards or accreditation;

"(B) the school board consents;

"(C) the student is a dependent of a Bureau, Indian Health Service, or tribal government employee who lives on or near the school site; or

"(D) a tuition is paid for the student that is not more than that charged by the nearest public school district for out-of-district students, and shall be in addition to the school's allocation under this section.

"(3) ATTENDANCE OF NON-INDIAN STUDENTS AT CONTRACT AND GRANT SCHOOLS.—The school board of a contract or grant school may permit students who are not eligible Indian students under this subsection to attend its contract school or grant school and any tuition collected for those students shall be in addition to funding received under this section.

"(h) FUNDS AVAILABLE WITHOUT FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law, at the election of the school board of a Bureau school made at any time during the fiscal year, a portion equal to not more than 15 percent of the funds allocated with respect to a school under this section for any fiscal year shall remain available to the school for expenditure without fiscal year limitation. The Assistant Secretary shall

take steps as may be necessary to implement this provision.

"(i) STUDENTS AT RICHFIELD DORMITORY, RICHFIELD, UTAH.—Tuition for out-of-State Indian students in home-living (dormitory) arrangements at the Richfield dormitory in Richfield, Utah, who attend Sevier County high schools in Richfield, Utah, shall be paid from the Indian school equalization program funds authorized in this section and section 1130 at a rate not to exceed the amounts per weighted student unit for that year for the instruction of such students. No additional administrative cost funds shall be added to the grant.

"SEC. 1128. ADMINISTRATIVE COST GRANTS.

"(a) GRANTS; EFFECT UPON APPROPRIATED AMOUNTS.—

"(1) GRANTS.—Subject to the availability of appropriated funds, the Secretary shall provide grants to each tribe or tribal organization operating a contract school or grant school in the amount determined under this section with respect to the tribe or tribal organization for the purpose of paying the administrative and indirect costs incurred in operating contract or grant schools, provided that no school operated as a stand-alone institution shall re-

ceive less than $200,000.00 per year for these purposes, in order to—

"(A) enable tribes and tribal organizations operating such schools, without reducing direct program services to the beneficiaries of the program, to provide all related administrative overhead services and operations necessary to meet the requirements of law and prudent management practice; and

"(B) carry out other necessary support functions which would otherwise be provided by the Secretary or other Federal officers or employees, from resources other than direct program funds, in support of comparable Bureau operated programs.

"(2) EFFECT UPON APPROPRIATED AMOUNTS.—Amounts appropriated to fund the grants provided under this section shall be in addition to, and shall not reduce, the amounts appropriated for the program being administered by the contract or grant school.

"(b) DETERMINATION OF GRANT AMOUNT.—

"(1) IN GENERAL.—The amount of the grant provided to each tribe or tribal organization under this section for each fiscal year shall be determined

by applying the administrative cost percentage rate of the tribe or tribal organization to the aggregate of the Bureau elementary and secondary functions operated by the tribe or tribal organization for which funds are received from or through the Bureau. The administrative cost percentage rate determined under subsection (c) does not apply to other programs operated by the tribe or tribal organization.

"(2) DIRECT COST BASE FUNDS.—The Secretary shall—

"(A) reduce the amount of the grant determined under paragraph (1) to the extent that payments for administrative costs are actually received by an Indian tribe or tribal organization under any Federal education program included in the direct cost base of the tribe or tribal organization; and

"(B) take such actions as may be necessary to be reimbursed by any other department or agency of the Federal Government for the portion of grants made under this section for the costs of administering any program for Indians that is funded by appropriations made to such other department or agency.

"(c) ADMINISTRATIVE COST PERCENTAGE RATE.—

"(1) IN GENERAL.—For purposes of this section, the administrative cost percentage rate for a contract or grant school for a fiscal year is equal to the percentage determined by dividing—

"(A) the sum of—

"(i) the amount equal to—

"(I) the direct cost base of the tribe or tribal organization for the fiscal year, multiplied by

"(II) the minimum base rate; plus

"(ii) the amount equal to—

"(I) the standard direct cost base; multiplied by

"(II) the maximum base rate; by

"(B) the sum of—

"(i) the direct cost base of the tribe or tribal organization for the fiscal year; plus

"(ii) the standard direct cost base.

"(2) ROUNDING.—The administrative cost percentage rate shall be determined to the 1/100 of a decimal point.

"(d) COMBINING FUNDS.—

"(1) IN GENERAL.—Funds received by a tribe or contract or grant school as grants under this sec-

tion for tribal elementary or secondary educational programs may be combined by the tribe or contract or grant school into a single administrative cost account without the necessity of maintaining separate funding source accounting.

"(2) INDIRECT COST FUNDS.—Indirect cost funds for programs at the school which share common administrative services with tribal elementary or secondary educational programs may be included in the administrative cost account described in paragraph (1).

"(e) AVAILABILITY OF FUNDS.—Funds received as grants under this section with respect to tribal elementary or secondary education programs shall remain available to the contract or grant school without fiscal year limitation and without diminishing the amount of any grants otherwise payable to the school under this section for any fiscal year beginning after the fiscal year for which the grant is provided.

"(f) TREATMENT OF FUNDS.—Funds received as grants under this section for Bureau funded programs operated by a tribe or tribal organization under a contract or agreement shall not be taken into consideration for purposes of indirect cost underrecovery and overrecovery de-

terminations by any Federal agency for any other funds, from whatever source derived.

"(g) TREATMENT OF ENTITY OPERATING OTHER PROGRAMS.—In applying this section and section 105 of the Indian Self-Determination and Education Assistance Act with respect to an Indian tribe or tribal organization that—

"(1) receives funds under this section for administrative costs incurred in operating a contract or grant school or a school operated under the Tribally Controlled Schools Act of 1988; and

"(2) operates one or more other programs under a contract or grant provided under the Indian Self-Determination and Education Assistance Act,

the Secretary shall ensure that the Indian tribe or tribal organization is provided with the full amount of the administrative costs that are associated with operating the contract or grant school, and of the indirect costs, that are associated with all of such other programs, provided that funds appropriated for implementation of this section shall be used only to supply the amount of the grant required to be provided by this section.

"(h) DEFINITIONS.—For purposes of this section:

"(1) ADMINISTRATIVE COST.—(A) The term 'administrative cost' means the costs of necessary administrative functions which—

"(i) the tribe or tribal organization incurs as a result of operating a tribal elementary or secondary educational program;

"(ii) are not customarily paid by comparable Bureau operated programs out of direct program funds; and

"(iii) are either—

"(I) normally provided for comparable Bureau programs by Federal officials using resources other than Bureau direct program funds; or

"(II) are otherwise required of tribal self-determination program operators by law or prudent management practice.

"(B) The term 'administrative cost' may include—

"(i) contract or grant (or other agreement) administration;

"(ii) executive, policy, and corporate leadership and decisionmaking;

"(iii) program planning, development, and management;

"(iv) fiscal, personnel, property, and procurement management;

"(v) related office services and record keeping; and

"(vi) costs of necessary insurance, auditing, legal, safety and security services.

"(2) BUREAU ELEMENTARY AND SECONDARY FUNCTIONS.—The term 'Bureau elementary and secondary functions' means—

"(A) all functions funded at Bureau schools by the Office;

"(B) all programs—

"(i) funds for which are appropriated to other agencies of the Federal Government; and

"(ii) which are administered for the benefit of Indians through Bureau schools; and

"(C) all operation, maintenance, and repair funds for facilities and government quarters used in the operation or support of elementary and secondary education functions for the benefit of Indians, from whatever source derived.

"(3) DIRECT COST BASE.—(A) Except as otherwise provided in subparagraph (B), the direct cost

base of a tribe or tribal organization for the fiscal year is the aggregate direct cost program funding for all tribal elementary or secondary educational programs operated by the tribe or tribal organization during—

"(i) the second fiscal year preceding such fiscal year; or

"(ii) if such programs have not been operated by the tribe or tribal organization during the two preceding fiscal years, the first fiscal year preceding such fiscal year.

"(B) In the case of Bureau elementary or secondary education functions which have not previously been operated by a tribe or tribal organization under contract, grant, or agreement with the Bureau, the direct cost base for the initial year shall be the projected aggregate direct cost program funding for all Bureau elementary and secondary functions to be operated by the tribe or tribal organization during that fiscal year.

"(4) MAXIMUM BASE RATE.—The term 'maximum base rate' means 50 percent.

"(5) MINIMUM BASE RATE.—The term 'minimum base rate' means 11 percent.

"(6) STANDARD DIRECT COST BASE.—The term 'standard direct cost base' means $600,000.

"(7) TRIBAL ELEMENTARY OR SECONDARY EDUCATIONAL PROGRAMS.—The term 'tribal elementary or secondary educational programs' means all Bureau elementary and secondary functions, together with any other Bureau programs or portions of programs (excluding funds for social services that are appropriated to agencies other than the Bureau and are expended through the Bureau, funds for major subcontracts, construction, and other major capital expenditures, and unexpended funds carried over from prior years) which share common administrative cost functions, that are operated directly by a tribe or tribal organization under a contract, grant, or agreement with the Bureau.

"(i) STUDIES FOR DETERMINATION OF FACTORS AFFECTING COSTS; BASE RATES LIMITS; STANDARD DIRECT COST BASE; REPORT TO CONGRESS.—

"(1) STUDIES.—Not later than 120 days after the date of the enactment of the Student Results Act of 1999, the Director of the Office of Indian Education Programs shall—

"(A) conduct such studies as may be needed to establish an empirical basis for deter-

mining relevant factors substantially affecting required administrative costs of tribal elementary and secondary education programs, using the formula set forth in subsection (c); and

"(B) conduct a study to determine—

"(i) a maximum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the smallest tribal elementary or secondary educational programs;

"(ii) a minimum base rate which ensures that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of the largest tribal elementary or secondary educational programs; and

"(iii) a standard direct cost base which is the aggregate direct cost funding level for which the percentage determined under subsection (c) will—

"(I) be equal to the median between the maximum base rate and the minimum base rate; and

"(II) ensure that the amount of the grants provided under this section will provide adequate (but not excessive) funding of the administrative costs of tribal elementary or secondary educational programs closest to the size of the program.

"(2) GUIDELINES.—The studies required under paragraph (1) shall—

"(A) be conducted in full consultation (in accordance with section 1131) with—

"(i) the tribes and tribal organizations that are affected by the application of the formula set forth in subsection (c); and

"(ii) all national and regional Indian organizations of which such tribes and tribal organizations are typically members;

"(B) be conducted onsite with a representative statistical sample of the tribal elementary or secondary educational programs under a contract entered into with a nationally reputable public accounting and business consulting firm;

"(C) take into account the availability of skilled labor; commodities, business and automatic data processing services, related Indian preference and Indian control of education re-

quirements, and any other market factors found substantially to affect the administrative costs and efficiency of each such tribal elementary or secondary educational program studied in order to assure that all required administrative activities can reasonably be delivered in a cost effective manner for each such program, given an administrative cost allowance generated by the values, percentages, or other factors found in the studies to be relevant in such formula;

''(D) identify, and quantify in terms of percentages of direct program costs, any general factors arising from geographic isolation, or numbers of programs administered, independent of program size factors used to compute a base administrative cost percentage in such formula; and

''(E) identify any other incremental cost factors substantially affecting the costs of required administrative cost functions at any of the tribal elementary or secondary educational programs studied and determine whether the factors are of general applicability to other such programs, and (if so) how the factors may effectively be incorporated into such formula.

"(3) CONSULTATION WITH INSPECTOR GENERAL.—In carrying out the studies required under this subsection, the Director shall obtain the input of, and afford an opportunity to participate to, the Inspector General of the Department of the Interior.

"(4) CONSIDERATION OF DELIVERY OF ADMINISTRATIVE SERVICES.—Determinations described in paragraph (2)(C) shall be based on what is practicable at each location studied, given prudent management practice, irrespective of whether required administrative services were actually or fully delivered at these sites, or whether other services were delivered instead, during the period of the study.

"(5) REPORT.—Upon completion of the studies conducted under paragraph (1), the Director shall submit to Congress a report on the findings of the studies, together with determinations based upon such studies that would affect the definitions set forth under subsection (e) that are used in the formula set forth in subsection (c).

"(6) PROJECTION OF COSTS.—The Secretary shall include in the Bureau's justification for each appropriations request beginning in the first fiscal year after the completion of the studies conducted under paragraph (1), a projection of the overall

costs associated with the formula set forth in subsection (c) for all tribal elementary or secondary education programs which the Secretary expects to be funded in the fiscal year for which the appropriations are sought.

"(7) DETERMINATION OF PROGRAM SIZE.—For purposes of this subsection, the size of tribal elementary or secondary educational programs is determined by the aggregate direct cost program funding level for all Bureau funded programs which share common administrative cost functions.

"(j) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated such sums as necessary to carry out this section.

"(2) REDUCTIONS.—If the total amount of funds necessary to provide grants to tribes and tribal organizations in the amounts determined under subsection (b) for a fiscal year exceeds the amount of funds appropriated to carry out this section for such fiscal year, the Secretary shall reduce the amount of each grant determined under subsection (b) for such fiscal year by an amount that bears the same relationship to such excess as the amount of such grants determined under subsection (b) bears

to the total of all grants determined under subsection (b) section for all tribes and tribal organizations for such fiscal year.

"(k) APPLICABILITY TO SCHOOLS OPERATING UNDER TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.—The provisions of this section shall also apply to those schools operating under the Tribally Controlled Schools Act of 1988.

"SEC. 1129. DIVISION OF BUDGET ANALYSIS.

"(a) ESTABLISHMENT.—Not later than 12 months after the date of the enactment of the Student Results Act of 1999, the Secretary shall establish within the Office of Indian Education Programs a Division of Budget Analysis (hereinafter referred to as the 'Division'). Such Division shall be under the direct supervision and control of the Director of the Office.

"(b) FUNCTIONS.—In consultation with the tribal governing bodies and tribal school boards, the Director of the Office, through the Division, shall conduct studies, surveys, or other activities to gather demographic information on Bureau funded schools and project the amount necessary to provide Indian students in such schools the educational program set forth in this part.

"(c) ANNUAL REPORTS.—Not later than the date that the Assistant Secretary for Indian Affairs makes the

annual budget submission, for each fiscal year after the date of the enactment of the Student Results Act of 1999, the Director of the Office shall submit to the appropriate committees of Congress (including the Appropriations committees), all Bureau funded schools, and the tribal governing bodies of such schools, a report which shall contain—

"(1) projections, based upon the information gathered pursuant to subparagraph (b) and any other relevant information, of amounts necessary to provide Indian students in Bureau funded schools the educational program set forth in this part;

"(2) a description of the methods and formulas used to calculate the amounts projected pursuant to paragraph (1); and

"(3) such other information as the Director of the Office considers appropriate.

"(d) USE OF REPORTS.—The Director of the Office and the Assistant Secretary for Indian Affairs shall use the annual report required by subsection (c) when preparing their annual budget submissions.

"SEC. 1130. UNIFORM DIRECT FUNDING AND SUPPORT.

"(a) ESTABLISHMENT OF SYSTEM AND FORWARD FUNDING.—

"(1) IN GENERAL.—The Secretary shall establish, by regulation adopted in accordance with section 1138, a system for the direct funding and support of all Bureau funded schools. Such system shall allot funds in accordance with section 1127. All amounts appropriated for distribution under this section may be made available under paragraph (2).

"(2) TIMING FOR USE OF FUNDS.—(A) For the purposes of affording adequate notice of funding available pursuant to the allotments made under section 1127, amounts appropriated in an appropriations Act for any fiscal year shall become available for obligation by the affected schools on July 1 of the fiscal year in which such amounts are appropriated without further action by the Secretary, and shall remain available for obligation through the succeeding fiscal year.

"(B) The Secretary shall, on the basis of the amount appropriated in accordance with this paragraph—

"(i) publish, not later than July 1 of the fiscal year for which the funds are appropriated, allotments to each affected school made under section 1127 of 85 percent of such appropriation; and

"(ii) publish, not later than September 30 of such fiscal year, the allotments to be made under section 1127 of the remaining 15 percent of such appropriation, adjusted to reflect the actual student attendance.

"(3) LIMITATION.—(A) Notwithstanding any other provision of law or regulation, the supervisor of a Bureau funded school may expend an aggregate of not more than $50,000 of the amount allotted the school under section 1127 to acquire materials, supplies, equipment, services, operation, and maintenance for the school without competitive bidding if—

"(i) the cost for any single item purchased does not exceed $15,000;

"(ii) the school board approves the procurement;

"(iii) the supervisor certifies that the cost is fair and reasonable;

"(iv) the documents relating to the procurement executed by the supervisor or other school staff cite this paragraph as authority for the procurement; and

"(v) the transaction is documented in a journal maintained at the school clearly identifying when the transaction occurred, what was

acquired and from whom, the price paid, the quantities acquired, and any other information the supervisor or school board considers relevant.

"(B) Not later than 6 months after the date of the enactment of the Student Results Act of 1999, the Secretary shall cause to be sent to each supervisor of a Bureau operated program and school board chairperson, the education line officer or officers of each agency and area, and the Bureau Division in charge of procurement, at both the local and national levels, notice of this paragraph.

"(C) The Director shall be responsible for determining the application of this paragraph, including the authorization of specific individuals to carry out this paragraph, and shall be responsible for the provision of guidelines on the use of this paragraph and adequate training on such guidelines.

"(4) EFFECT OF SEQUESTRATION ORDER.—If a sequestration order issued under the Balanced Budget and Emergency Deficit Control Act of 1985 reduces the amount of funds available for allotment under section 1127 for any fiscal year by more than 7 percent of the amount of funds available for allot-

ment under such section during the preceding fiscal year—

"(A) to fund allotments under section 1127, the Secretary, notwithstanding any other law, may use—

"(i) funds appropriated for the operation of any Bureau school that is closed or consolidated; and

"(ii) funds appropriated for any program that has been curtailed at any Bureau school; and

"(B) the Secretary may waive the application of the provisions of section 1121(h) with respect to the closure or consolidation of a school, or the curtailment of a program at a school, during such fiscal year if the funds described in clauses (i) and (ii) of subparagraph (A) with respect to such school are used to fund allotments made under section 1127 for such fiscal year.

"(b) LOCAL FINANCIAL PLANS FOR EXPENDITURE OF FUNDS.—

"(1) PLAN REQUIRED.—(A) In the case of all Bureau operated schools, allotted funds shall be expended on the basis of local financial plans which

ensure meeting the accreditation requirements or standards for the school established pursuant to section 1121 and which shall be prepared by the local school supervisor in active consultation with the local school board for each school. The local school board for each school shall have the authority to ratify, reject, or amend such financial plan, and expenditures thereunder, and, on its own determination or in response to the supervisor of the school, to revise such financial plan to meet needs not foreseen at the time of preparation of the financial plan.

''(B) The supervisor—

''(i) shall put into effect the decisions of the school board;

''(ii) shall provide the appropriate local union representative of the education employees with copies of proposed draft financial plans and all amendments or modifications thereto, at the same time such copies are submitted to the local school board; and

''(iii) may appeal any such action of the local school board to the appropriate education line officer of the Bureau agency by filing a written statement describing the action and the reasons the supervisor believes such action

should be overturned. A copy of such statement shall be submitted to the local school board and such board shall be afforded an opportunity to respond, in writing, to such appeal. After reviewing such written appeal and response, the appropriate education line officer may, for good cause, overturn the action of the local school board. The appropriate education line officer shall transmit the determination of such appeal in the form of a written opinion to such board and to such supervisor identifying the reasons for overturning such action.

''(c) USE OF SELF-DETERMINATION GRANTS FUNDS.—Funds for self-determination grants under section 103(a)(2) of the Indian Self-Determination and Education Assistance Act shall not be used for providing technical assistance and training in the field of education by the Bureau unless such services are provided in accordance with a plan, agreed to by the tribe or tribes affected and the Bureau, under which control of education programs is intended to be transferred to such tribe or tribes within a specific period of time negotiated under such agreement. The Secretary may approve applications for funding tribal divisions of education and development of

tribal codes of education from funds appropriated pursuant to section 104(a) of such Act.

"(d) TECHNICAL ASSISTANCE AND TRAINING.—In the exercise of its authority under this section, a local school board may request technical assistance and training from the Secretary, and the Secretary shall, to the greatest extent possible, provide such services, and make appropriate provisions in the budget of the Office for such services.

"(e) SUMMER PROGRAM OF ACADEMIC AND SUPPORT SERVICES.—

"(1) IN GENERAL.—A financial plan under subsection (b) for a school may include, at the discretion of the local administrator and the school board of such school, a provision for a summer program of academic and support services for students of the school. Any such program may include activities related to the prevention of alcohol and substance abuse. The Assistant Secretary for Indian Affairs shall provide for the utilization of any such school facility during any summer in which such utilization is requested.

"(2) USE OF OTHER FUNDS.—Notwithstanding any other provision of law, funds authorized under the Act of April 16, 1934, and this Act may be used

to augment the services provided in each summer program at the option, and under the control, of the tribe or Indian controlled school receiving such funds.

"(3) TECHNICAL ASSISTANCE AND PROGRAM COORDINATION.—The Assistant Secretary for Indian Affairs, acting through the Director of the Office, shall provide technical assistance and coordination for any program described in paragraph (1) and shall, to the extent possible, encourage the coordination of such programs with any other summer programs that might benefit Indian youth, regardless of the funding source or administrative entity of any such program.

"(f) COOPERATIVE AGREEMENTS.—

"(1) IN GENERAL.—From funds allotted to a Bureau school under section 1127, the Secretary shall, if specifically requested by the tribal governing body (as defined in section 1141), implement any cooperative agreement entered into between the tribe, the Bureau school board, and the local public school district which meets the requirements of paragraph (2) and involves the school. The tribe, the Bureau school board, and the local public school district shall determine the terms of the agreement. Such

agreement may encompass coordination of all or any part of the following:

"(A) Academic program and curriculum, unless the Bureau school is currently accredited by a State or regional accrediting entity and would not continue to be so accredited.

"(B) Support services, including procurement and facilities maintenance.

"(C) Transportation.

"(2) EQUAL BENEFIT AND BURDEN.—Each agreement entered into pursuant to the authority provided in paragraph (1) shall confer a benefit upon the Bureau school commensurate with the burden assumed, though this requirement shall not be construed so as to require equal expenditures or an exchange of similar services.

"(g) PRODUCT OR RESULT OF STUDENT PROJECTS.—Notwithstanding any other provision of law, where there is agreement on action between the superintendent and the school board of a Bureau funded school, the product or result of a project conducted in whole or in major part by a student may be given to that student upon the completion of such project.

"(h) NOT CONSIDERED FEDERAL FUNDS FOR MATCHING REQUIREMENTS.—Notwithstanding any other

provision of law, funds received by a Bureau funded school under this title shall not be considered Federal funds for the purposes of meeting a matching funds requirement for any Federal program.

"SEC. 1131. POLICY FOR INDIAN CONTROL OF INDIAN EDUCATION.

"(a) FACILITATION OF INDIAN CONTROL.—It shall be the policy of the Secretary and the Bureau, in carrying out the functions of the Bureau, to facilitate tribal control of Indian affairs in all matters relating to education.

"(b) CONSULTATION WITH TRIBES.—

"(1) IN GENERAL.—All actions under this Act shall be done with active consultation with tribes.

"(2) REQUIREMENTS.—The consultation required under paragraph (1) means a process involving the open discussion and joint deliberation of all options with respect to potential issues or changes between the Bureau and all interested parties. During such discussions and joint deliberations, interested parties (including tribes and school officials) shall be given an opportunity to present issues including proposals regarding changes in current practices or programs which will be considered for future action by the Bureau. All interested parties shall be given an opportunity to participate and discuss the

options presented or to present alternatives, with the views and concerns of the interested parties given effect unless the Secretary determines, from information available from or presented by the interested parties during one or more of the discussions and deliberations, that there is a substantial reason for another course of action. The Secretary shall submit to any Member of Congress, within 18 days of the receipt of a written request by such Member, a written explanation of any decision made by the Secretary which is not consistent with the views of the interested parties.

"SEC. 1132. INDIAN EDUCATION PERSONNEL.

''(a) IN GENERAL.—Chapter 51, subchapter III of chapter 53, and chapter 63 of title 5, United States Code, relating to classification, pay and leave, respectively, and the sections of such title relating to the appointment, promotion, hours of work, and removal of civil service employees, shall not apply to educators or to education positions (as defined in subsection (p)).

''(b) REGULATIONS.—Not later than 60 days after the date of the enactment of the Student Results Act of 1999, the Secretary shall prescribe regulations to carry out this section. Such regulations shall include—

''(1) the establishment of education positions;

"(2) the establishment of qualifications for educators and education personnel;

"(3) the fixing of basic compensation for educators and education positions;

"(4) the appointment of educators;

"(5) the discharge of educators;

"(6) the entitlement of educators to compensation;

"(7) the payment of compensation to educators;

"(8) the conditions of employment of educators;

"(9) the leave system for educators;

"(10) the annual leave and sick leave for educators; and

"(11) such matters as may be appropriate.

"(c) QUALIFICATIONS OF EDUCATORS.—

"(1) REQUIREMENTS.—In prescribing regulations to govern the qualifications of educators, the Secretary shall require—

"(A)(i) that lists of qualified and interviewed applicants for education positions be maintained in each agency and area office of the Bureau from among individuals who have applied at the agency or area level for an education position or who have applied at the national level and have indicated in such applica-

tion an interest in working in certain areas or agencies; and

"(ii) that a list of qualified and interviewed applicants for education positions be maintained in the Office from among individuals who have applied at the national level for an education position and who have expressed interest in working in an education position anywhere in the United States;

"(B) that a local school board shall have the authority to waive on a case-by-case basis, any formal education or degree qualifications established by regulation pursuant to subsection (b)(2), in order for a tribal member to be hired in an education position to teach courses on tribal culture and language and that subject to subsection (e)(2), a determination by a school board that such a person be hired shall be instituted supervisor; and

"(C) that it shall not be a prerequisite to the employment of an individual in an education position at the local level that such individual's name appear on the national list maintained pursuant to subparagraph (A)(ii) or that

such individual has applied at the national level for an education position.

''(2) EXCEPTION FOR CERTAIN TEMPORARY EMPLOYMENT.—The Secretary may authorize the temporary employment in an education position of an individual who has not met the certification standards established pursuant to regulations, if the Secretary determines that failure to do so would result in that position remaining vacant.

''(d) HIRING OF EDUCATORS.—

''(1) REQUIREMENTS.—In prescribing regulations to govern the appointment of educators, the Secretary shall require—

''(A)(i) that educators employed in a Bureau operated school (other than the supervisor of the school) shall be hired by the supervisor of the school. In cases where there are no qualified applicants available, such supervisor may consult the national list maintained pursuant to subsection (c)(1)(A)(ii);

''(ii) each school supervisor shall be hired by the education line officer of the agency office of the Bureau in which the school is located;

''(iii) educators employed in an agency office of the Bureau shall be hired by the super-

intendent for education of the agency office; and

"(iv) each education line officer and educators employed in the Office of the Director of Indian Education Programs shall be hired by the Director;

"(B) that before an individual is employed in an education position in a school by the supervisor of a school (or with respect to the position of supervisor, by the appropriate agency education line officer), the local school board for the school shall be consulted. A determination by such school board that such individual should or should not be so employed shall be instituted by the supervisor (or with respect to the position of supervisor, by the agency superintendent for education);

"(C) that before an individual may be employed in an education position at the agency level, the appropriate agency school board shall be consulted, and that a determination by such school board that such individual should or should not be employed shall be instituted by the agency superintendent for education; and

"(D) that before an individual may be employed in an education position in the Office of the Director (other than the position of Director), the national school boards representing all Bureau schools shall be consulted.

"(2) INFORMATION REGARDING APPLICATION AT NATIONAL LEVEL.—Any individual who applies at the local level for an education position shall state on such individual's application whether or not such individual has applied at the national level for an education position in the Bureau. If such individual is employed at the local level, such individual's name shall be immediately forwarded to the Secretary, who shall, as soon as practicable but in no event in more than 30 days, ascertain the accuracy of the statement made by such individual pursuant to the first sentence of this paragraph. Notwithstanding subsection (e), if the individual's statement is found to have been false, such individual, at the Secretary's discretion, may be disciplined or discharged. If the individual has applied at the national level for an education position in the Bureau, the appointment of such individual at the local level shall be conditional for a period of 90 days, during which period the Secretary may appoint a more qualified in-

dividual (as determined by the Secretary) from the list maintained at the national level pursuant to subsection (c)(1)(A)(ii) to the position to which such individual was appointed.

"(3) STATUTORY CONSTRUCTION.—Except as expressly provided, nothing in this section shall be construed as conferring upon local school boards authority over, or control of, educators at Bureau funded schools or the authority to issue management decisions.

"(e) DISCHARGE AND CONDITIONS OF EMPLOYMENT OF EDUCATORS.—

"(1) REGULATIONS.—In prescribing regulations to govern the discharge and conditions of employment of educators, the Secretary shall require—

"(A) that procedures be established for the rapid and equitable resolution of grievances of educators;

"(B) that no educator may be discharged without notice of the reasons therefore and opportunity for a hearing under procedures that comport with the requirements of due process; and

"(C) that educators employed in Bureau schools be notified 30 days prior to the end of

the school year whether their employment contract will be renewed for the following year.

"(2) PROCEDURES FOR DISCHARGE.—The supervisor of a Bureau school may discharge (subject to procedures established under paragraph (1)(B)) for cause (as determined under regulations prescribed by the Secretary) any educator employed in such school. Upon giving notice of proposed discharge to an educator, the supervisor involved shall immediately notify the local school board for the school of such action. A determination by the local school board that such educator shall not be discharged shall be followed by the supervisor. The supervisor shall have the right to appeal such action to the education line officer of the appropriate agency office of the Bureau. Upon such an appeal, the agency education line officer may, for good cause and in writing to the local school board, overturn the determination of the local school board with respect to the employment of such individual.

"(3) RECOMMENDATIONS OF SCHOOL BOARDS FOR DISCHARGE.—Each local school board for a Bureau school shall have the right—

"(A) to recommend to the supervisor of such school that an educator employed in the school be discharged; and

"(B) to recommend to the education line officer of the appropriate agency office of the Bureau and to the Director of the Office, that the supervisor of the school be discharged.

"(f) APPLICABILITY OF INDIAN PREFERENCE LAWS.—

"(1) IN GENERAL.—Notwithstanding any provision of the Indian preference laws, such laws shall not apply in the case of any personnel action under this section respecting an applicant or employee not entitled to Indian preference if each tribal organization concerned grants a written waiver of the application of such laws with respect to such personnel action and states that such waiver is necessary. This paragraph shall not relieve the Bureau's responsibility to issue timely and adequate announcements and advertisements concerning any such personnel action if such action is intended to fill a vacancy (no matter how such vacancy is created).

"(2) TRIBAL ORGANIZATION DEFINED.—For purposes of this subsection, the term 'tribal organization' means—

"(A) the recognized governing body of any Indian tribe, band, nation, pueblo, or other organized community, including a Native village (as defined in section 3(c) of the Alaska Native Claims Settlement Act); or

"(B) in connection with any personnel action referred to in this subsection, any local school board as defined in section 1141 which has been delegated by such governing body the authority to grant a waiver under this subsection with respect to personnel action.

"(3) INDIAN PREFERENCE LAW DEFINED.—The term 'Indian preference laws' means section 12 of the Act of June 18, 1934 or any other provision of law granting a preference to Indians in promotions and other personnel actions. Such term shall not include section 7(b) of the Indian Self-Determination and Education Assistance Act.

"(g) COMPENSATION OR ANNUAL SALARY.—

"(1) IN GENERAL.—(A) Except as otherwise provided in this section, the Secretary shall fix the basic compensation for educators and education positions at rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 of

title 5, United States Code, is applicable or on the basis of the Federal Wage System schedule in effect for the locality, and for the comparable positions, the rates of compensation in effect for the senior executive service.

"(B) The Secretary shall establish the rate of basic compensation, or annual salary rates, for the positions of teachers and counselors (including dormitory counselors and home-living counselors) at the rates of basic compensation applicable (on the date of the enactment of the Student Results Act of 1999 and thereafter) to comparable positions in the overseas schools under the Defense Department Overseas Teachers Pay Act. The Secretary shall allow the local school boards authority to implement only the aspects of the Defense Department Overseas Teacher pay provisions that are considered essential for recruitment and retention. Implementation of such provisions shall not be construed to require the implementation of the Act in its entirety.

"(C)(i) Beginning with the fiscal year following the date of the enactment of the Student Results Act of 1999, each school board may set the rate of compensation or annual salary rate for teachers and counselors (including academic counselors) who are

new hires at the school and who have not worked at the school on the date of implementation of this provision, at rates consistent with the rates paid for individuals in the same positions, with the same tenure and training, in any other school within whose boundaries the Bureau school lies. In instances where the adoption of such rates cause a reduction in the payment of compensation from that which was in effect for the fiscal year following the date of the enactment of the Student Results Act of 1999, the new rate may be applied to the compensation of employees of the school who worked at the school on of the date of the enactment of that Act by applying those rates to each contract renewal such that the reduction takes effect in three equal installments. Where adoption of such rates lead to an increase in the payment of compensation from that which was in effect for the fiscal year following the date of the enactment of the Student Results Act of 1999, the school board may make such rates applicable at the next contract renewal such that either—

"(I) the increase occurs in its entirety; or

"(II) the increase is applied in three equal installments.

"(ii) The establishment of rates of basic compensation and annual salary rates under subparagraphs (B) and (C) shall not preclude the use of regulations and procedures used by the Bureau prior to April 28, 1988, in making determinations regarding promotions and advancements through levels of pay that are based on the merit, education, experience, or tenure of the educator.

"(D) The establishment of rates of basic compensation and annual salary rates under subparagraphs (B) and (C) shall not affect the continued employment or compensation of an educator who was employed in an education position on October 31, 1979, and who did not make an election under subsection (p) is in effect on January 1, 1990.

"(2) POST-DIFFERENTIAL RATES.—(A) The Secretary may pay a post-differential rate not to exceed 25 percent of the rate of basic compensation, on the basis of conditions of environment or work which warrant additional pay as a recruitment and retention incentive.

"(B)(i) Upon the request of the supervisor and the local school board of a Bureau school, the Secretary shall grant the supervisor of the school authorization to provide one or more post-differentials

under subparagraph (A) unless the Secretary determines for clear and convincing reasons (and advises the board in writing of those reasons) that certain of the requested post-differentials should be disapproved or decreased because there is no disparity of compensation for the involved employees or positions in the Bureau school, as compared with the nearest public school, that is either—

"(I) at least 5 percent; or

"(II) less than 5 percent and affects the recruitment or retention of employees at the school.

"(ii) A request under clause (i) shall be deemed granted at the end of the 60th day after the request is received in the Central Office of the Bureau unless before that time the request is approved, approved with modification, or disapproved by the Secretary.

"(iii) The Secretary or the supervisor of a Bureau school may discontinue or decrease a post-differential authorized under this subparagraph at the beginning of a school year if—

"(I) the local school board requests that such differential be discontinued or decreased; or

"(II) the Secretary or the supervisor determines for clear and convincing reasons (and advises the board in writing of those reasons) that there is no disparity of compensation that would affect the recruitment or retention of employees at the school after the differential is discontinued or decreased.

"(iv) On or before February 1 of each year, the Secretary shall submit to Congress a report describing the requests and grants of authority under this subparagraph during the previous year and listing the positions contracted under those grants of authority.

"(h) LIQUIDATION OF REMAINING LEAVE UPON TERMINATION.—Upon termination of employment with the Bureau, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6306 of title 5, United States Code, except that leave earned or accrued under regulations prescribed pursuant to subsection (b)(10) of this section shall not be so liquidated.

"(i) TRANSFER OF REMAINING SICK LEAVE UPON TRANSFER, PROMOTION, OR REEMPLOYMENT.—In the case of any educator who is transferred, promoted, or re-

appointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to the credit of such person earned or credited under the regulations prescribed pursuant to subsection (b)(10) shall be transferred to such person's credit in the employing agency on an adjusted basis in accordance with regulations which shall be prescribed by the Office of Personnel Management.

"(j) INELIGIBILITY FOR EMPLOYMENT OF VOLUNTARILY TERMINATED EDUCATORS.—An educator who voluntarily terminates employment with the Bureau before the expiration of the existing employment contract between such educator and the Bureau shall not be eligible to be employed in another education position in the Bureau during the remainder of the term of such contract.

"(k) DUAL COMPENSATION.—In the case of any educator employed in an education position described in subsection (l)(1)(A) who—

"(1) is employed at the close of a school year;

"(2) agrees in writing to serve in such position for the next school year; and

"(3) is employed in another position during the recess period immediately preceding such next school year, or during such recess period receives additional

compensation referred to in section 5533 of title 5, United States Code, relating to dual compensation, shall not apply to such educator by reason of any such employment during a recess period for any receipt of additional compensation.

"(l) VOLUNTARY SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary may, subject to the approval of the local school board concerned, accept voluntary services on behalf of Bureau schools. Nothing in this title shall be construed to require Federal employees to work without compensation or to allow the use of volunteer services to displace or replace Federal employees. An individual providing volunteer services under this section is a Federal employee only for purposes of chapter 81 of title 5, United States Code, and chapter 171 of title 28, United States Code.

"(m) PRORATION OF PAY.—

"(1) ELECTION OF EMPLOYEE.—Notwithstanding any other provision of law, including laws relating to dual compensation, the Secretary, at the election of the employee, shall prorate the salary of an employee employed in an education position for the academic school year over the entire 12-month period. Each educator employed for the academic school year shall annually elect to be paid on a 12-

month basis or for those months while school is in session. No educator shall suffer a loss of pay or benefits, including benefits under unemployment or other Federal or federally assisted programs, because of such election.

"(2) CHANGE OF ELECTION.—During the course of such year the employee may change election once.

"(3) LUMP SUM PAYMENT.—That portion of the employee's pay which would be paid between academic school years may be paid in a lump sum at the election of the employee.

"(4) DEFINITIONS.——For purposes of this subsection, the terms 'educator' and 'education position' have the meanings contained in paragraphs (1) and (2) of subsection (o). This subsection applies to those individuals employed under the provisions of section 1132 of this title or title 5, United States Code.

"(n) EXTRACURRICULAR ACTIVITIES.—

"(1) STIPEND.—Notwithstanding any other provision of law, the Secretary may provide, for each Bureau area, a stipend in lieu of overtime premium pay or compensatory time off. Any employee of the Bureau who performs additional activities to provide

services to students or otherwise support the school's academic and social programs may elect to be compensated for all such work on the basis of the stipend. Such stipend shall be paid as a supplement to the employee's base pay.

"(2) ELECTION NOT TO RECEIVE STIPEND.—If an employee elects not to be compensated through the stipend established by this subsection, the appropriate provisions of title 5, United States Code, shall apply.

"(3) APPLICABILITY OF SUBSECTION.—This subsection applies to all Bureau employees, whether employed under section 1132 of this title or title 5, United States Code.

"(o) DEFINITIONS.—For the purpose of this section—

"(1) EDUCATION POSITION.—The term 'education position' means a position in the Bureau the duties and responsibilities of which—

"(A) are performed on a school-year basis principally in a Bureau school and involve—

"(i) classroom or other instruction or the supervision or direction of classroom or other instruction;

"(ii) any activity (other than teaching) which requires academic credits in educational theory and practice equal to the academic credits in educational theory and practice required for a bachelor's degree in education from an accredited institution of higher education;

"(iii) any activity in or related to the field of education notwithstanding that academic credits in educational theory and practice are not a formal requirement for the conduct of such activity; or

"(iv) support services at, or associated with, the site of the school; or

"(B) are performed at the agency level of the Bureau and involve the implementation of education-related programs other than the position for agency superintendent for education.

"(2) EDUCATOR.—The term 'educator' means an individual whose services are required, or who is employed, in an education position.

"(p) COVERED INDIVIDUALS; ELECTION.—This section shall apply with respect to any educator hired after November 1, 1979 (and to any educator who elected for coverage under that provision after November 1, 1979)

and to the position in which such individual is employed. The enactment of this section shall not affect the continued employment of an individual employed on October 31, 1979 in an education position, or such person's right to receive the compensation attached to such position.

"SEC. 1133. COMPUTERIZED MANAGEMENT INFORMATION SYSTEM.

''(a) ESTABLISHMENT OF SYSTEM.—Not later than July 1, 2001, the Secretary shall establish within the Office, a computerized management information system, which shall provide processing and information to the Office. The information provided shall include information regarding—

''(1) student enrollment;

''(2) curriculum;

''(3) staffing;

''(4) facilities;

''(5) community demographics;

''(6) student assessment information;

''(7) information on the administrative and program costs attributable to each Bureau program, divided into discreet elements;

''(8) relevant reports;

''(9) personnel records;

''(10) finance and payroll; and

"(11) such other items as the Secretary deems appropriate.

"(b) IMPLEMENTATION OF SYSTEM.—Not later than July 1, 2002, the Secretary shall complete implementation of such a system at each field office and Bureau funded school.

"SEC. 1134. UNIFORM EDUCATION PROCEDURES AND PRACTICES.

"The Secretary shall cause the various divisions of the Bureau to formulate uniform procedures and practices with respect to such concerns of those divisions as relate to education, and shall report such practices and procedures to the Congress.

"SEC. 1135. RECRUITMENT OF INDIAN EDUCATORS.

"The Secretary shall institute a policy for the recruitment of qualified Indian educators and a detailed plan to promote employees from within the Bureau. Such plan shall include opportunities for acquiring work experience prior to actual work assignment.

"SEC. 1136. BIENNIAL REPORT; AUDITS.

"(a) BIENNIAL REPORTS.—The Secretary shall submit to each appropriate committee of Congress, all Bureau funded schools, and the tribal governing bodies of such schools, a detailed biennial report on the state of education within the Bureau and any problems encountered in In-

dian education during the 2-year period covered by the report. Such report shall contain suggestions for the improvement of the Bureau educational system and for increasing tribal or local Indian control of such system. Such report shall also include the current status of tribally controlled community colleges. The annual budget submission for the Bureau's education programs shall include—

"(1) information on the funds provided to previously private schools under section 208 of the Indian Self-Determination and Education Assistance Act, and recommendations with respect to the future use of such funds;

"(2) the needs and costs of operations and maintenance of tribally controlled community colleges eligible for assistance under the Tribally Controlled Community College Assistance Act of 1978 and recommendations with respect to meeting such needs and costs; and

"(3) the plans required by sections 1121 (g), 1122(c), and 1125(b).

"(b) FINANCIAL AND COMPLIANCE AUDITS.—The Inspector General of the Department of the Interior shall establish a system to ensure that financial and compliance audits are conducted of each Bureau operated school at least once in every 3 years. Audits of Bureau schools shall

be based upon the extent to which such school has complied with its local financial plan under section 1130.

"SEC. 1137. RIGHTS OF INDIAN STUDENTS.

''The Secretary shall prescribe such rules and regulations as are necessary to ensure the constitutional and civil rights of Indian students attending Bureau funded schools, including such students' right to privacy under the laws of the United States, such students' right to freedom of religion and expression, and such students' right to due process in connection with disciplinary actions, suspensions, and expulsions.

"SEC. 1138. REGULATIONS.

''(a) IN GENERAL.—The Secretary is authorized to issue only such regulations as are necessary to ensure compliance with the specific provision of this Act. The Secretary shall publish proposed regulations in the Federal Register, shall provide a period of not less than 90 days for public comment thereon, and shall place in parentheses after each regulatory section the citation to any statutory provision providing authority to promulgate such regulatory provision.

''(b) MISCELLANEOUS.—

''(1) CONSTRUCTION.—The provisions of this Act shall supersede any conflicting provisions of law (including any conflicting regulations) in effect on

the day before the date of the enactment of this Act and the Secretary is authorized to repeal any regulation inconsistent with the provisions of this Act.

''(2) LEGAL AUTHORITY TO BE STATED.—Regulations issued to implement this Act shall contain, immediately following each substantive provision of such regulations, citations to the particular section or sections of statutory law or other legal authority upon which provision is based.

"SEC. 1138A. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

''(a) MEETINGS.—

''(1) IN GENERAL.—The Secretary shall obtain tribal involvement in the development of proposed regulations under this part and the Tribally Controlled Schools Act of 1988. The Secretary shall obtain the advice of and recommendations from representatives of Indian tribes with Bureau-funded schools on their reservations, Indian tribes whose children attend Bureau funded off-reservation boarding schools, school boards, administrators or employees of Bureau-funded schools, and parents and teachers of students enrolled in Bureau-funded schools.

"(2) ISSUES.—The Secretary shall provide for a comprehensive discussion and exchange of information concerning the implementation of this part and the Tribally Controlled Schools Act of 1988 through such mechanisms as regional meetings and electronic exchanges of information. The Secretary shall take into account the information received through such mechanisms in the development of proposed regulations and shall publish a summary of such information in the Federal Register together with such proposed regulations.

"(b) DRAFT REGULATIONS.—

"(1) IN GENERAL.—After obtaining the advice and recommendations described in subsection (a)(1) and before publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations implementing this part and the Tribally Controlled Schools Act of 1988 and shall submit such regulations to a negotiated rulemaking process. Participants in the negotiations process shall be chosen by the Secretary from individuals nominated by the entities described in subsection (a)(1). To the maximum extent possible, the Secretary shall ensure that the tribal representative membership chosen pursuant to the preceding sentence reflects the pro-

portionate share of students from tribes served by the Bureau-funded school system. The negotiation process shall be conducted in a timely manner in order that the final regulations may issued by the Secretary no later than 18 months after the enactment of this section.

"(2) NOTIFICATION TO CONGRESS.—If draft regulations implementing this part and the Tribally Controlled Schools Act of 1988 are not issued in final form by the deadline provided in paragraph (1), the Secretary shall notify the appropriate committees of Congress of which draft regulations were not issued in final form by the deadline and the reason such final regulations were not issued.

"(3) EXPANSION OF NEGOTIATED RULEMAKING.—All regulations pertaining to this part and the Tribally Controlled Schools Act of 1988 that are promulgated after the date of the enactment of this subsection shall be subject to a negotiated rulemaking (including the selection of the regulations to be negotiated), unless the Secretary determines that applying such a requirement with respect to given regulations is impracticable, unnecessary, or contrary to the public interest (within the meaning of section 553(b)(3)(B) of title 5), and publishes the

basis for such determination in the Federal Register at the same time as the proposed regulations in question are first published. All published proposed regulations shall conform to agreements resulting from such negotiated rulemaking unless the Secretary reopens the negotiated rulemaking process or provides a written explanation to the participants in that process why the Secretary has decided to depart from such agreements. Such negotiated rulemaking shall be conducted in accordance with the provisions of subsection (a), and the Secretary shall ensure that a clear and reliable record of agreements reached during the negotiation process is maintained.

''(c) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall apply to activities carried out under this section.

"SEC. 1139. EARLY CHILDHOOD DEVELOPMENT PROGRAM.

''(a) IN GENERAL.—The Secretary shall provide grants to tribes, tribal organizations, and consortia of tribes and tribal organizations to fund early childhood development programs that are operated by such tribes, organizations, or consortia.

''(b) AMOUNT OF GRANTS.—

"(1) IN GENERAL.—The total amount of the grants provided under subsection (a) with respect to each tribe, tribal organization, or consortium of tribes or tribal organizations for each fiscal year shall be equal to the amount which bears the same relationship to the total amount appropriated under the authority of subsection (g) for such fiscal year (less amounts provided under subsection (f)) as—

"(A) the total number of children under 6 years of age who are members of—

"(i) such tribe;

"(ii) the tribe that authorized such tribal organization; or

"(iii) any tribe that—

"(I) is a member of such consortium; or

"(II) authorizes any tribal organization that is a member of such consortium; bears to

"(B) the total number of all children under 6 years of age who are members of any tribe that—

"(i) is eligible to receive funds under subsection (a);

"(ii) is a member of a consortium that is eligible to receive such funds; or

"(iii) authorizes a tribal organization that is eligible to receive such funds.

"(2) LIMITATION.—No grant may be provided under subsection (a)—

"(A) to any tribe that has less than 500 members;

"(B) to any tribal organization which is authorized—

"(i) by only one tribe that has less than 500 members; or

"(ii) by one or more tribes that have a combined total membership of less than 500 members; or

"(C) to any consortium composed of tribes, or tribal organizations authorized by tribes, that have a combined total tribal membership of less than 500 members.

"(c) APPLICATION.

"(1) IN GENERAL.—A grant may be provided under subsection (a) to a tribe, tribal organization, or consortia of tribes and tribal organizations only if the tribe, organization, or consortia submits to the

Secretary an application for the grant at such time and in such form as the Secretary shall prescribe.

"(2) CONTENTS.—Applications submitted under paragraph (1) shall set forth the early childhood development program that the applicant desires to operate.

"(d) REQUIREMENT OF PROGRAMS FUNDED.—The early childhood development programs that are funded by grants provided under subsection (a)—

"(1) shall coordinate existing programs and may provide services that meet identified needs of parents and children under 6 years of age which are not being met by existing programs, including—

"(A) prenatal care;

"(B) nutrition education;

"(C) health education and screening;

"(D) family literacy services;

"(E) educational testing; and

"(F) other educational services;

"(2) may include instruction in the language, art, and culture of the tribe; and

"(3) shall provide for periodic assessment of the program.

"(e) COORDINATION OF FAMILY LITERACY PROGRAMS.—Family literacy programs operated under this

section or other similar programs operated by the Bureau shall coordinate with family literacy programs for Indian children under part B of title I of the Elementary and Secondary Education Act of 1965 in order to avoid duplication and to encourage the dissemination of information on quality family literacy programs serving Indians.

''(f) ADMINISTRATIVE COSTS.—The Secretary shall, out of funds appropriated under subsection (g), include in the grants provided under subsection (a) amounts for administrative costs incurred by the tribe, tribal organization, or consortium of tribes in establishing and maintaining the early childhood development program.

''(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $10,000,000 for fiscal year 2000 and such sums as may be necessary for each of the fiscal years 2001, 2002, 2003, and 2004.

''SEC. 1140. TRIBAL DEPARTMENTS OR DIVISIONS OF EDUCATION.

''(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall provide grants and technical assistance to tribes for the development and operation of tribal departments of education for the purpose of planning and coordinating all educational programs of the tribe.

"(b) GRANTS.—Grants provided under this section shall—

"(1) be based on applications from the governing body of the tribe;

"(2) reflect factors such as geographic and population diversity;

"(3) facilitate tribal control in all matters relating to the education of Indian children on Indian reservations (and on former Indian reservations in Oklahoma);

"(4) provide for the development of coordinated educational programs on Indian reservations (and on former Indian reservations in Oklahoma) (including all preschool, elementary, secondary, and higher or vocational educational programs funded by tribal, Federal, or other sources) by encouraging tribal administrative support of all Bureau funded educational programs as well as encouraging tribal cooperation and coordination with all educational programs receiving financial support from State agencies, other Federal agencies, or private entities;

"(5) provide for the development and enforcement of tribal educational codes, including tribal educational policies and tribal standards applicable

to curriculum, personnel, students, facilities, and support programs; and

"(6) otherwise comply with regulations for grants under section 103(a) of the Indian Self-Determination and Educational Assistance Act that are in effect on the date that application for such grants are made.

"(c) PRIORITIES.—

"(1) IN GENERAL.—In making grants under this section, the Secretary shall give priority to any application that—

"(A) includes assurances from the majority of Bureau funded schools located within the boundaries of the reservation of the applicant that the tribal department of education to be funded under this section will provide coordinating services and technical assistance to all of such schools, including the submission to each applicable agency of a unified application for funding for all of such schools which provides that—

"(i) no administrative costs other than those attributable to the individual programs of such schools will be associated with the unified application; and

"(ii) the distribution of all funds received under the unified application will be equal to the amount of funds provided by the applicable agency to which each of such schools is entitled under law;

"(B) includes assurances from the tribal governing body that the tribal department of education funded under this section will administer all contracts or grants (except those covered by the other provisions of this title and the Tribally Controlled Community College Assistance Act of 1978) for education programs administered by the tribe and will coordinate all of the programs to the greatest extent possible;

"(C) includes assurances for the monitoring and auditing by or through the tribal department of education of all education programs for which funds are provided by contract or grant to ensure that the programs meet the requirements of law; and

"(D) provides a plan and schedule for—

"(i) the assumption over the term of the grant by the tribal department of education of all assets and functions of the Bureau agency office associated with the

tribe, insofar as those responsibilities relate to education; and

"(ii) the termination by the Bureau of such operations and office at the time of such assumption,

except that when mutually agreeable between the tribal governing body and the Assistant Secretary, the period in which such assumption is to occur may be modified, reduced, or extended after the initial year of the grant.

"(2) TIME PERIOD OF GRANT.—Subject to the availability of appropriated funds, grants provided under this section shall be provided for a period of 3 years and the grant may, if performance by the grantee is satisfactory to the Secretary, be renewed for additional 3-year terms.

"(d) TERMS, CONDITIONS, OR REQUIREMENTS.—The Secretary shall not impose any terms, conditions, or requirements on the provision of grants under this section that are not specified in this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $2,000,000 for fiscal year 2000 and such sums as may be necessary for each of the fiscal years 2001, 2002, 2003, and 2004.

"SEC. 1141. DEFINITIONS.

''For the purposes of this part, unless otherwise specified:

''(1) AGENCY SCHOOL BOARD.—The term 'agency school board' means a body, the members of which are appointed by all of the school boards of the schools located within an agency, including schools operated under contract or grant, and the number of such members shall be determined by the Secretary in consultation with the affected tribes, except that, in agencies serving a single school, the school board of such school shall fulfill these duties, and in agencies having schools or a school operated under contract or grant, one such member at least shall be from such a school.

''(2) BUREAU.—The term 'Bureau' means the Bureau of Indian Affairs of the Department of the Interior.

''(3) BUREAU FUNDED SCHOOL.—The term 'Bureau funded school' means—

''(A) a Bureau school;

''(B) a contract or grant school; or

''(C) a school for which assistance is provided under the Tribally Controlled Schools Act of 1988.

"(4) BUREAU SCHOOL.—The term 'Bureau school' means a Bureau operated elementary or secondary day or boarding school or a Bureau operated dormitory for students attending a school other than a Bureau school.

"(5) CONTRACT OR GRANT SCHOOL.—The term 'contract or grant school' means an elementary or secondary school or dormitory which receives financial assistance for its operation under a contract, grant or agreement with the Bureau under section 102, 103(a), or 208 of the Indian Self-Determination and Education Assistance Act, or under the Tribally Controlled Schools Act of 1988.

"(6) EDUCATION LINE OFFICER.—The term 'education line officer' means education personnel under the supervision of the Director, whether located in the central, area, or agency offices.

"(7) FINANCIAL PLAN.—The term 'financial plan' means a plan of services provided by each Bureau school.

"(8) INDIAN ORGANIZATION.—the term 'Indian organization' means any group, association, partnership, corporation, or other legal entity owned or controlled by a federally recognized Indian tribe or

tribes, or a majority of whose members are members of federally recognized tribes.

"(9) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State, and includes any State agency which directly operates and maintains facilities for providing free public education.

"(10) LOCAL SCHOOL BOARD.—The term 'local school board', when used with respect to a Bureau school, means a body chosen in accordance with the laws of the tribe to be served or, in the absence of such laws, elected by the parents of the Indian children attending the school, except that in schools serving a substantial number of students from different tribes, the members shall be appointed by the governing bodies of the tribes affected, and the number of such members shall be determined by the Secretary in consultation with the affected tribes.

"(11) OFFICE.—The term 'Office' means the Office of Indian Education Programs within the Bureau.

"(12) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.

"(13) SUPERVISOR.—The term 'supervisor' means the individual in the position of ultimate authority at a Bureau school.

"(14) TRIBAL GOVERNING BODY.—The term 'tribal governing body' means, with respect to any school, the tribal governing body, or tribal governing bodies, that represent at least 90 percent of the students served by such school.

"(15) TRIBE.—The term 'tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.".

Subtitle C—Tribally Controlled Schools Act of 1988

SEC. 420. TRIBALLY CONTROLLED SCHOOLS.

Sections 5202 through 5212 of Public Law 100–297 (25 U.S.C. 2501 et seq.) are amended to read as follows:

"SEC. 5202. FINDINGS.

''Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, Indians, finds that—

''(1) the Indian Self-Determination and Education Assistance Act, which was a product of the legitimate aspirations and a recognition of the inherent authority of Indian nations, was and is a crucial positive step towards tribal and community control;

''(2) the Bureau of Indian Affairs' administration and domination of the contracting process under such Act has not provided the full opportunity to develop leadership skills crucial to the realization of self-government and has denied Indians an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities;

''(3) Indians will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations, and persons;

''(4) true self-determination in any society of people is dependent upon an educational process which will ensure the development of qualified people to fulfill meaningful leadership roles;

"(5) the Federal administration of education for Indian children has not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction that education can and should provide;

"(6) true local control requires the least possible Federal interference; and

"(7) the time has come to enhance the concepts made manifest in the Indian Self-Determination and Education Assistance Act.

"SEC. 5203. DECLARATION OF POLICY.

"(a) RECOGNITION.—Congress recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational services so as to render such services more responsive to the needs and desires of those communities.

"(b) COMMITMENT.—Congress declares its commitment to the maintenance of the Federal Government's unique and continuing trust relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy for education which will deter further perpetuation of Federal bureaucratic domination of programs.

"(c) NATIONAL GOAL.—Congress declares that a major national goal of the United States is to provide the resources, processes, and structure which will enable tribes and local communities to effect the quantity and quality of educational services and opportunities which will permit Indian children to compete and excel in the life areas of their choice and to achieve the measure of self-determination essential to their social and economic well-being.

"(d) EDUCATIONAL NEEDS.—Congress affirms the reality of the special and unique educational needs of Indian peoples, including the need for programs to meet the linguistic and cultural aspirations of Indian tribes and communities. These may best be met through a grant process.

"(e) FEDERAL RELATIONS.—Congress declares its commitment to these policies and its support, to the full extent of its responsibility, for Federal relations with the Indian Nations.

"(f) TERMINATION.—Congress hereby repudiates and rejects House Resolution 108 of the 83d Congress and any policy of unilateral termination of Federal relations with any Indian Nation.

"SEC. 5204. GRANTS AUTHORIZED.

"(a) IN GENERAL.—

"(1) ELIGIBILITY.—The Secretary shall provide grants to Indian tribes, and tribal organizations that—

"(A) operate contract schools under title XI of the Education Amendments of 1978 and notify the Secretary of their election to operate the schools with assistance under this part rather than continuing as contract school;

"(B) operate other tribally controlled schools eligible for assistance under this part and submit applications (which are approved by their tribal governing bodies) to the Secretary for such grants; or

"(C) elect to assume operation of Bureau funded schools with the assistance under this part and submit applications (which are approved by their tribal governing bodies) to the Secretary for such grants.

"(2) DEPOSIT OF FUNDS.—Grants provided under this part shall be deposited into the general operating fund of the tribally controlled school with respect to which the grant is made.

"(3) USE OF FUNDS.—(A) Except as otherwise provided in this paragraph, grants provided under this part shall be used to defray, at the discretion

of the school board of the tribally controlled school with respect to which the grant is provided, any expenditures for education related activities for which any funds that compose the grant may be used under the laws described in section 5205(a), including, but not limited to, expenditures for—

"(i) school operations, academic, educational, residential, guidance and counseling, and administrative purposes; and

"(ii) support services for the school, including transportation.

"(B) Grants provided under this part may, at the discretion of the school board of the tribally controlled school with respect to which such grant is provided, be used to defray operations and maintenance expenditures for the school if any funds for the operation and maintenance of the school are allocated to the school under the provisions of any of the laws described in section 5205(a).

"(b) LIMITATIONS.—

"(1) ONE GRANT PER TRIBE OR ORGANIZATION PER FISCAL YEAR.—Not more than one grant may be provided under this part with respect to any Indian tribe or tribal organization for any fiscal year.

"(2) NONSECTARIAN USE.—Funds provided under any grant made under this part may not be used in connection with religious worship or sectarian instruction.

"(3) ADMINISTRATIVE COSTS LIMITATION.—Funds provided under any grant under this part may not be expended for administrative costs (as defined in section 1128(h)(1) of the Education Amendments of 1978) in excess of the amount generated for such costs under section 1128 of such Act.

"(c) LIMITATION ON TRANSFER OF FUNDS AMONG SCHOOLSITES.—

"(1) IN GENERAL.—In the case of a grantee that operates schools at more than one schoolsite, the grantee may expend not more than the lesser of—

"(A) 10 percent of the funds allocated for such schoolsite under section 1128 of the Education Amendments of 1978; or

"(B) $400,000 of such funds, at any other schoolsite.

"(2) DEFINITION OF SCHOOLSITE.—For purposes of this subsection, the term 'schoolsite' means the physical location and the facilities of an elementary or secondary educational or residential program

operated by, or under contract or grant with, the Bureau for which a discreet student count is identified under the funding formula established under section 1127 of the Education Amendments of 1978.

"(d) NO REQUIREMENT TO ACCEPT GRANTS.—Nothing in this part may be construed—

"(1) to require a tribe or tribal organization to apply for or accept; or

"(2) to allow any person to coerce any tribe or tribal organization to apply for, or accept,

a grant under this part to plan, conduct, and administer all of, or any portion of, any Bureau program. Such applications and the timing of such applications shall be strictly voluntary. Nothing in this part may be construed as allowing or requiring any grant with any entity other than the entity to which the grant is provided.

"(e) NO EFFECT ON FEDERAL RESPONSIBILITY.—Grants provided under this part shall not terminate, modify, suspend, or reduce the responsibility of the Federal Government to provide a program.

"(f) RETROCESSION.—

"(1) IN GENERAL.—Whenever a tribal governing body requests retrocession of any program for which assistance is provided under this part, such retrocession shall become effective upon a date speci-

fied by the Secretary that is not later than 120 days after the date on which the tribal governing body requests the retrocession. A later date as may be specified if mutually agreed upon by the Secretary and the tribal governing body. If such a program is retroceded, the Secretary shall provide to any Indian tribe served by such program at least the same quantity and quality of services that would have been provided under such program at the level of funding provided under this part prior to the retrocession.

''(2) STATUS AFTER RETROCESSION.—The tribe requesting retrocession shall specify whether the retrocession is to status as a Bureau operated school or as a school operated under contract under title XI of the Education Amendments of 1978.

''(3) TRANSFER OF EQUIPMENT AND MATERIALS.—Except as otherwise determined by the Secretary, the tribe or tribal organization operating the program to be retroceded must transfer to the Secretary (or to the tribe or tribal organization which will operate the program as a contract school) the existing equipment and materials which were acquired—

''(A) with assistance under this part; or

"(B) upon assumption of operation of the program under this part if the school was a Bureau funded school under title XI of the Education Amendments of 1978 before receiving assistance under this part.

"(g) PROHIBITION OF TERMINATION FOR ADMINISTRATIVE CONVENIENCE.—Grants provided under this part may not be terminated, modified, suspended, or reduced solely for the convenience of the administering agency.

"SEC. 5205. COMPOSITION OF GRANTS.

"(a) IN GENERAL.—The grant provided under this part to an Indian tribe or tribal organization for any fiscal year shall consist of—

"(1) the total amount of funds allocated for such fiscal year under sections 1127 and 1128 of the Education Amendments of 1978 with respect to the tribally controlled schools eligible for assistance under this part which are operated by such Indian tribe or tribal organization, including, but not limited to, funds provided under such sections, or under any other provision of law, for transportation costs;

"(2) to the extent requested by such Indian tribe or tribal organization, the total amount of funds provided from operations and maintenance ac-

counts and, notwithstanding section 105 of the Indian Self-Determination Act, or any other provision of law, other facilities accounts for such schools for such fiscal year (including but not limited to those referenced under section 1126(d) of the Education Amendments of 1978 or any other law); and

"(3) the total amount of funds that are allocated to such schools for such fiscal year under—

"(A) title I of the Elementary and Secondary Education Act of 1965;

"(B) the Individuals with Disabilities Education Act; and

"(C) any other Federal education law, that are allocated to such schools for such fiscal year.

"(b) SPECIAL RULES.—

"(1) IN GENERAL.—(A) Funds allocated to a tribally controlled school by reason of paragraph (1) or (2) of subsection (a) shall be subject to the provisions of this part and shall not be subject to any additional restriction, priority, or limitation that is imposed by the Bureau with respect to funds provided under—

"(i) title I of the Elementary and Secondary Education Act of 1965;

"(ii) the Individuals with Disabilities Education Act; or

"(iii) any Federal education law other than title XI of the Education Amendments of 1978.

"(B) Indian tribes and tribal organizations to which grants are provided under this part, and tribally controlled schools for which such grants are provided, shall not be subject to any requirements, obligations, restrictions, or limitations imposed by the Bureau that would otherwise apply solely by reason of the receipt of funds provided under any law referred to in clause (i), (ii), or (iii) of subparagraph (A).

"(2) SCHOOLS CONSIDERED CONTRACT SCHOOLS.—Tribally controlled schools for which grants are provided under this part shall be treated as contract schools for the purposes of allocation of funds under sections 1126(d), 1127, and 1128 of the Education Amendments of 1978.

"(3) SCHOOLS CONSIDERED BUREAU SCHOOLS.—Tribally controlled schools for which grants are provided under this chapter shall be treated as Bureau schools for the purposes of allocation of funds provided under—

"(A) title I of the Elementary and Secondary Education Act of 1965;

"(B) the Individuals with Disabilities Education Act; and

"(C) any other Federal education law, that are distributed through the Bureau.

"(4) ACCOUNTS; USE OF CERTAIN FUNDS.—(A) Notwithstanding section 5204(a)(2), with respect to funds from facilities improvement and repair, alteration and renovation (major or minor), health and safety, or new construction accounts included in the grant under section 5204(a), the grantee shall maintain a separate account for such funds. At the end of the period designated for the work covered by the funds received, the grantee shall submit to the Secretary a separate accounting of the work done and the funds expended to the Secretary. Funds received from these accounts may only be used for the purpose for which they were appropriated and for the work encompassed by the application or submission under which they were received.

"(B) Notwithstanding subparagraph (A), a school receiving a grant under this part for facilities improvement and repair may use such grant funds for new construction if the tribal government or

other organization provides funding for the new construction equal to at least 25 percent of the total cost of such new construction.

"(C) Where the appropriations measure or the application submission does not stipulate a period for the work covered by the funds so designated, the Secretary and the grantee shall consult and determine such a period prior to the transfer of the funds. A period so determined may be extended upon mutual agreement of the Secretary and the grantee.

"(5) ENFORCEMENT OF REQUEST TO INCLUDE FUNDS.—If the Secretary fails to carry out a request made under subsection (a)(2) within 180 days of a request filed by an Indian tribe or tribal organization to include in such tribe or organization's grant the funds described in subsection (a)(2), the Secretary shall be deemed to have approved such request and the Secretary shall immediately amend the grant accordingly. Such tribe or organization may enforce its rights under subsection (a)(2) and this paragraph, including any denial or failure to act on such tribe or organization's request, pursuant to the disputes authority described in section 5209(e).

"SEC. 5206. ELIGIBILITY FOR GRANTS.

"(a) RULES.—

"(1) IN GENERAL.—A tribally controlled school is eligible for assistance under this part if the school—

"(A) on April 28, 1988, was a contract school under title XI of the Education Amendments of 1978 and the tribe or tribal organization operating the school submits to the Secretary a written notice of election to receive a grant under this part;

"(B) was a Bureau operated school under title XI of the Education Amendments of 1978 and has met the requirements of subsection (b);

"(C) is a school for which the Bureau has not provided funds, but which has met the requirements of subsection (c); or

"(D) is a school with respect to which an election has been made under paragraph (2) and which has met the requirements of subsection (b).

"(2) NEW SCHOOLS.—Any application which has been submitted under the Indian Self-Determination and Education Assistance Act by an Indian tribe for a school which is not in operation on the date of the enactment of the Student Results Act of

1999 shall be reviewed under the guidelines and regulations for applications submitted under the Indian Self-Determination and Education Assistance Act that were in effect at the time the application was submitted, unless the Indian tribe or tribal organization elects to have the application reviewed under the provisions of subsection (b).

"(b) ADDITIONAL REQUIREMENTS FOR BUREAU FUNDED SCHOOLS AND CERTAIN ELECTING SCHOOLS.—

"(1) BUREAU FUNDED SCHOOLS.—A school that was a Bureau funded school under title XI of the Education Amendments of 1978 on the date of the enactment of the Student Results Act of 1999, and any school with respect to which an election is made under subsection (a)(2), meets the requirements of this subsection if—

"(A) the Indian tribe or tribal organization that operates, or desires to operate, the school submits to the Secretary an application requesting that the Secretary—

"(i) transfer operation of the school to the Indian tribe or tribal organization, if the Indian tribe or tribal organization is not already operating the school; and

"(ii) make a determination as to whether the school is eligible for assistance under this part; and

"(B) the Secretary makes a determination that the school is eligible for assistance under this part.

"(2) CERTAIN ELECTING SCHOOLS.—(A) By not later than the date that is 120 days after the date on which an application is submitted to the Secretary under paragraph (1)(A), the Secretary shall determine—

"(i) in the case of a school which is not being operated by the Indian tribe or tribal organization, whether to transfer operation of the school to the Indian tribe or tribal organization; and

"(ii) whether the school is eligible for assistance under this part.

"(B) In considering applications submitted under paragraph (1)(A), the Secretary—

"(i) shall transfer operation of the school to the Indian tribe or tribal organization, if the tribe or tribal organization is not already operating the school; and

"(ii) shall determine that the school is eligible for assistance under this part, unless the Secretary finds by clear and convincing evidence that the services to be provided by the Indian tribe or tribal organization will be deleterious to the welfare of the Indians served by the school.

"(C) In considering applications submitted under paragraph (1)(A), the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in operating the school with respect to—

"(i) equipment;

"(ii) bookkeeping and accounting procedures;

"(iii) ability to adequately manage a school; or

"(iv) adequately trained personnel.

"(c) ADDITIONAL REQUIREMENTS FOR A SCHOOL WHICH IS NOT A BUREAU FUNDED SCHOOL.—

"(1) IN GENERAL.—A school which is not a Bureau funded school under title XI of the Education Amendments of 1978 meets the requirements of this subsection if—

"(A) the Indian tribe or tribal organization that operates, or desires to operate, the school submits to the Secretary an application request-

ing a determination by the Secretary as to whether the school is eligible for assistance under this part; and

"(B) the Secretary makes a determination that a school is eligible for assistance under this part.

"(2) DEADLINE FOR DETERMINATION BY SECRETARY.—(A) By not later than the date that is 180 days after the date on which an application is submitted to the Secretary under paragraph (1)(A), the Secretary shall determine whether the school is eligible for assistance under this part.

"(B) In making the determination under subparagraph (A), the Secretary shall give equal consideration to each of the following factors:

"(i) with respect to the applicant's proposal—

"(I) the adequacy of facilities or the potential to obtain or provide adequate facilities;

"(II) geographic and demographic factors in the affected areas;

"(III) adequacy of the applicant's program plans;

"(IV) geographic proximity of comparable public education; and

"(V) the needs as expressed by all affected parties, including but not limited to students, families, tribal governments at both the central and local levels, and school organizations; and

"(ii) with respect to all education services already available—

"(I) geographic and demographic factors in the affected areas;

"(II) adequacy and comparability of programs already available;

"(III) consistency of available programs with tribal education codes or tribal legislation on education; and

"(IV) the history and success of these services for the proposed population to be served, as determined from all factors including, if relevant, standardized examination performance.

"(C) The Secretary may not make a determination under this paragraph that is primarily based upon the geographic proximity of comparable public education.

"(D) Applications submitted under paragraph (1)(A) shall include information on the factors described in subparagraph (B)(i), but the applicant may also provide the Secretary such information relative to the factors described in subparagraph (B)(ii) as the applicant considers appropriate.

"(E) If the Secretary fails to make a determination under subparagraph (A) with respect to an application within 180 days after the date on which the Secretary received the application, the Secretary shall be treated as having made a determination that the tribally controlled school is eligible for assistance under the title and the grant shall become effective 18 months after the date on which the Secretary received the application, or on an earlier date, at the Secretary's discretion.

"(d) FILING OF APPLICATIONS AND REPORTS.—

"(1) IN GENERAL.—All applications and reports submitted to the Secretary under this part, and any amendments to such applications or reports, shall be filed with the education line officer designated by

the Director of the Office of Indian Education Programs of the Bureau of Indian Affairs. The date on which such filing occurs shall, for purposes of this part, be treated as the date on which the application or amendment was submitted to the Secretary.

"(2) SUPPORTING DOCUMENTATION.—Any application that is submitted under this chapter shall be accompanied by a document indicating the action taken by the tribal governing body in authorizing such application.

"(e) EFFECTIVE DATE FOR APPROVED APPLICATIONS.—Except as provided by subsection (c)(2)(E), a grant provided under this part, and any transfer of the operation of a Bureau school made under subsection (b), shall become effective beginning the academic year succeeding the fiscal year in which the application for the grant or transfer is made, or at an earlier date determined by the Secretary.

"(f) DENIAL OF APPLICATIONS.—

"(1) IN GENERAL.—Whenever the Secretary refuses to approve a grant under this chapter, to transfer operation of a Bureau school under subsection (b), or determines that a school is not eligible for assistance under this part, the Secretary shall—

"(A) state the objections in writing to the tribe or tribal organization within the allotted time;

"(B) provide assistance to the tribe or tribal organization to overcome all stated objections.

"(C) at the request of the tribe or tribal organization, provide the tribe or tribal organization a hearing on the record under the same rules and regulations that apply under the Indian Self-Determination and Education Assistance Act; and

"(D) provide an opportunity to appeal the objection raised.

"(2) TIMELINE FOR RECONSIDERATION OF AMENDED APPLICATIONS.—The Secretary shall reconsider any amended application submitted under this part within 60 days after the amended application is submitted to the Secretary.

"(g) REPORT.—The Bureau shall submit an annual report to the Congress on all applications received, and actions taken (including the costs associated with such actions), under this section at the same time that the President is required to submit to Congress the budget under section 1105 of title 31, United States Code.

"SEC. 5207. DURATION OF ELIGIBILITY DETERMINATION.

"(a) IN GENERAL.—If the Secretary determines that a tribally controlled school is eligible for assistance under this part, the eligibility determination shall remain in effect until the determination is revoked by the Secretary, and the requirements of subsection (b) or (c) of section 5206, if applicable, shall be considered to have been met with respect to such school until the eligibility determination is revoked by the Secretary.

"(b) ANNUAL REPORTS.—

"(1) IN GENERAL.—Each recipient of a grant provided under this part shall complete an annual report which shall be limited to—

"(A) an annual financial statement reporting revenue and expenditures as defined by the cost accounting established by the grantee;

"(B) an annual financial audit conducted pursuant to the standards of the Single Audit Act of 1984;

"(C) an annual submission to the Secretary of the number of students served and a brief description of programs offered under the grant; and

"(D) a program evaluation conducted by an impartial evaluation review team, to be

based on the standards established for purposes of subsection (c)(1)(A)(ii).

"(2) EVALUATION REVIEW TEAMS.—Where appropriate, other tribally controlled schools and representatives of tribally controlled community colleges shall make up members of the evaluation review teams.

"(3) EVALUATIONS.—In the case of a school which is accredited, evaluations will be conducted at intervals under the terms of accreditation.

"(4) SUBMISSION OF REPORT.—

"(A) TO TRIBALLY GOVERNING BODY.—Upon completion of the report required under paragraph (a), the recipient of the grant shall send (via first class mail, return receipt requested) a copy of such annual report to the tribal governing body (as defined in section 1132(f) of the Education Amendments of 1978) of the tribally controlled school.

"(B) TO SECRETARY.—Not later than 30 days after receiving written confirmation that the tribal governing body has received the report send pursuant to subsection (A), the recipient of the grant shall send a copy of the report to the Secretary.

"(c) REVOCATION OF ELIGIBILITY.—

"(1) IN GENERAL.—(A) The Secretary shall not revoke a determination that a school is eligible for assistance under this part if—

"(i) the Indian tribe or tribal organization submits the reports required under subsection (b) with respect to the school; and

"(ii) at least one of the following subclauses applies with respect to the school:

"(I) The school is certified or accredited by a State or regional accrediting association or is a candidate in good standing for such accreditation under the rules of the State or regional accrediting association, showing that credits achieved by the students within the education programs are, or will be, accepted at grade level by a State certified or regionally accredited institution.

"(II) A determination made by the Secretary that there is a reasonable expectation that the accreditation described in subclause (I), or the candidacy in good standing for such accreditation, will be reached by the school within 3 years and

that the program offered by the school is beneficial to the Indian students.

"(III) The school is accredited by a tribal department of education if such accreditation is accepted by a generally recognized regional or State accreditation agency.

"(IV) The schools accept the standards promulgated under section 1121 of the Education Amendments of 1978 and an evaluation of performance is conducted under this section in conformance with the regulations pertaining to Bureau operated schools by an impartial evaluator chosen by the grantee, but no grantee shall be required to comply with these standards to a higher degree than a comparable Bureau operated school.

"(V) A positive evaluation of the school is conducted by an impartial evaluator agreed upon by the Secretary and the grantee every 2 years under standards adopted by the contractor under a contract for a school entered into under the Indian Self-Determination and Education Assist-

ance Act (or revisions of such standards agreed to by the Secretary and the grantee) prior to the date of the enactment of this Act. If the Secretary and the grantee other than the tribal governing body fail to agree on such an evaluator, the tribal governing body shall choose the evaluator or perform the evaluation. If the Secretary and a grantee which is the tribal governing body fail to agree on such an evaluator, this subclause shall not apply.

''(B) The choice of standards employed for the purpose of subparagraph (A)(ii) shall be consistent with section 1121(e) of the Education Amendments of 1978.

''(2) NOTICE REQUIREMENTS FOR REVOCATION.—The Secretary shall not revoke a determination that a school is eligible for assistance under this part, or reassume control of a school that was a Bureau school prior to approval of an application submitted under section 5206(b)(1)(A) until the Secretary—

''(A) provides notice to the tribally controlled school and the tribal governing body (within the meaning of section 1141(14) of the

Education Amendments of 1978) of the tribally controlled school which states—

"(i) the specific deficiencies that led to the revocation or resumption determination; and

"(ii) the actions that are needed to remedy such deficiencies; and

"(B) affords such authority an opportunity to effect the remedial actions.

"(3) TECHNICAL ASSISTANCE.—The Secretary shall provide such technical assistance as is practicable to effect such remedial actions. Such notice and technical assistance shall be in addition to a hearing and appeal to be conducted pursuant to the regulations described in section 5206(f)(1)(C).

"(d) APPLICABILITY OF SECTION PURSUANT TO ELECTION UNDER SECTION 5209(b).—With respect to a tribally controlled school which receives assistance under this part pursuant to an election made under section 5209(b)—

"(1) subsection (b) of this section shall apply; and

"(2) the Secretary may not revoke eligibility for assistance under this part except in conformance with subsection (c) of this section.

"SEC. 5208. PAYMENT OF GRANTS; INVESTMENT OF FUNDS.

"(a) PAYMENTS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in two payments, of which—

"(A) the first payment shall be made not later than July 15 of each year in an amount equal to 85 percent of the amount which the grantee was entitled to receive during the preceding academic year; and

"(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made not later than December 1 of each year.

"(2) NEWLY FUNDED SCHOOLS.—For any school for which no payment under this part was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made not later than December 1 of the academic year.

"(3) LATE FUNDING.—With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to

grantees not later than December 1 of the fiscal year.

"(4) APPLICABILITY OF CERTAIN TITLE 31 PROVISIONS.—The provisions of chapter 39 of Title 31, United States Code, shall apply to the payments required to be made by paragraphs (1), (2), and (3).

"(5) RESTRICTIONS.—Paragraphs (1), (2), and (3) shall be subject to any restriction on amounts of payments under this part that are imposed by a continuing resolution or other Act appropriating the funds involved.

"(b) INVESTMENT OF FUNDS.—

"(1) TREATMENT OF INTEREST AND INVESTMENT INCOME.—Notwithstanding any other provision of law, any interest or investment income that accrues to any funds provided under this part after such funds are paid to the Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any

provision of Federal law. Such interest income shall be spent on behalf of the school.

"(2) PERMISSIBLE INVESTMENTS.—Funds provided under this part may be invested by the Indian tribe or tribal organization before such funds are expended for the purposes of this part so long as such funds are—

"(A) invested by the Indian tribe or tribal organization only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States, or securities that are guaranteed or insured by the United States; or

"(B) deposited only into accounts that are insure by and agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

"(c) RECOVERIES.—For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived,

funds received under this part shall not be taken into consideration.

"SEC. 5209. APPLICATION WITH RESPECT TO INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.

"(a) CERTAIN PROVISIONS TO APPLY TO GRANTS.—The following provisions of the Indian Self-Determination and Education Assistance Act (and any subsequent revisions thereto or renumbering thereof), shall apply to grants provided under this part:

"(1) Section 5(f) (relating to single agency audit).

"(2) Section 6 (relating to criminal activities; penalties).

"(3) Section 7 (relating to wage and labor standards).

"(4) Section 104 (relating to retention of Federal employee coverage).

"(5) Section 105(f) (relating to Federal property).

"(6) Section 105(k) (relating to access to Federal sources of supply).

"(7) Section 105(l) (relating to lease of facility used for administration and delivery of services).

"(8) Section 106(e) (relating to limitation on remedies relating to cost allowances).

"(9) Section 106(i) (relating to use of funds for matching or cost participation requirements).

"(10) Section 106(j) (relating to allowable uses of funds).

"(11) Section 108(c) (Model Agreements provisions (1)(a)(5) (relating to limitations of costs), (1)(a)(7) (relating to records and monitoring), (1)(a)(8) (relating to property), and (a)(1)(9) (relating to availability of funds).

"(12) Section 109 (relating to reassumption).

"(13) Section 111 (relating to sovereign immunity and trusteeship rights unaffected).

"(b) ELECTION FOR GRANT IN LIEU OF CONTRACT.—

"(1) IN GENERAL.—Contractors for activities to which this part applies who have entered into a contract under the Indian Self-Determination and Education Assistance Act that is in effect upon the date of the enactment of the Student Results Act of 1999 may, by giving notice to the Secretary, elect to have the provisions of this part apply to such activity in lieu of such contract.

"(2) EFFECTIVE DATE OF ELECTION.—Any election made under paragraph (1) shall take effect on the later of—

"(A) October 1 of the fiscal year succeeding the fiscal year in which such election is made; or

"(B) 60 days after the date of such election.

"(3) EXCEPTION.—In any case in which the 60-day period referred to in paragraph (2)(B) is less than 60 days before the beginning of the succeeding fiscal year, such election shall not take effect until the fiscal year after the fiscal year succeeding the election.

"(c) NO DUPLICATION.—No funds may be provided under any contract entered into under the Indian Self-Determination and Education Assistance Act to pay any expenses incurred in providing any program or services if a grant has been made under this part to pay such expenses.

"(d) TRANSFERS AND CARRYOVERS.—

"(1) BUILDINGS, EQUIPMENT, SUPPLIES, MATERIALS.—A tribe or tribal organization assuming the operation of—

"(A) a Bureau school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies, and materials to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act; or

"(B) a contract school with assistance under this part shall be entitled to the transfer or use of buildings, equipment, supplies and materials that were used in the operation of the contract school to the same extent as if it were contracting under the Indian Self-Determination and Education Assistance Act.

"(2) FUNDS.—Any tribe or tribal organization which assumes operation of a Bureau school with assistance under this part and any tribe or tribal organization which elects to operate a school with assistance under this part rather that to continue as a contract school shall be entitled to any funds which would carryover from the previous fiscal year as if such school were operated as a contract school.

"(e) EXCEPTIONS, PROBLEMS, AND DISPUTES.—Any exception or problem cited in an audit conducted pursuant to section 5207(b)(2), any dispute regarding a grant authorized to be made pursuant to this part or any amend-

ment to such grant, and any dispute involving an administrative cost grant under section 1128 of the Education Amendments of 1978 shall be administered under the provisions governing such exceptions, problems, or disputes in the case of contracts under the Indian Self-Determination and Education Assistance Act of 1975. The Equal Access to Justice Act shall apply to administrative appeals filed after September 8, 1988, by grantees regarding a grant under this part, including an administrative cost grant.

"SEC. 5210. ROLE OF THE DIRECTOR.

''Applications for grants under this part, and all application modifications, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

"SEC. 5211. REGULATIONS.

''The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary by this part. In all other matters relating to the details of planning, development, implementing, and evaluating grants under this part, the Secretary shall not issue regulations. Regulations issued pursuant to this part

shall not have the standing of a Federal statute for the purposes of judicial review.

"SEC. 5212. THE TRIBALLY CONTROLLED GRANT SCHOOL ENDOWMENT PROGRAM.

"(a) IN GENERAL.—

"(1) Each school receiving grants under this part may establish, at a Federally insured banking and savings institution, a trust fund for the purposes of this section.

"(2) The school may provide—

"(A) for the deposit into the trust fund, only funds from non-Federal sources, except that the interest on funds received from grants under this part may be used for this purpose;

"(B) for the deposit in the account of any earnings on funds deposited in the account; and

"(C) for the sole use of the school any noncash, in-kind contributions of real or personal property, such property may at any time be converted to cash.

"(b) INTEREST.—Interest from the fund established under subsection (a) may periodically be withdrawn and used, at the discretion of the school, to defray any expenses associated with the operation of the school.

"SEC. 5213. DEFINITIONS.

''For the purposes of this part:

''(1) BUREAU.—The term 'Bureau' means the Bureau of Indian Affairs of the Department of the Interior.

''(2) ELIGIBLE INDIAN STUDENT.—The term 'eligible Indian student' has the meaning of such term in section 1127(f) of the Education Amendments of 1978.

''(3) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including Alaska Native Village or regional corporations (as defined in or established pursuant to the Alaskan Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

''(4) LOCAL EDUCATIONAL AGENCY.—The term a 'local educational agency' means 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, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State or such combination of school

districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

"(5) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.

"(6) TRIBAL ORGANIZATION.—(A) The term 'tribal organization' means—

"(i) the recognized governing body of any Indian tribe; or

"(ii) any legally established organization of Indians which—

"(I) is controlled, sanctioned, or chartered by such governing body or is democratically elected by the adult members of the Indian community to be served by such organization; and

"(II) includes the maximum participation of Indians in all phases of its activities.

"(B) In any case in which a grant is provided under this part to an organization to provide services benefiting more than one Indian tribe, the ap-

proval of the governing bodies of Indian tribes representing 80 percent of those students attending the tribally controlled school shall be considered a sufficient tribal authorization for such grant.

''(7) TRIBALLY CONTROLLED SCHOOL.—The term 'tribally controlled school' means a school operated by a tribe or a tribal organization, enrolling students in kindergarten through grade 12, including preschools, which is not a local educational agency and which is not directly administered by the Bureau of Indian Affairs.''.

TITLE V—GIFTED AND TALENTED CHILDREN

SEC. 501. AMENDMENT TO ESEA RELATING TO GIFTED AND TALENTED CHILDREN.

Part B of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8031 et seq.) is amended to read as follows:

"PART B—GIFTED AND TALENTED CHILDREN

"SEC. 10201. SHORT TITLE.

''This part may be cited as the 'Jacob K. Javits Gifted and Talented Students Education Act of 1999'.

"SEC. 10202. FINDINGS.

''The Congress finds the following:

"(1) While the families or communities of some gifted students can provide private programs with appropriately trained staff to supplement public educational offerings, most high-ability students, especially those from inner cities, rural communities, or low-income families, must rely on the services and personnel provided by public schools. Therefore, gifted education programs, provided by qualified professionals in the public schools, are needed to provide equal educational opportunities.

"(2) Due to the wide dispersal of students who are gifted and talented and the national interest in a well-educated populace, the Federal Government can most effectively and appropriately conduct scientifically based research and development to provide an infrastructure and to ensure that there is a national capacity to educate students who are gifted and talented to meet the needs of the 21st century.

"(3) State and local educational agencies often lack the specialized resources and trained personnel to consistently plan and implement effective programs for the identification of gifted and talented students and for the provision of educational services and programs appropriate for their needs.

"(4) Because gifted and talented students generally are more advanced academically, are able to learn more quickly, and study in more depth and complexity than others their age, their educational needs require opportunities and experiences that are different from those generally available in regular education programs.

"(5) Typical elementary school students who are academically gifted and talented already have mastered 35 to 50 percent of the school year's content in several subject areas before the year begins. Without an advanced and challenging curriculum, they often lose their motivation and develop poor study habits that are difficult to break.

"(6) Elementary and secondary teachers have students in their classrooms with a wide variety of traits, characteristics, and needs. Most teachers receive some training to meet the needs of these students, such as students with limited English proficiency, students with disabilities, and students from diverse cultural and racial backgrounds. However, most teachers do not receive training on meeting the needs of students who are gifted and talented.

"SEC. 10203. CONDITIONS ON EFFECTIVENESS OF SUBPARTS 1 AND 2.

"(a) SUBPART 1.—Subpart 1 shall be in effect only for a fiscal year for which subpart 2 is not in effect.

"(b) SUBPART 2.—

"(1) IN GENERAL.—Subpart 2 shall be in effect only for—

"(A) the first fiscal year for which the amount appropriated to carry out this part equals or exceeds $50,000,000; and

"(B) all succeeding fiscal years.

"(2) CONTINUATION OF AWARDS.—Notwithstanding any other provision of this part, a State receiving a grant under subpart 2—

"(A) shall give special consideration to a request for the continuation of an award within the State, made by any public or private agency, institution, or organization that was awarded a grant or contract under subpart 1 for a fiscal year for which such subpart was in effect; and

"(B) may use funds received under such grant for the purpose of permitting the agency, institution, or organization to continue to receive funds in accordance with the terms of

such award until the date on which the award period terminates under such terms.

"Subpart 1—Discretionary Grant Program

"SEC. 10211. PURPOSE.

''The purpose of this subpart is to initiate a coordinated program of scientifically based research, demonstration projects, innovative strategies, and similar activities designed to build a nationwide capability in elementary and secondary schools to meet the special educational needs of gifted and talented students.

"SEC. 10212. GRANTS TO MEET EDUCATIONAL NEEDS OF GIFTED AND TALENTED STUDENTS.

''(a) ESTABLISHMENT OF PROGRAM.—

''(1) IN GENERAL.—Subject to section 10203, from the sums available to carry out this subpart in any fiscal year, the Secretary (after consultation with experts in the field of the education of gifted and talented students) shall make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, other public agencies, and other private agencies and organizations (including Indian tribes and Indian organizations (as such terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) and Native

Hawaiian organizations) to assist such agencies, institutions, and organizations in carrying out programs or projects authorized by this subpart that are designed to meet the educational needs of gifted and talented students, including the training of personnel in the education of gifted and talented students and in the use, where appropriate, of gifted and talented services, materials, and methods for all students.

"(2) APPLICATION.—Each entity desiring assistance under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall describe how—

"(A) the proposed gifted and talented services, materials, and methods can be adapted, if appropriate, for use by all students; and

"(B) the proposed programs can be evaluated.

"(b) USES OF FUNDS.—Programs and projects assisted under this subpart may include the following:

"(1) Carrying out—

"(A) scientifically based research on methods and techniques for identifying and teaching

gifted and talented students, and for using gifted and talented programs and methods to serve all students; and

"(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purpose of this subpart.

"(2) Professional development (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented students.

"(3) Establishment and operation of model projects and exemplary programs for serving gifted and talented students, including innovative methods for identifying and educating students who may not be served by traditional gifted and talented programs, including summer programs, mentoring programs, service learning programs, and cooperative programs involving business, industry, and education.

"(4) Implementing innovative strategies, such as cooperative learning, peer tutoring and service learning.

"(5) Programs of technical assistance and information dissemination, including assistance and

information with respect to how gifted and talented programs and methods, where appropriate, may be adapted for use by all students.

''(c) COORDINATION.—Scientifically based research activities supported under this subpart—

''(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by such Office; and

''(2) may include collaborative scientifically based research activities which are jointly funded and carried out with such Office.

''SEC. 10213. PROGRAM PRIORITIES.

''(a) GENERAL PRIORITY.—In the administration of this subpart, the Secretary shall give highest priority to programs and projects designed to develop new information that—

''(1) improves the capability of schools to plan, conduct, and improve programs to identify and serve gifted and talented students; and

''(2) assists schools in the identification of, and provision of services to, gifted and talented students who may not be identified and served through traditional assessment methods (including economically

disadvantaged individuals, individuals of limited English proficiency, and individuals with disabilities).

"(b) SERVICE PRIORITY.—In approving applications for assistance under section 10212(a)(2), the Secretary shall ensure that in each fiscal year at least one-half of the applications approved under such section address the priority described in subsection (a)(2).

"(c) SUBGRANTS TO LOCAL EDUCATIONAL AGENCIES FOR AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—For fiscal year 2001 and succeeding fiscal years, the Secretary shall ensure that a percentage of the excess amount described in paragraph (2) is used to increase (in proportion to any increases in such excess amounts) the number and size of the grants under this subpart to State educational agencies to begin implementing activities described in section 10222(b) through competitive subgrants to local educational agencies.

"(2) EXCESS AMOUNT.—For purposes of paragraph (1), the excess amount described in this paragraph is, for fiscal year 2001 and succeeding fiscal years, the amount (if any) by which the funds appropriated to carry out this subpart for the year exceed such funds for fiscal year 2000.

"SEC. 10214. GENERAL PROVISIONS FOR SUBPART.

"(a) REVIEW, DISSEMINATION, AND EVALUATION.—The Secretary—

"(1) shall use a peer review process in reviewing applications under this subpart;

"(2) shall ensure that information on the activities and results of programs and projects funded under this subpart is disseminated to appropriate State and local educational agencies and other appropriate organizations, including nonprofit private organizations; and

"(3) shall evaluate the effectiveness of programs under this subpart in accordance with section 14701, both in terms of the impact on students traditionally served in separate gifted and talented programs and on other students, and submit the results of such evaluation to the Congress not later than 2 years after the date of the enactment of the Student Results Act of 1999.

"(b) PROGRAM OPERATIONS.—The Secretary shall ensure that the programs under this subpart are administered within the Department by a person who has recognized professional qualifications and experience in the field of the education of gifted and talented students and who—

"(1) shall administer and coordinate the programs authorized under this subpart;

"(2) shall serve as a focal point of national leadership and information on the educational needs of gifted and talented students and the availability of educational services and programs designed to meet such needs; and

"(3) shall assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities which reflect the needs of gifted and talented students.

"Subpart 2—Formula Grant Program

"SEC. 10221. PURPOSE.

"The purpose of this subpart is to provide grants to States to support programs, teacher preparation, and other services designed to meet the needs of the Nation's gifted and talented students in elementary and secondary schools.

"SEC. 10222. ESTABLISHMENT OF PROGRAM; USE OF FUNDS.

"(a) IN GENERAL.—In the case of each State that in accordance with section 10224 submits to the Secretary an application for a fiscal year, subject to section 10203, the Secretary shall make a grant for the year to the State for the uses specified in subsection (b). The grant shall consist of the allotment determined for the State under section 10223.

"(b) AUTHORIZED ACTIVITIES.—Each State receiving a grant under this subpart shall use the funds provided under the grant to assist local educational agencies to develop or expand gifted and talented education programs through one or more of the following activities:

"(1) Development and implementation of programs to address State and local needs for in-service training programs for general educators, specialists in gifted and talented education, administrators, or other personnel at the elementary and secondary levels.

"(2) Making materials and services available through State regional educational service centers, institutions of higher education, or other entities.

"(3) Supporting innovative approaches and curricula used by local educational agencies (or consortia of such agencies) or schools or (consortia of schools).

"(4) Providing funds for challenging, high-level course work, disseminated through new and emerging technologies (including distance learning), for individual students or groups of students in schools and local educational agencies that do not have the resources otherwise to provide such course work.

"(c) COMPETITIVE PROCESS.—A State receiving a grant under this subpart shall distribute at least 95 percent of the amount of the grant to local educational agencies through a competitive process that results in an equitable distribution by geographic area within the State.

"(d) LIMITATIONS ON USE OF FUNDS.—

"(1) COURSE WORK PROVIDED THROUGH EMERGING TECHNOLOGIES.—Activities under subsection (b)(4) may include development of curriculum packages, compensation of distance-learning educators, or other relevant activities, but funds provided under this subpart may not be used for the purchase or upgrading of technological hardware.

"(2) ADMINISTRATIVE COSTS.—A State receiving a grant under this subpart may use not more than 5 percent of the amount of the grant for State administrative costs.

"SEC. 10223. ALLOTMENTS TO STATES.

"(a) RESERVATION OF FUNDS.—From the amount made available to carry out this subpart for any fiscal year, the Secretary shall reserve ½ of 1 percent for the Secretary of the Interior for programs under this subpart for teachers, other staff, and administrators in schools operated or funded by the Bureau of Indian Affairs.

"(b) STATE ALLOTMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall allot the total amount made available to carry out this subpart for any fiscal year and not reserved under subsection (a) to the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico on the basis of their relative populations of individuals aged 5 through 17, as determined by the Secretary on the basis of the most recent satisfactory data.

"(2) MINIMUM GRANT AMOUNT.—No State receiving an allotment under paragraph (1) may receive less than ¼ of 1 percent of the total amount allotted under such paragraph.

"(c) REALLOTMENT.—If any State does not apply for an allotment under this section for any fiscal year, the Secretary shall reallot such amount to the remaining States in accordance with this section.

"SEC. 10224. APPLICATION.

"(a) IN GENERAL.—To be eligible to receive a grant under this subpart, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) CONTENTS.—Each application under this section shall include assurances that—

"(1) funds received under this subpart will be used to support gifted and talented students in public schools and public charter schools, including students from all economic, ethnic, and racial backgrounds, students of limited English proficiency, students with disabilities, and highly gifted students;

"(2) not less than 95 percent of the amount of the funds provided under the grant shall be used for the purpose of making, in accordance with this subpart and on a competitive basis, subgrants to local educational agencies;

"(3) funds received under this subpart shall be used only to supplement, but not supplant, the amount of State and local funds expended for specialized education and related services provided for the education of gifted and talented students; and

"(4) the State shall develop procedures to evaluate program effectiveness.

"(c) APPROVAL.—To the extent funds are made available for this subpart, the Secretary shall approve an application of a State if such application meets the requirements of this section.

"SEC. 10225. ANNUAL REPORTING.

"Beginning 1 year after the date of the enactment of the Student Results Act of 1999, a State receiving a

grant under this subpart shall submit an annual report to the Secretary that describes the number of students served and the activities supported with funds provided under this subpart. The report shall include a description of the measures taken to comply with paragraphs (1) and (4) of section 10224(b). To the extent practicable and otherwise authorized by law, this report shall be submitted as part of any consolidated State performance report for State formula grant programs under this Act.

"Subpart 3—National Center for Research and Development in the Education of Gifted and Talented Children and Youth

"SEC. 10231. CENTER FOR RESEARCH AND DEVELOPMENT.

''(a) IN GENERAL.—The Secretary (after consultation with experts in the field of the education of gifted and talented students) shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies and other public or private agencies and organizations, for the purpose of carrying out activities described in section 10212(b)(1).

''(b) DIRECTOR.—Such National Center shall have a Director. The Secretary may authorize the Director to

carry out such functions of the National Center as may be agreed upon through arrangements with institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

''(c) COORDINATION.—Scientifically based research activities supported under this subpart—

''(1) shall be carried out in consultation with the Office of Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by such Office; and

''(2) may include collaborative scientifically based research activities which are jointly funded and carried out with such Office.

"Subpart 4—General Provisions

"SEC. 10241. CONSTRUCTION.

''Nothing in this part shall be construed to prohibit a recipient of funds under this part from serving gifted and talented students simultaneously with students with similar educational needs, in the same educational settings where appropriate.

"SEC. 10242. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

''In making grants and entering into contracts under this part, the Secretary shall ensure, where appropriate,

that provision is made for the equitable participation of students and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel in professional development programs serving such children.

"SEC. 10243. DEFINITIONS.

''For purposes of this part:

''(1) The term 'scientifically based research'—

''(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to the education of gifted and talented children; and

''(B) shall include research that—

''(i) employs systematic, empirical methods that draw on observation or experiment;

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

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

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

"(2) STATE.—The term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 10244. AUTHORIZATION OF APPROPRIATIONS.

"(a) SUBPART 1 OR 2.—Subject to section 10203, there are authorized to be appropriated $10,000,000 to carry out subpart 1 or 2 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2004.

"(b) SUBPART 3.—There are authorized to be appropriated to carry out subpart 3 $1,950,000 for each of fiscal years 2000 through 2004.".

TITLE VI—RURAL EDUCATION ASSISTANCE

SEC. 601. RURAL EDUCATION.

Part J of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8271 et seq.) is amended to read as follows:

"PART J—RURAL EDUCATION INITIATIVE

"SEC. 10951. SHORT TITLE.

''This part may be cited as the 'Rural Education Initiative Act of 1999'.

"SEC. 10952. FINDINGS.

''Congress finds the following:

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

''(2) While there are rural education initiatives identified at the State and local level, no Federal education policy focuses on the specific and unique needs of rural school districts and schools.

''(3) Small school districts often cannot use Federal grant funds distributed by formula because the formula allocation does not provide enough revenue to carry out the program the grant is intended to fund.

''(4) Rural schools often cannot compete for Federal funding distributed by competitive grants because the schools lack the personnel needed to prepare grant applications and the resources to hire specialists in the writing of Federal grant proposals.

''(5) A critical problem for rural school districts involves the hiring and retention of qualified administrators and certified teachers (especially in read-

ing, science, and mathematics). As a result, teachers in rural schools are almost twice as likely to provide instruction in three or more subject areas than teachers in urban schools. Rural schools also face other tough challenges, such as shrinking local tax bases, high transportation costs, aging buildings, limited course offerings, and limited resources.

"Subpart 1—Small and Rural School Program

"SEC. 10961. FORMULA GRANT PROGRAM AUTHORIZED.

''(a) ALTERNATIVE USES.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, an eligible local educational agency may use the applicable funding, that the agency is eligible to receive from the State educational agency for a fiscal year, to support local or statewide education reform efforts intended to improve the academic achievement of elementary school and secondary school students and the quality of instruction provided for the students.

''(2) NOTIFICATION.—An eligible local educational agency shall notify the State educational agency of the local educational agency's intention to use the applicable funding in accordance with paragraph (1) not later than a date that is established by the State educational agency for the notification.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—A local educational agency shall be eligible to use the applicable funding in accordance with subsection (a) if—

"(A)(i) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

"(ii) all of the schools served by the local educational agency are located in a community with a Rural-Urban Continuum Code of 6, 7, 8, or 9, as determined by the Secretary of Agriculture; or

"(B) the agency meets the criteria established in subparagraph (A)(i) and the Secretary, in accordance with paragraph (2), grants the local educational agency's request to waive the criteria described in subparagraph (A)(ii).

"(2) CERTIFICATION.—The Secretary shall determine whether or not to waive the criteria described in paragraph (1)(A)(ii) based on certification provided by the local educational agency, or the State educational agency on behalf of the local educational agency, that the local educational agency is

located in an area defined as rural by a governmental agency of the State.

"(c) APPLICABLE FUNDING.—In this section, the term 'applicable funding' means funds provided under each of titles II, IV, VI, parts A and C of title VII, and part I of title X.

"(d) DISBURSAL.—Each State educational agency that receives applicable funding for a fiscal year shall disburse the applicable funding to local educational agencies for alternative uses under this section for the fiscal year at the same time that the State educational agency disburses the applicable funding to local educational agencies that do not intend to use the applicable funding for such alternative uses for the fiscal year.

"(e) SUPPLEMENT NOT SUPPLANT.—Funds used under this section shall be used to supplement and not supplant any other Federal, State, or local education funds that would otherwise be available for the purpose of this subpart.

"(f) SPECIAL RULE.—References in Federal law to funds for the provisions of law set forth in subsection (c) may be considered to be references to funds for this section.

"SEC. 10962. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized to award grants to eligible local educational agencies to enable the local educational agencies to support local or statewide education reform efforts intended to improve the academic achievement of elementary school and secondary school students and the quality of instruction provided for the students.

"(b) ELIGIBILITY.—

"(1) IN GENERAL.—A local educational agency shall be eligible to receive a grant under this section if—

"(A)(i) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

"(ii) all of the schools served by the local educational agency are located in a community with a Rural-Urban Continuum Code of 6, 7, 8, or 9, as determined by the Secretary of Agriculture; or

"(B) the agency meets the criteria established in subparagraph (A)(i) and the Secretary, in accordance with paragraph (2), grants the local educational agency's request to

waive the criteria described in subparagraph (A)(ii).

"(2) CERTIFICATION.—The Secretary shall determine whether or not to waive the criteria described in paragraph (1)(A)(ii) based on certification provided by the local educational agency, or the State educational agency on behalf of the local educational agency, that the local educational agency is located in an area defined as rural by a governmental agency of the State.

"(c) ALLOCATION.—

"(1) IN GENERAL.—Except as provided in paragraph (3), the Secretary shall award a grant to an eligible local educational agency for a fiscal year in an amount equal to the initial amount determined under paragraph (2) for the fiscal year minus the total amount received under the provisions of law described under section 10961(c) for the preceding fiscal year.

"(2) DETERMINATION OF THE INITIAL AMOUNT.—The initial amount referred to in paragraph (1) is equal to $100 multiplied by the total number of students, over 50 students, in average daily attendance in such eligible agency plus

$20,000, except that the initial amount may not exceed $60,000.

"(3) RATABLE ADJUSTMENT.—

"(A) IN GENERAL.—If the amount made available for this subpart for any fiscal year is not sufficient to pay in full the amounts that local educational agencies are eligible to receive under paragraph (1) for such year, the Secretary shall ratably reduce such amounts for such year.

"(B) ADDITIONAL AMOUNTS.—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.

"(5) CENSUS DETERMINATION.—

"(A) IN GENERAL.—Each local educational agency desiring a grant under this section shall conduct a census not later than December 1 of each year to determine the number of kindergarten through grade 12 students in average daily attendance at the schools served by the local educational agency.

"(B) SUBMISSION.—Each local educational agency shall submit the number described in subparagraph (A) to the Secretary not later than March 1 of each year.

"(d) DISBURSAL.—The Secretary shall disburse the funds awarded to a local educational agency under this section for a fiscal year not later than July 1 of that year.

"(e) SPECIAL RULE.—A local educational agency that is eligible to receive a grant under this subpart for a fiscal year shall be ineligible to receive funds for such fiscal year under subpart 2.

"(f) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other Federal, State or local education funds.

"SEC. 10963. ACCOUNTABILITY.

"(a) ACADEMIC ACHIEVEMENT.—

"(1) IN GENERAL.—Each local educational agency that uses or receives funds under section 10961 or 10962 for a fiscal year shall administer an assessment consistent with section 1111 of title I.

"(2) SPECIAL RULE.—Each local educational agency that uses or receives funds under section 10961 or 10962 shall use the same assessment de-

scribed in paragraph (1) for each year of participation in the program under such section.

"(b) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives funding under the provisions of law described in section 10961(c) shall—

"(1) after the second year that a local educational agency participates in a program under section 10961 or 10962 and on the basis of the results of the assessments described in subsection (a), determine whether the students served by the local educational agency participating in the program performed in accordance with section 1111 of title I; and

"(2) only permit those local educational agencies that so participated and met the requirements of section 1111(b)(2) of title I to continue to so participate.

"Subpart 2—Low-Income And Rural School Program

"SEC. 10971. PROGRAM AUTHORIZED.

"(a) RESERVATIONS.—From amounts appropriated under section 10982 for this subpart for a fiscal year, the Secretary shall reserve ½ of 1 percent to make awards to elementary or secondary schools operated or supported

by the Bureau of Indian Affairs to carry out the purpose of this subpart.

"(b) GRANTS TO STATES.—

"(1) IN GENERAL.—From amounts appropriated under section 10982 for this subpart that are not reserved under subsection (a), the Secretary shall award grants for a fiscal year to State educational agencies that have applications approved under section 10973 to enable the State educational agencies to award subgrants to eligible local educational agencies for local authorized activities described in subsection (c)(2).

"(2) ALLOCATION.—From amounts appropriated for this subpart, the Secretary shall allocate to each State educational agency for a fiscal year an amount that bears the same ratio to the amount of funds appropriated under section 10982 for this subpart that are not reserved under subsection (a) as the number of students in average daily attendance served by eligible local educational agencies in the State bears to the number of all such students served by eligible local educational agencies in all States for that fiscal year.

"(3) DIRECT AWARDS TO SPECIALLY QUALIFIED AGENCIES.—

"(A) NONPARTICIPATING STATE.—If a State educational agency elects not to participate in the program under this subpart or does not have an application approved under section 10973 a specially qualified agency in such State desiring a grant under this subpart shall apply directly to the Secretary to receive an award under this subpart.

"(B) DIRECT AWARDS TO SPECIALLY QUALIFIED AGENCIES.—The Secretary may award, on a competitive basis, the amount the State educational agency is eligible to receive under paragraph (2) directly to specially qualified agencies in the State.

"(c) LOCAL AWARDS.—

"(1) ELIGIBILITY.—A local educational agency shall be eligible to receive funds under this subpart if—

"(A) 20 percent or more of the children aged 5 to 17, inclusive, served by the local educational agency are from families with incomes below the poverty line; and

"(B) all of the schools served by the agency are located in a community with a Rural-

Urban Continuum Code of 6, 7, 8, or 9, as determined by the Secretary of Agriculture.

''(2) USES OF FUNDS.—Grant funds awarded to local educational agencies or made available to schools under this subpart shall be used for—

''(1) educational technology, including software and hardware;

''(2) professional development;

''(3) technical assistance;

''(4) teacher recruitment and retention;

''(5) parental involvement activities; or

''(6) academic enrichment programs.

''SEC. 10972. STATE DISTRIBUTION OF FUNDS.

''(a) AWARD BASIS.—A State educational agency shall award grants to eligible local educational agencies—

''(1) on a competitive basis; or

''(2) according to a formula based on the number of students in average daily attendance served by the eligible local educational agencies or schools (as appropriate) in the State, as determined by the State.

''(b) ADMINISTRATIVE COSTS.—A State educational agency receiving a grant under this subpart may not use more than 5 percent of the amount of the grant for State administrative costs.

"SEC. 10973. APPLICATIONS.

''Each State educational agency and specially qualified agency desiring to receive a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Such application shall include specific measurable goals and objectives to be achieved which may include specific educational goals and objectives relating to increased student academic achievement, decreased student drop-out rates, or such other factors that the State educational agency or specially qualified agency may choose to measure.

"SEC. 10974. REPORTS.

''(a) STATE REPORTS.—Each State educational agency that receives a grant under this subpart shall provide an annual report to the Secretary. The report shall describe—

''(1) the method the State educational agency used to award grants to eligible local educational agencies and to provide assistance to schools under this subpart;

''(2) how local educational agencies and schools used funds provided under this subpart; and

''(3) the degree to which progress has been made toward meeting the goals and objectives de-

scribed in the application submitted under section 10973.

"(b) SPECIALLY QUALIFIED AGENCY REPORT.—Each specially qualified agency that receives a grant under this subpart shall provide an annual report to the Secretary. Such report shall describe—

"(1) how such agency uses funds provided under this subpart; and

"(2) the degree to which progress has been made toward meeting the goals and objectives described in the application submitted under section 10971(b)(4)(A).

"(c) REPORT TO CONGRESS.—The Secretary shall prepare and submit to the Committee on Education and the Workforce for the House of Representatives and the Committee on Health, Education, Labor, and Pensions for the Senate an annual report. The report shall describe—

"(1) the methods the State educational agency used to award grants to eligible local educational agencies and to provide assistance to schools under this subpart;

"(2) how eligible local educational agencies and schools used funds provided under this subpart; and

"(3) progress made in meeting specific measurable educational goals and objectives.

"SEC. 10975. DEFINITIONS.

''For the purposes of this subpart—

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

''(2) The term 'specially qualified agency' means an eligible local educational agency, located in a State that does not participate in a program under this subpart in a fiscal year, that may apply directly to the Secretary for a grant in such year in accordance with section 10971(b)(4).

"Subpart 3—General Provisions

"SEC. 10981. DEFINITION.

''For the purposes of this part, the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 10982. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part $125,000,000 for fiscal year 2000 and such sums as may be necessary for each of four succeeding fiscal years to be distributed equally between subparts 1 and 2.''.

TITLE VII—MCKINNEY HOMELESS EDUCATION IMPROVEMENTS ACT OF 1999

SEC. 701. SHORT TITLE.

This title may be cited as the ''Stewart B. McKinney Homeless Education Assistance Improvements Act of 1999''.

SEC. 702. FINDINGS.

Congress makes the following findings:

(1) An estimated 1,000,000 children in the United States will experience homelessness this year.

(2) Homelessness has a devastating impact on the educational opportunities of children and youth; homeless children go hungry at more than twice the rate of other children; have four times the rate of delayed development; and are twice as likely to repeat a grade.

(3) Despite steady progress in school enrollment and attendance resulting from the passage in 1987 of the Stewart B. McKinney Homeless Assistance Act, homeless students still face numerous barriers to education, including residency, guardianship and registration requirements, as well as delays in the transfer of school records, and inadequate transportation service.

(4) School is one of the few secure factors in the lives of homeless children and youth, providing stability, structure, and accomplishment during a time of great upheaval.

(5) Homeless children and youth need to remain in school so that they acquire the skills necessary to escape poverty and lead productive, healthy lives as adults.

(6) In the 12 years since the passage of the McKinney Act, educators and service providers have learned much about policies and practices which help remove the barriers described.

SEC. 703. PURPOSE.

The purpose of this title is to strengthen subtitle B of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11431 et seq.) by amending it—

(1) to include innovative practices, proven to be effective in helping homeless children and youth enroll, attend, and succeed in school; and

(2) to help ensure that such individuals receive a quality education and secure their chance for a brighter future.

SEC. 704. EDUCATION FOR HOMELESS CHILDREN AND YOUTH.

Subtitle B of title VII of the Stewart B. McKinney Homeless Education Assistance Act (42 U.S.C. 11431 et seq.) is amended to read as follows:

"Subtitle B—Education for Homeless Children and Youth

"SEC. 721. STATEMENT OF POLICY.

''It is the policy of Congress that—

''(1) each State educational agency ensure that each child of a homeless individual and each homeless youth has equal access to the same free, public education, including a public preschool education, as provided to other children and youth;

''(2) in any State that has a compulsory residency requirement as a component of the State's compulsory school attendance laws or other laws, regulations, practices, or policies that may act as a barrier to the enrollment, attendance, or success in school of homeless children and youth, the State review and undertake steps to revise such laws, regulations, practices, or policies to ensure that homeless children and youth are afforded the same free, public education as provided to other children and youth;

"(3) homelessness alone is not sufficient reason to separate students from the mainstream school environment; and

"(4) homeless children and youth should have access to the education and other services that such children and youth need to ensure that such children and youth have an opportunity to meet the same challenging State student performance standards to which all students are held.

"SEC. 722. GRANTS FOR STATE AND LOCAL ACTIVITIES FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

"(a) GENERAL AUTHORITY.—The Secretary is authorized to make grants to States in accordance with the provisions of this section to enable such States to carry out the activities described in subsections (d), (e), (f), and (g).

"(b) APPLICATION.—No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(c) ALLOCATION AND RESERVATIONS.—

"(1) IN GENERAL.—Subject to paragraph (2) and section 724(c), from the amounts appropriated

for each fiscal year under section 726, the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated for such year under section 726 as the amount allocated under section 1122 of the Elementary and Secondary Education Act of 1965 to the State for that year bears to the total amount allocated under section 1122 to all States for that year, except that no State shall receive less than $100,000.

''(2) RESERVATION.—(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year under section 726 to be allocated by the Secretary among the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, according to their respective need for assistance under this subtitle, as determined by the Secretary.

''(B)(i) The Secretary shall transfer one percent of the amount appropriated for each fiscal year under section 726 to the Department of the Interior for programs for Indian students served by schools funded by the Secretary of the Interior, as determined under the Indian Self-Determination and Education Assistance Act, that are consistent with the purposes of this Act.

"(ii) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of this part, for the distribution and use of the funds described in clause (i) under terms that the Secretary determines best meet the purposes of the programs described in such clause. Such agreement shall set forth the plans of the Secretary of the Interior for the use of the amounts transferred, including appropriate goals, objectives, and milestones.

"(3) DEFINITION.—As used in this subsection, the term "State" shall not include the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(d) ACTIVITIES.—Grants under this section shall be used—

"(1) to carry out the policies set forth in section 721 in the State;

"(2) to provide activities for, and services to, homeless children, including preschool-aged homeless children, and youth that enable such children and youth to enroll in, attend, and succeed in school, or, if appropriate, in preschool programs;

"(3) to establish or designate an Office of Coordinator of Education of Homeless Children and

Youth in the State educational agency in accordance with subsection (f);

''(4) to prepare and carry out the State plan described in subsection (g); and

''(5) to develop and implement professional development programs for school personnel to heighten their awareness of, and capacity to respond to, specific problems in the education of homeless children and youth.

''(e) STATE AND LOCAL GRANTS.—

''(1) IN GENERAL.—(A) Subject to subparagraph (B), if the amount allotted to the State educational agency for any fiscal year under this subtitle exceeds the amount such agency received for fiscal year 1990 under this subtitle, as the subtitle was then in effect, such agency shall provide grants to local educational agencies for purposes of section 723.

''(B) The State educational agency may reserve not more than the greater of 5 percent of the amount such agency receives under this subtitle for any fiscal year, or the amount such agency received under this subtitle, as the subtitle was then in effect, for fiscal year 1990, to conduct activities under subsection (f) directly or through grants or contracts.

"(2) SPECIAL RULE.—If the amount allotted to a State educational agency for any fiscal year under this subtitle is less than the amount such agency received for fiscal year 1990 under this subtitle, such agency, at such agency's discretion, may provide grants to local educational agencies in accordance with section 723 or may conduct activities under subsection (f) directly or through grants or contracts.

"(3) PROHIBITION ON SEGREGATING HOMELESS STUDENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) and section 723(a)(2)(B)(ii), in providing a free, public education to a homeless child or youth, no State receiving funds under this subtitle shall segregate such child or youth, either in a separate school, or in a separate program within a school, based solely on such child or youth's status as homeless.

"(B) EXCEPTION.—A State that has established a separate school for homeless children in the fiscal year preceding the date of the enactment of the Stewart B. McKinney Homeless Education Assistance Improvement Act of

1999 shall remain eligible to receive funds under this subtitle for such program.

"(f) FUNCTIONS OF THE OFFICE OF COORDINATOR.—The Coordinator of Education of Homeless Children and Youth established in each State shall—

"(1) gather, to the extent possible, reliable, valid, and comprehensive information on the nature and extent of the problems homeless children and youth have in gaining access to public preschool programs and to public elementary and secondary schools, the difficulties in identifying the special needs of such children and youth, any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties, and the success of the program under this subtitle in allowing homeless children and youth to enroll in, attend, and succeed in, school;

"(2) develop and carry out the State plan described in subsection (g);

"(3) collect and transmit to the Secretary, information gathered pursuant to paragraphs (1) and (2), at such time and in such manner as the Secretary may require;

"(4) facilitate coordination between the State educational agency, the State social services agency, and other agencies providing services to homeless children and youth, including homeless children and youth who are preschool age, and families of such children and youth; and

"(5) in order to improve the provision of comprehensive education and related services to homeless children and youth and their families, coordinate and collaborate with—

"(A) educators, including child development and preschool program personnel;

"(B) providers of services to homeless and runaway children and youth and homeless families (including domestic violence agencies, shelter operators, transitional housing facilities, runaway and homeless youth centers, and transitional living programs for homeless youth);

"(C) local educational agency liaisons for homeless children and youth; and

"(D) community organizations and groups representing homeless children and youth and their families.

"(g) STATE PLAN.—

"(1) IN GENERAL.—Each State shall submit to the Secretary a plan to provide for the education of homeless children and youth within the State, which plan shall describe how such children and youth are or will be given the opportunity to meet the same challenging State student performance standards all students are expected to meet, shall describe the procedures the State educational agency will use to identify such children and youth in the State and to assess their special needs, and shall—

"(A) describe procedures for the prompt resolution of disputes regarding the educational placement of homeless children and youth;

"(B) describe programs for school personnel (including principals, attendance officers, teachers, enrollment personnel, and pupil services personnel) to heighten the awareness of such personnel of the specific needs of runaway and homeless youth;

"(C) describe procedures that ensure that homeless children and youth who meet the relevant eligibility criteria are able to participate in Federal, State, or local food programs;

"(D) describe procedures that ensure that—

"(i) homeless children have equal access to the same public preschool programs, administered by the State agency, as provided to other children; and

"(ii) homeless children and youth who meet the relevant eligibility criteria are able to participate in Federal, State, or local before- and after-school care programs;

"(E) address problems set forth in the report provided to the Secretary under subsection (f)(3);

"(F) address other problems with respect to the education of homeless children and youth, including problems caused by—

"(i) transportation issues; and

"(ii) enrollment delays that are caused by—

"(I) immunization requirements;

"(II) residency requirements;

"(III) lack of birth certificates, school records, or other documentation; or

"(IV) guardianship issues;

"(G) demonstrate that the State educational agency and local educational agencies in the State have developed, and shall review and revise, policies to remove barriers to the enrollment and retention of homeless children and youth in schools in the State; and

"(H) contain assurances that—

"(i) except as provided in subsection (e)(3)(B), State and local educational agencies will adopt policies and practices to ensure that homeless children and youth are not segregated solely on the basis of their status as homeless; and

"(ii) designate an appropriate staff person, who may also be a coordinator for other Federal programs, as a liaison for homeless children and youth.

"(2) COMPLIANCE.—Each plan adopted under this subsection shall also demonstrate how the State will ensure that local educational agencies in the State will comply with the requirements of paragraphs (3) through (9).

"(3) LOCAL EDUCATIONAL AGENCY REQUIREMENTS.—

"(A) IN GENERAL.—Each local educational agency serving a homeless child or youth assisted under this subtitle shall, according to the child's or youth's best interest, either—

"(i) continue the child's or youth's education in the school of origin—

"(I) for the duration of their homelessness;

"(II) if the child becomes permanently housed, for the remainder of the academic year; or

"(III) in any case in which a family becomes homeless between academic years, for the following academic year; or

"(ii) enroll the child or youth in any public school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

"(B) BEST INTEREST.—In determining the best interest of the child or youth under subparagraph (A), the local educational agency shall keep, to the extent feasible, a homeless child or youth in the school of origin, except

when doing so is contrary to the wishes of the child's or youth's parent or guardian.

"(C) ENROLLMENT.—(i) A school that a homeless child seeks to enroll in shall, in accordance with this paragraph, immediately enroll the homeless child or youth even if the child or youth is unable to produce records normally required for enrollment, such as previous academic records, proof of residency, or other documentation.

"(ii) The enrolling school shall immediately contact the school last attended by the child or youth to obtain relevant academic and other records.

"(iii) If the child or youth needs to obtain immunizations or immunization records, the enrolling school shall immediately refer the parent or guardian of the child or youth to the liaison who shall assist in obtaining necessary immunizations or immunization records in accordance with subparagraph (E).

"(D) RECORDS.—Any record ordinarily kept by the school, including immunization records, academic records, birth certificates,

guardianship records, and evaluations for special services or programs, of each homeless child or youth shall be maintained—

"(i) so that the records are available, in a timely fashion, when a child or youth enters a new school district; and

"(ii) in a manner consistent with section 444 of the General Education Provisions Act.

"(E) ENROLLMENT DISPUTES.—If there is a dispute over school selection or enrollment—

"(i) the child or youth shall be immediately admitted to the school in which enrollment is sought, pending resolution of the dispute;

"(ii) the parent or guardian shall be provided with a written explanation of the school's decision regarding enrollment, including the right to appeal the decision; and

"(iii) the parent or guardian shall be referred to the liaison, who shall carry out the dispute resolution process as described in paragraph (6)(D) as expeditiously as

possible, after receiving notice of the dispute.

"(F) PLACEMENT CHOICE.—The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere by the parents.

"(G) DEFINITION.—For purposes of this paragraph, the term "school of origin" means the school that the child or youth attended when permanently housed, or the school in which the child or youth was last enrolled.

"(H) CONTACT INFORMATION.—Nothing in this subtitle shall prohibit a local educational agency from requiring a parent or guardian of a homeless child to submit contact information required by the local educational agency of a parent or guardian of a nonhomeless child.

"(4) COMPARABLE SERVICES.—Each homeless child or youth to be assisted under this subtitle shall be provided services comparable to services offered to other students in the school selected according to the provisions of paragraph (3), including—

"(A) transportation services;

"(B) educational services for which the child or youth meets the eligibility criteria, such as services provided under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) or similar State or local programs, educational programs for children with disabilities, and educational programs for students with limited-English proficiency;

"(C) programs in vocational and technical education;

"(D) programs for gifted and talented students; and

"(E) school nutrition programs.

"(5) COORDINATION.—

"(A) IN GENERAL.—Each local educational agency serving homeless children and youth that receives assistance under this subtitle shall coordinate the provision of services under this subtitle with local social services agencies and other agencies or programs providing services to homeless children and youth and their families, including services and programs funded under the Runaway and Homeless Youth Act. (42 U.S.C. 5701 et seq.).

"(B) HOUSING ASSISTANCE.—If applicable, each State and local educational agency that receives assistance under this subtitle shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 105 of the Cranston-Gonzales National Affordable Housing Act (42 U.S.C. 12705) to minimize educational disruption for children and youth who become homeless.

"(C) COORDINATION PURPOSE.—The coordination required under subparagraphs (A) and (B) shall be designed to—

"(i) ensure that homeless children and youth have access to available education and related support services; and

"(ii) raise the awareness of school personnel and service providers of the effects of short-term stays in a shelter and other challenges associated with homeless children and youth.

"(6) LIAISON.—

"(A) DUTIES.—Each local liaison for homeless children and youth, designated pursu-

ant to subsection (g)(1)(H)(ii), shall ensure that—

"(i) homeless children and youth enroll in, and have an equal opportunity to succeed in, schools of that agency;

"(ii) homeless families, children, and youth receive educational services for which such families, children, and youth are eligible, including Head Start and Even Start programs and preschool programs administered by the local educational agency, and referrals to health care services, dental services, mental health services, and other appropriate services;

"(iii) the parents or guardians of homeless children and youth are informed of the education and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children; and

"(iv) public notice of the educational rights of homeless children and youth is disseminated where such children and youth receive services under this Act (such as family shelters and soup kitchens).

"(B) NOTICE.—State coordinators and local educational agencies shall inform school personnel, service providers, and advocates working with homeless families of the duties of the liaisons.

"(C) LOCAL AND STATE COORDINATION.—Local educational agency liaisons for homeless children and youth shall, as a part of their duties, coordinate and collaborate with State coordinators and community and school personnel responsible for the provision of education and related services to homeless children and youth.

"(D) DISPUTE RESOLUTION.—Unless another individual is designated by State law, the local educational agency liaisons for homeless children and youth shall provide resource information and assist in resolving disputes under this subtitle, should they arise.

"(7) REVIEW AND REVISIONS.—

"(A) IN GENERAL.—Each State educational agency and local educational agency that receives assistance under this subtitle, shall review and revise any policies that may act as barriers to the enrollment of homeless chil-

dren and youth in schools selected in accordance with paragraph (3).

"(B) CONSIDERATION.—In reviewing and revising such policies, consideration shall be given to issues concerning transportation, immunization, residency, birth certificates, school records, and other documentation, and guardianship.

"(C) SPECIAL ATTENTION.—Special attention shall be given to ensuring the enrollment and attendance of homeless children and youth who are not currently attending school.

"SEC. 723. LOCAL EDUCATIONAL AGENCY GRANTS FOR THE EDUCATION OF HOMELESS CHILDREN AND YOUTH.

"(a) GENERAL AUTHORITY.—

"(1) IN GENERAL.—The State educational agency shall, in accordance with section 722(e) and from amounts made available to such agency under section 726, make grants to local educational agencies for the purpose of facilitating the enrollment, attendance, and success in school of homeless children and youth.

"(2) SERVICES.—

"(A) IN GENERAL.—Services under paragraph (1)—

"(i) may be provided through programs on school grounds or at other facilities;

"(ii) shall, to the maximum extent practicable, be provided through existing programs and mechanisms that integrate homeless children and youth with non-homeless children and youth; and

"(iii) shall be designed to expand or improve services provided as part of a school's regular academic program, but not replace that program.

"(B) SERVICES ON SCHOOL GROUNDS.—If services under paragraph (1) are provided on school grounds, schools—

"(i) may use funds under this subtitle to provide the same services to other children and youth who are determined by the local educational agency to be at risk of failing in, or dropping out of, schools, subject to the requirements of clause (ii).

"(ii) except as otherwise provided in section 722(e)(3)(B), shall not provide

services in settings within a school that segregates homeless children and youth from other children and youth except as is necessary for short periods of time—

"(I) for health and safety emergencies; or

"(II) to provide temporary, special, supplementary services to meet the unique needs of homeless children and youth.

"(3) REQUIREMENT.—Services provided under this section shall not replace the regular academic program and shall be designed to expand upon or improve services provided as part of the school's regular academic program.

"(b) APPLICATION.—A local educational agency that desires to receive a grant under this section shall submit an application to the State educational agency at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require. Each such application shall include—

"(1) an assessment of the educational and related needs of homeless children and youth in such agency (which may be undertaken as a part of needs assessments for other disadvantaged groups);

"(2) a description of the services and programs for which assistance is sought and the problems to be addressed through the provision of such services and programs;

"(3) an assurance that the local educational agency's combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the fiscal year preceding the fiscal year for which the determination is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made;

"(4) an assurance that the applicant complies with, or will use requested funds to comply with, paragraphs (3) through (7) of section 722(g); and

"(5) a description of policies and procedures, consistent with section 722(e)(3)(B), that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youth.

"(c) AWARDS.—

"(1) IN GENERAL.—The State educational agency shall, in accordance with the requirements of

this subtitle and from amounts made available to it under section 726, make competitive subgrants that result in an equitable distribution of geographic areas within the State to local educational agencies that submit applications under subsection (b). Such subgrants shall be awarded on the basis of the need of such agencies for assistance under this subtitle and the quality of the applications submitted.

"(2) NEED.—In determining need under paragraph (1), the State educational agency may consider the number of homeless children and youth enrolled in preschool, elementary, and secondary schools within the area served by the agency, and shall consider the needs of such children and youth and the ability of the agency to meet such needs. Such agency may also consider—

"(A) the extent to which the proposed use of funds would facilitate the enrollment, retention, and educational success of homeless children and youth;

"(B) the extent to which the application reflects coordination with other local and State agencies that serve homeless children and youth, and meets the requirements of section 722(g)(3);

"(C) the extent to which the applicant exhibits in the application and in current practice a commitment to education for all homeless children and youth; and

"(D) such other criteria as the State agency determines appropriate.

"(3) QUALITY.—In determining the quality of applications under paragraph (1), the State educational agency shall consider—

"(A) the applicant's needs assessment under subsection (b)(1) and the likelihood that the program presented in the application will meet such needs;

"(B) the types, intensity, and coordination of the services to be provided under the program;

"(C) the involvement of parents or guardians;

"(D) the extent to which homeless children and youth will be integrated within the regular education program;

"(E) the quality of the applicant's evaluation plan for the program;

"(F) the extent to which services provided under this subtitle will be coordinated with other available services; and

"(G) such other measures as the State educational agency considers indicative of a high-quality program.

"(4) DURATION OF GRANTS.—Grants awarded under this section shall be for terms not to exceed 3 years.

"(d) AUTHORIZED ACTIVITIES.—A local educational agency may use funds awarded under this section for activities to carry out the purpose of this subtitle, including—

"(1) the provision of tutoring, supplemental instruction, and enriched educational services that are linked to the achievement of the same challenging State content standards and challenging State student performance standards the State establishes for other children and youth;

"(2) the provision of expedited evaluations of the strengths and needs of homeless children and youth, including needs and eligibility for programs and services (such as educational programs for gifted and talented students, children with disabilities, and students with limited-English proficiency, serv-

ices provided under title I of the Elementary and Secondary Education Act of 1965 or similar State or local programs, programs in vocational and technical education, and school nutrition programs);

''(3) professional development and other activities for educators and pupil services personnel that are designed to heighten the understanding and sensitivity of such personnel to the needs of homeless children and youth, the rights of such children and youth under this Act, and the specific educational needs of runaway and homeless youth;

''(4) the provision of referral services to homeless children and youth for medical, dental, mental, and other health services;

''(5) the provision of assistance to defray the excess cost of transportation for students pursuant to section 722(g)(4)(A), not otherwise provided through Federal, State, or local funding, where necessary to enable students to attend the school selected under section 722(g)(3);

''(6) the provision of developmentally appropriate early childhood education programs, not otherwise provided through Federal, State, or local funding, for preschool-aged children;

"(7) the provision of before- and after-school, mentoring, and summer programs for homeless children and youth in which a teacher or other qualified individual provides tutoring, homework assistance, and supervision of educational activities;

"(8) if necessary, the payment of fees and other costs associated with tracking, obtaining, and transferring records necessary to enroll homeless children and youth in school, including birth certificates, immunization records, academic records, guardianship records, and evaluations for special programs or services;

"(9) the provision of education and training to the parents of homeless children and youth about the rights of, and resources available to, such children and youth;

"(10) the development of coordination between schools and agencies providing services to homeless children and youth, including programs funded under the Runaway and Homeless Youth Act;

"(11) the provision of pupil services (including violence prevention counseling) and referrals for such services;

"(12) activities to address the particular needs of homeless children and youth that may arise from domestic violence;

"(13) the adaptation of space and purchase of supplies for nonschool facilities made available under subsection (a)(2) to provide services under this subsection;

"(14) the provision of school supplies, including those supplies to be distributed at shelters or temporary housing facilities, or other appropriate locations; and

"(15) the provision of other extraordinary or emergency assistance needed to enable homeless children and youth to attend school.

"SEC. 724. SECRETARIAL RESPONSIBILITIES.

"(a) REVIEW OF PLANS.—In reviewing the State plan submitted by a State educational agency under section 722(g), the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in such plans adequately address the problems of homeless children and youth relating to access to education and placement as described in such plans.

"(b) TECHNICAL ASSISTANCE.—The Secretary shall provide support and technical assistance to the State educational agencies to assist such agencies to carry out their

responsibilities under this subtitle, if requested by the State educational agency.

"(c) REPORT.—The Secretary shall develop and issue not later than 60 days after the date of the enactment of the Stewart B. McKinney Homeless Education Assistance Improvements Act of 1999, a report to be made available to States, local educational agencies, and other applicable agencies regarding the following:

"(1) ENROLLMENT.—Such report shall review successful ways in which a State may assist local educational agencies to enroll homeless students on an immediate basis. The report issued by the Secretary shall—

"(A) clarify that enrollment includes a homeless child's or youth's right to actually attend school; and

"(B) clarify requirements that States are to review immunization and medical or school records and to make such revisions as appropriate and necessary in order to enroll homeless students in school more quickly.

"(2) TRANSPORTATION.—The report shall also address the transportation needs of homeless students. The report issued by the Secretary shall—

"(A) explicitly state that the goal of the transportation provisions contained in this Act is to provide educational stability by reducing mobility and therefore provide an effective learning environment for homeless children; and

"(B) encourage States to follow programs implemented in State law that have successfully addressed transportation barriers for homeless children.

"(d) EVALUATION AND DISSEMINATION.—The Secretary shall conduct evaluation and dissemination activities of programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds appropriated under section 726 to conduct such activities.

"(e) SUBMISSION AND DISTRIBUTION.—The Secretary shall require applications for grants under this subtitle to be submitted to the Secretary not later than the expiration of the 60-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 120-day period beginning on such date.

"(f) DETERMINATION BY SECRETARY.—The Secretary, based on the information received from the States and information gathered by the Secretary under sub-

section (e), shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education as described in section 721(1).

"(g) INFORMATION.—

"(1) IN GENERAL.—From funds appropriated under section 726, the Secretary shall, either directly or through grants, contracts, or cooperative agreements, periodically collect and disseminate data and information regarding—

"(A) the number and location of homeless children and youth;

"(B) the education and related services such children and youth receive;

"(C) the extent to which such needs are being met; and

"(D) such other data and information as the Secretary deems necessary and relevant to carry out this subtitle.

"(2) COORDINATION.—The Secretary shall coordinate such collection and dissemination with other agencies and entities that receive assistance and administer programs under this subtitle.

"(h) REPORT.—Not later than 4 years after the date of the enactment of the Stewart B. McKinney Homeless

Education Assistance Improvement Act of 1999, the Secretary shall prepare and submit to the President and the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the status of education of homeless children and youth, which shall include information on—

"(1) the education of homeless children and youth; and

"(2) the effectiveness of the programs supported under this subtitle.

"SEC. 725. DEFINITIONS.

"For the purpose of this subtitle, unless otherwise stated—

"(1) the terms 'local educational agency' and 'State educational agency' have the same meanings given such terms under section 14101, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801);

"(2) the term 'Secretary' means the Secretary of Education; and

"(3) the term 'State' means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

"SEC. 726. AUTHORIZATION OF APPROPRIATIONS.

''For the purpose of carrying out this subtitle, there are authorized to be appropriated $36,000,000 for fiscal year 2000 and such sums as may be necessary for each of the fiscal years 2001 through 2004.''.

TITLE VIII—SCHOOLWIDE PROGRAM ADJUSTMENT

SEC. 801. SCHOOLWIDE FUNDS.

The Act is amended by adding at the end the following:

"TITLE XVI—SCHOOLWIDE PROGRAM ADJUSTMENT

"SEC. 16001. SCHOOLWIDE PROGRAM ADJUSTMENT.

''Notwithstanding the provisions of section 1114, a local educational agency may consolidate funds under part A of title I, together with other Federal, State, and local funds, in order to upgrade the entire educational program of a school that serves an eligible school attendance area in which not less than 40 percent of the children are from low-income families, or not less than 40 percent of the children enrolled in the school are from such families.''.

TITLE IX—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

SEC. 901. PROGRAMS AUTHORIZED.

Title VII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7401 et seq.) is amended to read as follows:

"TITLE VII—EDUCATION OF LIMITED ENGLISH PROFICIENT CHILDREN AND EMERGENCY IMMIGRANT EDUCATION

"PART A—ENGLISH LANGUAGE EDUCATION

"SEC. 7101. SHORT TITLE.

''This part may be cited as the 'English Language Proficiency and Academic Achievement Act'.

"SEC. 7102. FINDINGS AND PURPOSES.

''(a) FINDINGS.—The Congress finds that—

''(1) English is the common language of the United States and every citizen and other person residing in the United States should have a command of the English language in order to develop to their full potential;

''(2) limited English proficient children must overcome a number of challenges in receiving an

education in order to enable such children to participate fully in American society, including—

"(A) segregated education programs;

"(B) disproportionate and improper placement in special education and other special programs due to the use of inappropriate evaluation procedures;

"(C) the limited English proficiency of their own parents, which hinders the parents' ability to fully participate in the education of their children; and

"(D) a need for additional teachers and other staff who are professionally trained and qualified to serve such children;

"(3) States and local educational agencies need assistance in developing the capacity to provide programs of instruction that offer and provide an equal educational opportunity to children who need special assistance because English is not their dominant language;

"(4) Native Americans and Native American languages (as such terms are defined in section 103 of the Native American Languages Act), including native residents of the outlying areas, have a unique status under Federal law that requires special poli-

cies within the broad purposes of this Act to serve the education needs of language minority students in the United States;

"(5) the Federal Government, as exemplified by title VI of the Civil Rights Act of 1964 and section 204(f) of the Equal Education Opportunities Act of 1974, has a special and continuing obligation to ensure that States and local educational agencies take appropriate action to provide equal educational opportunities to children of limited English proficiency; and

"(6) research, evaluation, and data collection capabilities in the field of instruction for limited English proficient children need to be strengthened so that educators and other staff teaching limited English proficient children in the classroom can better identify and promote programs, program implementation strategies, and instructional practices that result in the effective education of limited English proficient children.

"(b) PURPOSES.—The purposes of this part are—

"(1) to help ensure that children who are limited English proficient attain English proficiency, develop high levels of academic attainment in English, and meet the same challenging State con-

tent standards and challenging State student performance standards expected of all children; and

''(2) to develop high quality programs designed to assist local educational agencies in teaching limited English proficient children.

"SEC. 7103. PARENTAL NOTIFICATION AND CONSENT FOR ENGLISH LANGUAGE INSTRUCTION.

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

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

''(2) the child's level of English proficiency, how such level was assessed, and the status of the child's academic achievement;

''(3) how the English language instruction program will specifically help the child acquire English and meet age-appropriate standards for grade promotion and graduation;

"(4) what the specific exit requirements are for the program;

"(5) the expected rate of transition from the program into a classroom that is not tailored for limited English proficient children; and

"(6) the expected rate of graduation from high school for the program if funds under this part are used for children in secondary schools.

"(b) CONSENT.—

"(1) AGENCY REQUIREMENTS.—

"(A) INFORMED CONSENT.—For a child who has been identified as limited English proficient prior to the beginning of the school year, each local educational agency that receives funds under this part shall obtain informed parental consent prior to the placement of a child in an English language instruction program for limited English proficient children funded under this part, if—

"(i) the program does not include classes which exclusively or almost exclusively use the English language in instruction; or

"(ii) instruction is tailored for limited English proficient children.

"(B) WRITTEN CONSENT NOT OBTAINED.—If written consent is not obtained, the local educational agency shall maintain a written record that includes the date and the manner in which such informed consent was obtained.

"(C) RESPONSE NOT OBTAINED.—

"(i) IN GENERAL.—If a response cannot be obtained after a reasonable and substantial effort has been made to obtain such consent, the local educational agency shall document that it has given such notice and its specific efforts made to obtain such consent.

"(ii) DELIVERY OF PROOF OF DOCUMENTATION.—The proof of documentation shall be mailed or delivered in writing to the parents or guardian of the child prior to placing the child in a program described in subparagraph (A), and shall include a final notice requesting parental consent for such services. After such documentation has been mailed or delivered in writing, the local educational agency shall provide appropriate educational services.

"(iii) SPECIAL RULE APPLICABLE DURING SCHOOL YEAR.—A local educational agency may obtain parental consent under this clause only for children who have not been identified as limited English proficient prior to the beginning of a school year. For such children the agency shall document, in writing, its specific efforts made to obtain such consent prior to placing the child in a program described in subparagraph (A). After such documentation has been made, the local educational agency shall provide appropriate educational services to such child. The proof of documentation shall be mailed or delivered in writing to the parents or guardian of the child in a timely manner and shall include information on how to have their child immediately removed from the program upon their request. This clause shall not be construed as exempting a local educational agency from complying with the requirements of this paragraph.

"(2) PARENTAL RIGHTS.—A parent or the parents of a child participating in an English language

instruction program for limited English proficient children assisted under subpart 1 or 2 shall—

"(A) select among methods of instruction, if more than one method is offered in the program; and

"(B) have the right to have their child immediately removed from the program upon their request.

"(c) RECEIPT OF INFORMATION.—A parent or the parents of a child identified for participation in an English language instruction program for limited English proficient children assisted under this part shall receive, in a manner and form understandable to the parent or parents, the information required by this subsection. At a minimum, the parent or parents shall receive—

"(1) timely information about English language instruction programs for limited English proficient children assisted under this part;

"(2) if a parent of a participating child so desires, notice of opportunities for regular meetings for the purpose of formulating and responding to recommendations from such parents; and

"(3) procedural information for removing a child from a program for limited English proficient children.

"(d) BASIS FOR ADMISSION OR EXCLUSION.—Students shall not be admitted to or excluded from any federally assisted education program on the basis of a surname or language-minority status.

"SEC. 7104. TESTING OF LIMITED ENGLISH PROFICIENT CHILDREN.

"(a) IN GENERAL.—Assessments of limited English proficient children participating in programs funded under this part, to the extent practicable, shall be in the language and form most likely to yield accurate and reliable information on what such students know and can do in content areas.

"(b) SPECIAL RULE.—Notwithstanding subsection (a), in the case of an assessment of reading or language arts of any student who has attended school in the United States (excluding Puerto Rico) for three or more consecutive school years, the assessment shall be in the form of a test written in English, except that, if the local educational agency determines, on a case-by-case individual basis, that assessments in another language and form would likely yield more accurate and reliable information on what such students know and can do, the local educational agency may assess such students in the appropriate language other than English for one additional year.

"SEC. 7105. CONDITIONS ON EFFECTIVENESS OF SUBPARTS 1 AND 2.

"(a) SUBPART 1.—Subpart 1 shall be in effect only for a fiscal year for which subpart 2 is not in effect.

"(b) SUBPART 2.—

"(1) IN GENERAL.—Subpart 2 shall be in effect only for—

"(A) the first fiscal year for which the amount appropriated to carry out this part equals or exceeds $220,000,000; and

"(B) all succeeding fiscal years.

"(2) CONTINUATION OF AWARDS.—Notwithstanding any other provision of this part, a State receiving a grant under subpart 2 shall provide one additional year of funding to eligible entities in accordance with section 7133(3).

"SEC. 7106. AUTHORIZATIONS OF APPROPRIATIONS.

"(a) SUBPART 1 OR 2.—Subject to section 7105, for the purpose of carrying out subpart 1 or 2, as applicable, there are authorized to be appropriated $220,000,000 for fiscal year 2000 and such sums as may be necessary for the four succeeding fiscal years.

"(b) SUBPART 3.—For the purpose of carrying out subpart 3, there are authorized to be appropriated $60,000,000 for fiscal year 2000 and such sums as may be necessary for the four succeeding fiscal years.

"(c) SUBPART 4.—For the purpose of carrying out subpart 4, there are authorized to be appropriated $16,000,000 for fiscal year 2000 and such sums as may be necessary for the four succeeding fiscal years.

"Subpart 1—Discretionary Grant Program

"SEC. 7111. FINANCIAL ASSISTANCE FOR PROGRAMS FOR LIMITED ENGLISH PROFICIENT CHILDREN.

"The purpose of this subpart is to assist local educational agencies, institutions of higher education, and community-based organizations, through the grants authorized under section 7112, to—

"(1) develop and enhance their capacity to provide high-quality instruction through English language instruction and programs which assist limited English proficient children in achieving the same high levels of academic achievement as other children; and

"(2) help such children—

"(A) develop proficiency in English; and

"(B) meet the same challenging State content standards and challenging State student performance standards expected for all children as required by section 1111(b).

"SEC. 7112. FINANCIAL ASSISTANCE FOR INSTRUCTIONAL SERVICES.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—In accordance with section 7105, before the amount appropriated to carry out this part for a fiscal year equals or exceeds $220,000,000, the Secretary is authorized to award grants to eligible entities having applications approved under section 7114 to enable such entities to carry out activities described in subsection (b).

"(2) LENGTH OF GRANT.—Each grant under this section shall be awarded for a period of time to be determined by the Secretary based on the type of grant for which the eligible entity applies.

"(b) AUTHORIZED ACTIVITIES.—Grants awarded under this section shall be used to improve the education of limited English proficient children and their families, through the acquisition of English and the attainment of challenging State academic content standards and challenging State performance standards using scientifically-based research approaches and methodologies, by—

"(1) developing and implementing new English language and academic content instructional programs for children who are limited English proficient, including programs of early childhood edu-

cation and kindergarten through 12th grade education;

"(2) carrying out highly focused, innovative, locally designed projects to expand or enhance existing English language and academic content instruction programs for limited English proficient children;

"(3) implementing, within an individual school, schoolwide programs for restructuring, reforming, and upgrading all relevant programs and operations relating to English language and academic content instruction for limited English proficient students; or

"(4) implementing, within the entire jurisdiction of a local educational agency, agency-wide programs for restructuring, reforming, and upgrading all relevant programs and operations relating to English language and academic content instruction for limited English proficient students.

"(c) USES OF FUNDS.—Grants under this section may be used—

"(1) to upgrade program objectives and effective instructional strategies;

"(2) to improve the instruction program for limited English proficient students by identifying, acquiring, and upgrading curricula, instructional

materials, educational software, and assessment procedures;

"(3) to provide—

"(A) tutorials and academic or vocational education for limited English proficient children; and

"(B) intensified instruction;

"(4) to develop and implement comprehensive preschool or elementary or secondary school English language instructional programs that are coordinated with other relevant programs and services;

"(5) to provide professional development to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of children who are limited English proficient children;

"(6) to improve the English language proficiency and academic performance of limited English proficient children;

"(7) to improve the instruction of limited English proficient children by providing for the acquisition or development of education technology or instructional materials, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources

in curricula and programs, such as those funded under this subpart;

"(8) to develop tutoring programs for limited English proficient children that provide early intervention and intensive instruction in order to improve academic achievement, to increase graduation rates among limited English proficient children, and to prepare students for transition as soon as possible into classrooms where instruction is not tailored for limited English proficient children;

"(9) to provide family literacy services and parent outreach and training activities to limited English proficient children and their families to improve their English language skills and assist parents in helping their children to improve their academic performance; and

"(10) to undertake other activities that are consistent with the purposes of this subpart.

"(d) SPECIAL RULE.—A grant recipient, before carrying out a program assisted under this section, shall plan, train personnel, develop curricula, and acquire or develop materials.

"(e) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means—

"(1) one or more local educational agencies; or

"(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization, or local or State educational agency.

"SEC. 7113. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL.

"(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this subpart for individuals served by elementary, secondary, and postsecondary schools operated predominately for Native American or Alaska Native children, an Indian tribe, a tribally sanctioned educational authority, a Native Hawaiian or Native American Pacific Islander native language education organization, or an elementary or secondary school that is operated or funded by the Bureau of Indian Affairs shall be considered to be a local educational agency as such term is used in this subpart, subject to the following qualifications:

"(1) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized for the special programs and serv-

ices provided by the United States to Indians because of their status as Indians.

"(2) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term 'tribally sanctioned educational authority' means—

"(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

"(B) any nonprofit institution or organization that is—

"(i) chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee the delivery of educational services to members of that tribe; and

"(ii) approved by the Secretary for the purpose of this section.

"(b) ELIGIBLE ENTITY APPLICATION.—Notwithstanding any other provision of this subpart, each eligible entity described in subsection (a) shall submit any application for assistance under this subpart directly to the Secretary along with timely comments on the need for the proposed program.

"SEC. 7114. APPLICATIONS.

"(a) IN GENERAL.—

"(1) SECRETARY.—To receive a grant under this subpart, an eligible entity shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

"(2) STATE EDUCATIONAL AGENCY.—An eligible entity, with the exception of schools funded by the Bureau of Indian Affairs, shall submit a copy of its application under this section to the State educational agency.

"(b) REQUIRED DOCUMENTATION.—Such application shall include documentation that the applicant has the qualified personnel required to develop, administer, and implement the proposed program.

"(c) CONTENTS.—

"(1) IN GENERAL.—An application for a grant under this subpart shall contain the following:

"(A) A description of the need for the proposed program, and a comprehensive description of the characteristics relevant to the children being served.

"(B) An assurance that, if the applicant includes one or more local educational agencies, each such agency is complying with section

7103(b) prior to, and throughout, each school year.

"(C) A description of the program to be implemented and how such program's design—

"(i) relates to the English language and academic needs of the children of limited English proficiency to be served;

"(ii) is coordinated with other programs under this Act and other Acts, as appropriate, in accordance with section 14306;

"(iii) involves the parents of the children of limited English proficiency to be served;

"(iv) ensures accountability in achieving high academic standards; and

"(v) promotes coordination of services for the children of limited English proficiency to be served and their families.

"(D) A description, if appropriate, of the applicant's collaborative activities with institutions of higher education, community-based organizations, local or State educational agencies, private schools, nonprofit organizations, or businesses in carrying out the proposed program.

"(E) An assurance that the applicant will not reduce the level of State and local funds that the applicant expends for programs for limited English proficient children if the applicant receives an award under this subpart.

"(F) An assurance that the applicant will employ teachers in the proposed program who are proficient in English, including written and oral communication skills, and another language, if appropriate.

"(G) A budget for grant funds.

"(H) A description, if appropriate of how the applicant annually will assess the English proficiency of all children with limited English proficiency participating in programs funded under this subpart.

"(2) ADDITIONAL INFORMATION.—Each applicant for a grant under section 7112 who intends to use the grant for a purpose described in paragraph (3) or (4) of subsection (b) of such section—

"(A) shall describe—

"(i) how services provided under this subpart are supplementary to existing services;

"(ii) how funds received under this subpart will be integrated, as appropriate, with all other Federal, State, local, and private resources that may be used to serve children of limited English proficiency;

"(iii) specific achievement and school retention goals for the children to be served by the proposed program and how progress toward achieving such goals will be measured; and

"(iv) current family literacy programs if applicable; and

"(B) shall provide assurances that the program funded will be integrated with the overall educational program.

"(d) APPROVAL OF APPLICATIONS.—An application for a grant under this subpart may be approved only if the Secretary determines that—

"(1) the program will use qualified personnel, including personnel who are proficient in English and other languages used in instruction, if appropriate;

"(2) in designing the program for which application is made, the needs of children in nonprofit private elementary and secondary schools have been

taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type to those which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public school children;

''(3) student evaluation and assessment procedures in the program are valid, reliable, and fair for limited English proficient students, and that limited English proficient students who are disabled are identified and served in accordance with the requirements of the Individuals with Disabilities Education Act;

''(4) Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of such Federal funds, would have been expended for special programs for limited English proficient children and in no case to supplant such State and local funds, except that nothing in this

paragraph shall be construed to preclude a local educational agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children; and

"(5) the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of students of limited English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this subpart is reduced or no longer available.

"(e) CONSIDERATION.—In approving applications under this subpart, the Secretary shall give consideration to the degree to which the program for which assistance is sought involves the collaborative efforts of institutions of higher education, community-based organizations, the appropriate local and State educational agency, or businesses.

"SEC. 7115. INTENSIFIED INSTRUCTION.

''In carrying out this subpart, each grant recipient may intensify instruction for limited English proficient students by—

''(1) expanding the educational calendar of the school in which such student is enrolled to include programs before and after school and during the summer months;

''(2) applying technology to the course of instruction; and

''(3) providing intensified instruction through supplementary instruction or activities, including educationally enriching extracurricular activities, during times when school is not routinely in session.

"SEC. 7116. CAPACITY BUILDING.

''Each recipient of a grant under this subpart shall use the grant in ways that will build such recipient's capacity to continue to offer high-quality English language instruction and programs which assist limited English proficient children in achieving the same high levels of academic achievement as other children, once Federal assistance is reduced or eliminated.

"SEC. 7117. SUBGRANTS.

''A local educational agency that receives a grant under this subpart may, with the approval of the Secretary, make a subgrant to, or enter into a contract with,

an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out an approved program, including a program to serve out-of-school youth.

"SEC. 7118. SPECIAL CONSIDERATION.

''The Secretary shall give special consideration to applications under this subpart that describe a program that—

''(1) enrolls a large percentage or large number of limited English proficient students;

''(2) takes into account significant increases in limited English proficient children, including such children in areas with low concentrations of such children; and

''(3) ensures that activities assisted under this subpart address the needs of school systems of all sizes and geographic areas, including rural and urban schools.

"SEC. 7119. COORDINATION WITH OTHER PROGRAMS.

''In order to secure the most flexible and efficient use of Federal funds, any State receiving funds under this subpart shall coordinate its program with other programs under this Act and other Acts, as appropriate, in accordance with section 14306.

"SEC. 7120. NOTIFICATION.

"The State educational agency, and when applicable, the State board for postsecondary education, shall be notified within three working days of the date an award under this subpart is made to an eligible entity within the State.

"SEC. 7121. STATE GRANT PROGRAM.

"(a) STATE GRANT PROGRAM.—The Secretary is authorized to make an award to a State educational agency that demonstrates, to the satisfaction of the Secretary, that such agency, through such agency's own programs and other Federal education programs, effectively provides for the education of children of limited English proficiency within the State.

"(b) PAYMENTS.—The amount paid to a State educational agency under subsection (a) shall not exceed 5 percent of the total amount awarded to local educational agencies within the State under subpart 1 for the previous fiscal year, except that in no case shall the amount paid by the Secretary to any State educational agency under this subsection for any fiscal year be less than $100,000.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—A State educational agency shall use funds awarded under this section for programs authorized by this section—

"(A) to assist local educational agencies in the State with program design, capacity build-

ing, assessment of student performance, and program evaluation; and

"(B) to collect data on the State's limited English proficient populations and the educational programs and services available to such populations.

"(2) EXCEPTION.—States that do not, as of the date of the enactment of the Student Results Act of 1999, have in place a system for collecting the data described in paragraph (1)(B) for all students in such State, are not required to meet the requirement of such paragraph. In the event such State develops a system for collecting data on the educational programs and services available to all students in the State, then such State shall comply with the requirement of paragraph (1)(B).

"(3) TRAINING.—The State educational agency may also use funds provided under this section for the training of State educational agency personnel in educational issues affecting limited English proficient children.

"(4) SPECIAL RULE.—Recipients of funds under this section shall not restrict the provision of services under this section to federally funded programs.

"(d) APPLICATIONS.—A State educational agency desiring to receive funds under this section shall submit an application to the Secretary in such form, at such time, and containing such information and assurances as the Secretary may require.

"(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase to the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

"(f) REPORT TO THE SECRETARY.—State educational agencies receiving awards under this section shall provide for the annual submission of a summary report to the Secretary describing such State's use of such funds.

"Subpart 2—Formula Grant Program

"SEC. 7131. FORMULA GRANTS TO STATES.

"(a) IN GENERAL.—In accordance with section 7105, after the amount appropriated to carry out this part for a fiscal year equals or exceeds $220,000,000, in the case of each State that in accordance with section 7133 submits to the Secretary an application for a fiscal year, after reserving funds under subsection (b), the Secretary shall make a grant for the year to the State for the purposes

specified in subsection (c). The grant shall consist of the allotment determined for the State under section 7135.

"(b) RESERVATION.—From the amount appropriated to carry out this part for any fiscal year, the Secretary shall reserve not less than .5 percent to provide Federal financial assistance under this subpart to entities that are considered to be a local educational agency under section 7113(a).

"(c) PURPOSES OF GRANTS.—

"(1) REQUIRED EXPENDITURES.—The Secretary may make a grant under subsection (a) only if the State involved agrees that the State will expend at least 95 percent of the amount of the funds provided under the grant for the purpose of making subgrants to eligible entities to provide assistance to limited English proficient children in accordance with section 7134.

"(2) AUTHORIZED EXPENDITURES.—Subject to paragraph (3), a State that receives a grant under subsection (a) may expend not more than 5 percent of the amount of the funds provided under the grant for one or more of the following purposes:

"(A) Professional development and activities that assist personnel in meeting State and

local certification requirements for English language instruction.

"(B) Planning, administration, and interagency coordination related to the subgrants referred to in paragraph (1).

"(C) Providing technical assistance and other forms of assistance to local educational agencies that—

"(i) educate limited English proficient children; and

"(ii) are not receiving a subgrant from a State under this subpart.

"(D) Providing bonuses to subgrantees whose performance has been exceptional in terms of the speed with which children enrolled in the subgrantee's programs and activities attain English language proficiency and meet challenging State content standards and challenging State student performance standards.

"(3) LIMITATION ON ADMINISTRATIVE COSTS.—In carrying out paragraph (2), a State that receives a grant under subsection (a) may expend not more than 2 percent of the amount of the funds provided under the grant for the purposes described in paragraph (2)(B).

"SEC. 7132. NATIVE AMERICAN AND ALASKA NATIVE CHILDREN IN SCHOOL.

''(a) ELIGIBLE ENTITIES.—For the purpose of carrying out programs under this subpart for individuals served by elementary, secondary, and postsecondary schools operated predominately for Native American or Alaska Native children, the following shall be considered to be a local educational agency:

''(1) An Indian tribe.

''(2) A tribally sanctioned educational authority.

''(3) A Native Hawaiian or Native American Pacific Islander native language educational organization.

''(4) An elementary or secondary school that is operated or funded by the Bureau of Indian Affairs, or a consortium of such schools.

''(5) An elementary or secondary school operated under a contract with or grant from the Bureau of Indian Affairs, in consortium with another such school or a tribal or community organization.

''(6) An elementary or secondary school operated by the Bureau of Indian Affairs and an institution of higher education, in consortium with an elementary or secondary school operated under a con-

tract with or grant from the Bureau of Indian Affairs or a tribal or community organization.

''(b) SUBMISSION OF APPLICATIONS FOR ASSISTANCE.—Notwithstanding any other provision of this subpart, an entity that is considered to be a local educational agency under subsection (a), and that desires to submit an application for Federal financial assistance under this subpart, shall submit the application to the Secretary. In all other respects, such an entity shall be eligible for a grant under this subpart on the same basis as any other local educational agency.

''SEC. 7133. APPLICATIONS BY STATES.

''For purposes of section 7131, an application submitted by a State for a grant under such section for a fiscal year is in accordance with this section if the application—

''(1) describes the process that the State will use in making subgrants to eligible entities under this subpart;

''(2) contains an agreement that the State annually will submit to the Secretary a summary report, describing the State's use of the funds provided under the grant;

''(3) contains an agreement that the State—

"(A) will provide 1 year of funding for an application for a subgrant under section 7134 from an eligible entity that describes a program that, on the day preceding the date of the enactment of the Student Results Act of 1999, was receiving funding under a grant—

"(i) awarded by the Secretary under subpart 1 or 3 of part A of the Bilingual Education Act (as such Act was in effect on such day); and

"(ii) that was not under its terms due to expire before a period of 1 year or more had elapsed; and

"(B) after such 1-year extension, will give special consideration to such applications if the period of their award would not yet otherwise have expired if the Student Results Act of 1999 had not been enacted.

"(4) contains an agreement that, in carrying out this subpart, the State will address the needs of school systems of all sizes and in all geographic areas, including rural and urban schools;

"(5) contains an agreement that subgrants to eligible entities under section 7134 shall be of sufficient size and scope to allow such entities to carry

out high quality education programs for limited English proficient children;

"(6) contains an agreement that the State will coordinate its programs and activities under this subpart with its other programs and activities under this Act and other Acts, as appropriate;

"(7) contains an agreement that the State—

"(A) shall monitor the progress of students enrolled in programs and activities receiving assistance under this subpart in attaining English proficiency and in attaining challenging State content standards and challenging State performance standards;

"(B) subject to subparagraph (C), after the 1-year period described in such subparagraph, shall withdraw funding from such programs and activities in cases where the majority of students are not attaining English proficiency and attaining challenging State content standards and challenging State performance standards after three academic years of enrollment based on the evaluation measures in section 7403(d); and

"(C) shall provide technical assistance to eligible entities that fail to satisfy the criterion

in subparagraph (B) for 1 year prior to the withdrawal of funding under such subparagraph;

"(8) contains an assurance that the State will require eligible entities receiving a subgrant under section 7134 annually to assess the English proficiency of all children with limited English proficiency participating in a program funded under this subpart; and

"(9) contains an agreement that States will require eligible entities receiving a grant under this subpart to use the grant in ways that will build such recipient's capacity to continue to offer high-quality English language instruction and programs which assist limited English proficient children in attaining challenging State content standards and challenging State performance standards once assistance under this subpart is no longer available.

"SEC. 7134. SUBGRANTS TO ELIGIBLE ENTITIES.

"(a) PURPOSES OF SUBGRANTS.—A State may make a subgrant to an eligible entity from funds received by the State under this subpart only if the entity agrees to expend the funds to improve the education of limited English proficient children and their families, through the acquisition of English and the attainment of challenging

State academic content standards and challenging State performance standards, using scientifically-based research approaches and methodologies, by—

"(1) developing and implementing new English language and academic content instructional programs for children who are limited English proficient, including programs of early childhood education and kindergarten through 12th grade education;

"(2) carrying out highly focused, innovative, locally designed projects to expand or enhance existing English language and academic content instruction programs for limited English proficient children;

"(3) implementing, within an individual school, schoolwide programs for restructuring, reforming, and upgrading all relevant programs and operations relating to English language and academic content instruction for limited English proficient students; or

"(4) implementing, within the entire jurisdiction of a local educational agency, agency-wide programs for restructuring, reforming, and upgrading all relevant programs and operations relating to English language and academic content instruction for limited English proficient students.

"(b) AUTHORIZED SUBGRANTEE ACTIVITIES.—

"(1) IN GENERAL.—Subject to paragraph (2), a State may make a subgrant to an eligible entity from funds received by the State under this subpart in order that the eligible entity may achieve one of the purposes described in subsection (a) by undertaking one or more of the following activities to improve the understanding, and use, of the English language, based on a child's learning skills:

"(A) Upgrading program objectives and effective instructional strategies.

"(B) Improving the instruction program for limited English proficient students by identifying, acquiring, and upgrading curricula, instructional materials, educational software, and assessment procedures.

"(C) Providing—

"(i) tutorials and academic or vocational education for limited English proficient children; and

"(ii) intensified instruction.

"(D) Developing and implementing comprehensive preschool or elementary or secondary school English language instructional programs

that are coordinated with other relevant programs and services.

"(E) Providing professional development to classroom teachers, administrators, and other school or community-based organizational personnel to improve the instruction and assessment of children who are limited English proficient children.

"(F) Improving the English language proficiency and academic performance of limited English proficient children.

"(G) Improving the instruction of limited English proficient children by providing for the acquisition or development of education technology or instructional materials, access to and participation in electronic networks for materials, training and communications, and incorporation of such resources in curricula and programs, such as those funded under this subpart.

"(H) Developing tutoring programs for limited English proficient children that provide early intervention and intensive instruction in order to improve academic achievement, to increase graduation rates among limited English

proficient children, and to prepare students for transition as soon as possible into classrooms where instruction is not tailored for limited English proficient children.

"(I) Providing family literacy services and parent outreach and training activities to limited English proficient children and their families to improve their English language skills and assist parents in helping their children to improve their academic performance.

"(J) Other activities that are consistent with the purposes of this subpart.

"(2) MOVING CHILDREN OUT OF SPECIALIZED CLASSROOMS.—Any program or activity undertaken by an eligible entity using a subgrant from a State under this subpart shall be designed to assist students enrolled in the program or activity to attain English proficiency and meet challenging State content standards and challenging State performance standards as soon as possible and to move into a classroom where instruction is not tailored for limited English proficient children.

"(c) SELECTION OF METHOD OF INSTRUCTION.—To receive a subgrant from a State under this subpart, an eligible entity shall select one or more methods or forms

of instruction to be used in the programs and activities undertaken by the entity to assist limited English proficient children to attain English proficiency and meet challenging State content standards and challenging State student performance standards. Such selection shall be consistent with sections 7406 and 7407.

"(d) DURATION OF SUBGRANTS.—The duration of a subgrant made by a State under this section shall be determined by the State in its discretion.

"(e) APPLICATIONS BY ELIGIBLE ENTITIES.—

"(1) IN GENERAL.—To receive a subgrant from a State under this subpart, an eligible entity shall submit an application to the State at such time, in such form, and containing such information as the State may require.

"(2) REQUIRED DOCUMENTATION.—The application shall describe the programs and activities proposed to be developed, implemented, and administered under the subgrant and shall provide an assurance that the applicant will only employ teachers and other personnel for the proposed programs and activities who are proficient in English, including written and oral communication skills.

"(3) REQUIREMENTS FOR APPROVAL.—A State may approve an application submitted by an eligible

entity for a subgrant under this subpart only if the State determines that—

"(A) the eligible entity will use qualified personnel who have appropriate training and professional credentials in teaching English to children who are limited English proficient;

"(B) if the eligible entity includes one or more local educational agencies, each such agency is complying with section 7103(b) prior to, and throughout, each school year;

"(C) the eligible entity annually will assess the English proficiency of all children with limited English proficiency participating in programs funded under this subpart;

"(D) the eligible entity has based its proposal on sound research and theory;

"(E) the eligible entity has described in the application how students enrolled in the programs and activities proposed in the application will be fluent in English after three academic years of enrollment;

"(F) the eligible entity will ensure that programs will enable children to speak, read, write, and comprehend the English language

and meet challenging State content and challenging State performance standards; and

"(G) the eligible entity is not in violation of any State law, including State constitutional law, regarding the education of limited English proficient children, consistent with sections 7406 and 7407.

"(4) QUALITY.—In determining which applications to select for approval, a State shall consider the quality of each application and ensure that it is of sufficient size and scope to meet the purposes of this subpart.

"(f) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means—

"(1) one or more local educational agencies; or

"(2) one or more local educational agencies in collaboration with an institution of higher education, community-based organization, or local or State educational agency.

"SEC. 7135. DETERMINATION OF AMOUNT OF ALLOTMENT.

"(a) IN GENERAL.—Except as provided in subsections (b), (c), and (d), from the sum available for the purpose of making grants to States under this subpart for any fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to such sum as the

total number of children who are limited English proficient and who reside in the State bears to the total number of such children residing in all States (excluding the Commonwealth of Puerto Rico and the outlying areas) that, in accordance with section 7133, submit to the Secretary an application for the year.

"(b) PUERTO RICO.—From the sum available for the purpose of making grants to States under this subpart for any fiscal year, the Secretary shall allot to the Commonwealth of Puerto Rico an amount equal to 1.5 percent of the sums appropriated under section 7106(a).

"(c) OUTLYING AREAS.—

"(1) TOTAL AVAILABLE FOR ALLOTMENT.—From the sum available for the purpose of making grants to States under this subpart for any fiscal year, the Secretary shall allot to the outlying areas, in accordance with paragraph (2), a total amount equal to .5 percent of the sums appropriated under section 7106(a).

"(2) DETERMINATION OF INDIVIDUAL AREA AMOUNTS.—From the total amount determined under paragraph (1), the Secretary shall allot to each outlying area an amount which bears the same ratio to such amount as the total number of children who are limited English proficient and who reside in

the outlying area bears to the total number of such children residing in all outlying areas that, in accordance with section 7133, submit to the Secretary an application for the year.

"(d) MINIMUM ALLOTMENT.—

"(1) IN GENERAL.—Notwithstanding subsections (a) through (c), and subject to section 7105, the Secretary shall not allot to any State, for fiscal years 2000 through 2004, an amount that is less than 100 percent of the baseline amount for the State.

"(2) BASELINE AMOUNT DEFINED.—For purposes of this subsection, the term 'baseline amount', when used with respect to a State, means the total amount received under this part for fiscal year 2000 by the State, the State educational agency, and all local educational agencies of the State.

"(3) RATABLE REDUCTION.—If the amount available for allotment under this section for any fiscal year is insufficient to permit the Secretary to comply with paragraph (1), the Secretary shall ratably reduce the allotments to all States for such year.

"(e) USE OF STATE DATA FOR DETERMINATIONS.—For purposes of subsections (a) and (c), any determination

of the number of children who are limited English proficient and reside in a State shall be made using the most recent limited English proficient school enrollment data available to, and reported to the Secretary by, the State. The State shall provide assurances to the Secretary that such data are valid and reliable.

''(f) NO REDUCTION PERMITTED BASED ON TEACHING METHOD.—The Secretary may not reduce a State's allotment based on the State's selection of the immersion method of instruction as its preferred method of teaching the English language to children who are limited English proficient.

"SEC. 7136. DISTRIBUTION OF GRANTS TO ELIGIBLE ENTITIES.

''Of the amount required to be expended by a State for subgrants to eligible entities—

''(1) at least one-half shall be allocated to eligible entities that enroll a large percentage or a large number of children who are limited English proficient, as determined based on the relative enrollments of such children enrolled in the eligible entities; and

''(2) the remainder shall be allocated on a competitive basis to—

"(A) eligible entities within the State to address a need brought about through a significant increase, as compared to the previous 2 years, in the percentage or number of children who are limited English proficient in a school or local educational agency, including schools and agencies in areas with low concentrations of such children; and

"(B) other eligible entities serving limited English proficient children.

"SEC. 7137. SPECIAL RULE ON PRIVATE SCHOOL PARTICIPATION.

"For purposes of this Act, this subpart shall be treated as a covered program, as defined in section 14101(10).

"Subpart 3—Professional Development

"SEC. 7141. PURPOSE.

"The purpose of this subpart is to assist in preparing educators to improve educational services for limited English proficient children by supporting professional development programs primarily aimed at improving and developing the skills of instructional staff in elementary and secondary schools and on assisting limited English proficient children to attain English proficiency and meet challenging State academic content standards and challenging State performance standards.

"SEC. 7142. PROFESSIONAL DEVELOPMENT AND FELLOWSHIPS.

"(a) PROGRAM AUTHORIZED.—

"(1) IN GENERAL.—The Secretary is authorized to award grants, as appropriate, to local educational agencies, institutions of higher education, State educational agencies, public and private organizations in consortium with a local educational agency, or a consortium of such agencies or institutions, except that any such consortium shall include a local educational agency.

"(2) GRANT PURPOSE.—Grants awarded under this section shall be used for one or more of the following purposes:

"(A) To develop and provide ongoing in-service professional development, including professional development necessary to receive certification as a teacher of limited English proficient children, for teachers of limited English proficient children, school administrators and, if appropriate, pupil services personnel, and other educational personnel who are involved in, or preparing to be involved in, the provision of educational services to limited English proficient children.

"(B) To provide for the incorporation of courses and curricula on appropriate and effective instructional and assessment methodologies, strategies, and resources specific to limited English proficient students into in-service professional development programs for teachers, administrators and, if appropriate, pupil services personnel, and other educational personnel in order to prepare such individuals to provide effective services to limited English proficient students.

"(C) To upgrade the qualifications and skills of teachers to ensure that they are fully qualified (as defined by section 1610) and meet high professional standards, including certification and licensure as a teacher of limited English proficient students.

"(D) To upgrade the qualifications and skills of paraprofessionals to ensure they meet the requirements under section 1119 and meet high professional standards to assist, as appropriate, teachers who instruct limited English proficient students.

"(E) To train secondary school students as teachers of limited English proficient children

and to train, as appropriate, other education personnel to serve limited English proficient students.

"(F) To award fellowships for—

"(i) study in such areas as teacher training, program administration, research and evaluation, and curriculum development, at the master's, doctoral, or post-doctoral degree level, related to instruction of children and youth of limited English proficiency; and

"(ii) the support of dissertation research related to such study.

"(G) To recruit elementary and secondary school teachers of limited English proficient children.

"(b) DURATION AND LIMITATION.—

"(1) GRANT PERIOD.—Each grant under this section shall be awarded for a period of not more than 5 years.

"(2) LIMITATION.—Not more than 15 percent of the amount of the grant may be expended for the purposes described in subparagraphs (F) and (G) of subsection (a)(2).

"(c) PROFESSIONAL DEVELOPMENT REQUIREMENTS.—

"(1) ACTIVITIES.—A recipient of a grant under this section may use the grant funds for the following professional development activities:

"(A) Designing and implementing of induction programs for new teachers, including mentoring and coaching by trained teachers, team teaching with experienced teachers, compensation for, and availability of, time for observation of, and consultation with, experienced teachers, and compensation for, and availability of, additional time for course preparation.

"(B) Implementing collaborative efforts among teachers to improve instruction in reading and other core academic areas for students with limited English proficiency, including programs that facilitate teacher observation and analysis of fellow teachers' classroom practice.

"(C) Supporting long-term collaboration among teachers and outside experts to improve instruction of limited English proficient students.

"(D) Coordinating project activities with other programs, such as those under the Head

Start Act, and titles I and II of this Act, and titles II and V of the Higher Education Act of 1965.

"(E) Developing curricular materials and assessments for teachers that are aligned with State and local standards and the needs of the limited English proficient students to be served.

"(F) Instructing teachers and, where appropriate, other personnel working with limited English children on how—

"(i) to utilize test results to improve instruction for limited English proficient children so the children can meet the same challenging State content standards and challenging State performance standards as other students; and

"(ii) to help parents understand the results of such assessments.

"(G) Contracting with institutions of higher education to allow them to provide in-service training to teachers, and, where appropriate, other personnel working with limited English proficient children to improve the quality of professional development programs for limited English proficient students.

"(H) Such other activities as are consistent with the purpose of this section.

"(2) ADDITIONAL REQUIREMENTS FOR PROFESSIONAL DEVELOPMENT FUNDS.—Uses of funds received under this section for professional development—

"(A) shall advance teacher understanding of effective instructional strategies based on scientifically based research for improving student achievement;

"(B) shall be of sufficient intensity and duration (not to include 1-day or short-term workshops and conferences) to have a positive and lasting impact on teachers' performance in the classroom;

"(C) shall be developed with extensive participation of teachers, principals, parents, and administrators of schools to be served under subparts 1 and 2 of part A; and

"(D) as a whole, shall be regularly evaluated for their impact on increased teacher effectiveness and improved student achievement, with the findings of such evaluations used to improve the quality of professional development.

"(d) FELLOWSHIP REQUIREMENTS.—

"(1) IN GENERAL.—Any person receiving a fellowship under subsection (a)(2)(F) shall agree—

"(A) to work as a teacher of limited English proficient children, or in a program or an activity funded under this part, for a period of time equivalent to the period of time during which the person receives such fellowship; or

"(B) to repay the amount received pursuant to the fellowship award.

"(2) REGULATIONS.—The Secretary shall establish in regulations such terms and conditions for agreements under paragraph (1) as the Secretary deems reasonable and necessary and may waive the requirement of such paragraph in extraordinary circumstances.

"(3) PRIORITY.—In awarding fellowships under this section, the Secretary shall give priority to fellowship applicants applying for study or dissertation research at institutions of higher education that have demonstrated a high level of success in placing fellowship recipients into employment in elementary and secondary schools.

"(4) INFORMATION.—The Secretary shall include information on the operation and the number

of fellowships awarded under this section in the evaluation required under section 7145.

"SEC. 7143. APPLICATION.

"(a) IN GENERAL.—

"(1) SUBMISSION TO SECRETARY.—In order to receive a grant under section 7142, an agency, institution, organization, or consortium described in subsection (a)(1) of such section shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require.

"(2) CONTENTS.—Each such application shall include—

"(A) a description of the proposed professional development or graduate fellowship programs to be implemented with the grant;

"(B) a description of the scientific research on which the program or programs are based; and

"(C) an assurance that funds will be used to supplement and not supplant other professional development activities that affect the teaching and learning in elementary and secondary schools, as appropriate.

"(b) APPROVAL.—The Secretary shall only approve an application under this section if it meets the requirements of this section and is of sufficient quality to meet the purposes of this subpart.

"(c) SPECIAL RULES.—

"(1) OUTREACH AND TECHNICAL ASSISTANCE.—The Secretary shall provide for outreach and technical assistance to institutions of higher education eligible for assistance under titles III and V of the Higher Education Act of 1965 and institutions of higher education that are operated or funded by the Bureau of Indian Affairs to facilitate the participation of such institutions under this subpart.

"(2) DISTRIBUTION.—In making awards under this subpart, the Secretary shall ensure adequate representation of Hispanic-serving institutions (as defined in section 502 of the Higher Education Act of 1965) that demonstrate competence and experience in the programs and activities authorized under this subpart and are otherwise qualified.

"SEC. 7144. PROGRAM EVALUATIONS.

"Each recipient of funds under this subpart shall provide the Secretary with an evaluation of the program assisted under this subpart every 2 years. Such evaluation shall include data on—

"(1) post-program placement of persons trained in a program assisted under this subpart;

"(2) how such training relates to the employment of persons served by the program;

"(3) program completion; and

"(4) such other information as the Secretary may require.

"SEC. 7145. USE OF FUNDS FOR SECOND LANGUAGE COMPETENCE.

"Not more than 10 percent of the funds received under this subpart may be used to develop any program participant's competence in a second language for use in instructional programs.

"Subpart 4—Research, Evaluation, and Dissemination

"SEC. 7151. AUTHORITY.

"The Secretary shall conduct and coordinate, through the Office of Educational Research and Improvement and in coordination with the Office of Educational Services for Limited English Proficient Children, research for the purpose of improving English language and academic content instruction for children who are limited English proficient. Activities under this section shall be limited to research to identify successful models for teaching limited English proficient children English, research to identify successful

models for assisting such children to meet challenging State content and student performance standards, and distribution of research results to States for dissemination to schools with populations of students who are limited English proficient. Research conducted under this section may not focus solely on any one method of instruction.

"PART B—EMERGENCY IMMIGRANT EDUCATION PROGRAM

"SEC. 7201. FINDINGS AND PURPOSE.

''(a) FINDINGS.—The Congress finds that—

''(1) the education of our Nation's children and youth is one of the most sacred government responsibilities;

''(2) local educational agencies have struggled to fund adequately education services; and

''(3) immigration policy is solely a responsibility of the Federal Government.

''(b) PURPOSE.—The purpose of this part is to assist eligible local educational agencies that experience unexpectedly large increases in their student population due to immigration to—

''(1) provide high-quality instruction to immigrant children and youth; and

''(2) help such children and youth—

"(A) with their transition into American society; and

"(B) meet the same challenging State performance standards expected of all children and youth.

"SEC. 7202. STATE ADMINISTRATIVE COSTS.

"For any fiscal year, a State educational agency may reserve not more than 1.5 percent of the amount allocated to such agency under section 7204 to pay the costs of performing such agency's administrative functions under this part.

"SEC. 7203. WITHHOLDING.

"Whenever the Secretary, after providing reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirement of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency 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.

"SEC. 7204. STATE ALLOCATIONS.

''(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 2000 through 2004 for the purpose set forth in section 7201(b).

''(b) ALLOCATIONS.—

''(1) IN GENERAL.—Except as provided in subsections (c) and (d), of the amount appropriated for each fiscal year for this part, each State participating in the program assisted under this part shall receive an allocation equal to the proportion of such State's number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of each local educational agency described in paragraph (2) within such State, and in nonpublic elementary or secondary schools within the district served by each such local educational agency, relative to the total number of immigrant children and youth so enrolled

in all the States participating in the program assisted under this part.

"(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children and youth who are enrolled in public elementary or secondary schools under the jurisdiction of such agencies, and in nonpublic elementary or secondary schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

"(A) at least 500; or

"(B) at least 3 percent of the total number of students enrolled in such public or nonpublic schools during such fiscal year,

whichever number is less.

"(c) DETERMINATIONS OF NUMBER OF CHILDREN AND YOUTH.—

"(1) IN GENERAL.—Determinations by the Secretary under this section for any period with respect to the number of immigrant children and youth shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Sec-

retary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

"(2) SPECIAL RULE.—No such determination with respect to the number of immigrant children and youth shall operate because of an underestimate or overestimate to deprive any State educational agency of the allocation under this section that such State would otherwise have received had such determination been made on the basis of accurate data.

"(d) REALLOCATION.—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from any appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall

remain available until the end of the succeeding fiscal year.

"(e) RESERVATION OF FUNDS.—

"(1) IN GENERAL.—Notwithstanding any other provision of this part, if the amount appropriated to carry out this part exceeds $50,000,000 for a fiscal year, a State educational agency may reserve not more than 20 percent of such agency's payment under this part for such year to award grants, on a competitive basis, to local educational agencies within the State as follows:

"(A) At least one-half of such grants shall be made available to eligible local educational agencies (as described in subsection (b)(2)) within the State with the highest numbers and percentages of immigrant children and youth.

"(B) Funds reserved under this paragraph and not made available under subparagraph (A) may be distributed to local educational agencies within the State experiencing a sudden influx of immigrant children and youth which are otherwise not eligible for assistance under this part.

"(2) USE OF GRANT FUNDS.—Each local educational agency receiving a grant under paragraph

(1) shall use such grant funds to carry out the activities described in section 7207.

"(3) INFORMATION.—Local educational agencies with the highest number of immigrant children and youth receiving funds under paragraph (1) may make information available on serving immigrant children and youth to local educational agencies in the State with sparse numbers of such children.

"SEC. 7205. STATE APPLICATIONS.

"(a) SUBMISSION.—No State educational agency shall receive any payment under this part for any fiscal year unless such agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

"(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

"(2) provide assurances that payments under this part will be used for purposes set forth in sections 7201(b) and 7207, including a description of how local educational agencies receiving funds under this part will use such funds to meet such purposes

and will coordinate with other programs assisted under this Act and other Acts as appropriate;

''(3) provide an assurance that local educational agencies receiving funds under this part will coordinate the use of such funds with programs assisted under part A or title I;

''(4) provide assurances that such payments, with the exception of payments reserved under section 7204(e), will be distributed among local educational agencies within that State on the basis of the number of immigrant children and youth counted with respect to each such local educational agency under section 7204(b)(1);

''(5) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

''(6) provide for making such reports as the Secretary may reasonably require to perform the Secretary's functions under this part;

''(7) provide assurances—

''(A) that to the extent consistent with the number of immigrant children and youth en-

rolled in the nonpublic elementary or secondary schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of such children and youth secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children and youth;

''(B) that the control of funds provided under this part to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

''(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such nonpublic elementary or secondary school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the

funds provided under this paragraph shall not be commingled with State or local funds;

''(8) provide that funds reserved under section 7204(e) be awarded on a competitive basis based on merit and need in accordance with such subsection; and

''(9) provide an assurance that State and local educational agencies receiving funds under this part will comply with the requirements of section 1120(b).

''(b) APPLICATION REVIEW.—

''(1) IN GENERAL.—The Secretary shall review all applications submitted pursuant to this section by State educational agencies.

''(2) APPROVAL.—The Secretary shall approve any application submitted by a State educational agency that meets the requirements of this section.

''(3) DISAPPROVAL.—The Secretary shall disapprove any application submitted by a State educational agency which does not meet the requirements of this section, but shall not finally disapprove an application except after providing reasonable notice, technical assistance, and an opportunity for a hearing to the State.

"SEC. 7206. ADMINISTRATIVE PROVISIONS.

"(a) NOTIFICATION OF AMOUNT.—The Secretary, not later than June 1 of each year, shall notify each State educational agency that has an application approved under section 7205 of the amount of such agency's allocation under section 7204 for the succeeding year.

"(b) SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as required by section 7205(a)(7), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services, subject to the requirements of this part, to such children. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

"SEC. 7207. USES OF FUNDS.

"(a) USE OF FUNDS.—Funds awarded under this part shall be used to pay for enhanced instructional opportunities for immigrant children and youth, which may include—

"(1) family literacy, parent outreach, and training activities designed to assist parents to become active participants in the education of their children;

"(2) salaries of personnel, including teacher aides who have been specifically trained, or are being trained, to provide services to immigrant children and youth;

"(3) tutorials, mentoring, and academic or career counseling for immigrant children and youth;

"(4) identification and acquisition of curricular materials, educational software, and technologies to be used in the program;

"(5) basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

"(6) such other activities, related to the purposes of this part, as the Secretary may authorize.

"(b) CONSORTIA.—A local educational agency that receives a grant under this part may collaborate or form a consortium with one or more local educational agencies,

institutions of higher education, and nonprofit organizations to carry out the program described in an application approved under this part.

"(c) SUBGRANTS.—A local educational agency that receives a grant under this part may, with the approval of the Secretary, make a subgrant to, or enter into a contract with, an institution of higher education, a nonprofit organization, or a consortium of such entities to carry out a program described in an application approved under this part, including a program to serve out-of-school youth.

"(d) CONSTRUCTION.—Nothing in this part shall be construed to prohibit a local educational agency from serving immigrant children simultaneously with students with similar educational needs, in the same educational settings where appropriate.

"SEC. 7208. REPORTS.

"(a) BIENNIAL REPORT.—Each State educational agency receiving funds under this part shall submit, once every 2 years, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

"(b) REPORT TO CONGRESS.—The Secretary shall submit, once every 2 years, a report to the appropriate

committees of the Congress concerning programs assisted under this part in accordance with section 14701.

"SEC. 7209. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $175,000,000 for fiscal year 2000 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"PART C—ADMINISTRATION

"SEC. 7301. REPORTING REQUIREMENTS.

"(a) STATES.—Based upon the evaluations provided to a State under section 7403, each State receiving a grant under this title annually shall report to the Secretary on programs and activities undertaken by the State under this title and the effectiveness of such programs and activities in improving the education provided to children who are limited English proficient.

"(b) SECRETARY.—Every other year, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report on programs and activities undertaken by States under this title and the effectiveness of such programs and activities in improving the education provided to children who are limited English proficient.

"SEC. 7302. COORDINATION WITH RELATED PROGRAMS.

''In order to maximize Federal efforts aimed at serving the educational needs of children and youth of limited English proficiency, the Secretary shall coordinate and ensure close cooperation with other programs serving language-minority and limited English proficient students that are administered by the Department and other agencies.

"PART D—GENERAL PROVISIONS

"SEC. 7401. DEFINITIONS.

''For purposes of this title:

''(1) CHILDREN AND YOUTH.—The term 'children and youth' means individuals aged 3 through 21.

''(2) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization of demonstrated effectiveness or Indian tribe or tribally sanctioned educational authority which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community. Such term includes a Native Hawaiian or Native American Pacific Islander native language educational organization.

''(3) FAMILY LITERACY SERVICES.—The term 'family literacy services' means services provided to

participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:

"(A) Interactive literacy activities between parents and their children.

"(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.

"(C) Parent literacy training that leads to economic self-sufficiency.

"(D) An age-appropriate education to prepare children for success in school and life experiences.

"(4) IMMIGRANT CHILDREN AND YOUTH.—The term 'immigrant children and youth' means individuals who—

"(A) are aged 3 through 21;

"(B) were not born in any State; and

"(C) have not been attending one or more schools in any one or more States for more than three full academic years.

"(5) LIMITED ENGLISH PROFICIENT.—The term 'limited English proficient', when used with reference to an individual, means an individual—

"(A) aged 3 through 21;

"(B) who—

"(i) was not born in the United States;

"(ii) comes from an environment where a language other than English is dominant and who normally uses a language other than English;

"(iii) is a Native American or Alaska Native or who is a native resident of the outlying areas and who normally uses a language other than English; or

"(iv) is migratory and whose native language is other than English and who normally uses a language other than English; and

"(C) who has sufficient difficulty speaking, reading, writing, or understanding the English language that the difficulty may deny the individual the opportunity—

"(i) to learn successfully in a classroom where the language of instruction is English; or

"(ii) to participate fully in society.

"(6) NATIVE AMERICAN AND NATIVE AMERICAN LANGUAGE.—The terms 'Native American' and 'Native American language' shall have the same meaning given such terms in section 103 of the Native American Languages Act of 1990.

"(7) NATIVE HAWAIIAN OR NATIVE AMERICAN PACIFIC ISLANDER NATIVE LANGUAGE EDUCATIONAL ORGANIZATION.—The term 'Native Hawaiian or Native American Pacific Islander native language educational organization' means a nonprofit organization with a majority of its governing board and employees consisting of fluent speakers of the traditional Native American languages used in their educational programs and with not less than 5 years successful experience in providing educational services in traditional Native American languages.

"(8) NATIVE LANGUAGE.—The term 'native language', when used with reference to an individual who is limited English proficient, means the language normally used by such individual.

"(9) OUTLYING AREA.—The term 'outlying area' means any of the following:

"(A) The Virgin Islands of the United States.

"(B) Guam.

"(C) American Samoa.

"(D) The Commonwealth of the Northern Mariana Islands.

"(10) PARAPROFESSIONAL.—The term 'paraprofessional' means an individual who is employed in preschool, elementary or secondary school under the supervision of a certified or licensed teacher, including individuals employed in educational programs serving limited English proficient children, special education and migrant education.

"(11) STATE.—The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any outlying area.

"(12) TRIBALLY SANCTIONED EDUCATIONAL AUTHORITY.—The term 'tribally sanctioned educational authority' means—

"(A) any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe; and

"(B) any nonprofit institution or organization that is—

"(i) chartered by the governing body of an Indian tribe to operate a school described in section 7113(a) or otherwise to

oversee the delivery of educational services to members of the tribe; and

"(ii) approved by the Secretary for the purpose of carrying out programs under subpart 1 of part A for individuals served by a school described in section 7113(a).

"SEC. 7402. CONSTRUCTION.

"Nothing in subpart 1 or 2 shall be construed to prohibit a local educational agency from serving limited English proficient children and youth simultaneously with students with similar educational needs, in the same educational settings where appropriate.

"SEC. 7403. EVALUATION.

"(a) IN GENERAL.—Each eligible entity that receives a subgrant from a State or a grant from the Secretary under part A shall provide the State or the Secretary, at the conclusion of every second fiscal year during which the subgrant or grant is received, with an evaluation, in a form prescribed by the State or the Secretary, of—

"(1) the programs and activities conducted by the entity with funds received under part A during the two immediately preceding fiscal years;

"(2) the progress made by students in learning the English language and meeting challenging State

content standards and challenging State student performance standards;

"(3) the number and percentage of students in the programs and activities attaining English language proficiency by the end of each school year, as determined by a valid and reliable assessment of English proficiency; and

"(4) the progress made by students in meeting challenging State content and challenging State performance standards for each of the 2 years after such students are no longer receiving services under this part.

"(b) USE OF EVALUATION.—An evaluation provided by an eligible entity under subsection (a) shall be used by the entity and the State or the Secretary—

"(1) for improvement of programs and activities;

"(2) to determine the effectiveness of programs and activities in assisting children who are limited English proficient to attain English proficiency (as measured consistent with subsection (d)) and meet challenging State content standards and challenging State student performance standards; and

"(3) in determining whether or not to continue funding for specific programs or projects.

"(c) EVALUATION COMPONENTS.—An evaluation provided by an eligible entity under subsection (a) shall include—

"(1) an evaluation of whether students enrolling in a program or activity conducted by the entity with funds received under part A—

"(A) have attained English proficiency and are meeting challenging State content standards and challenging State student performance standards; and

"(B) have achieved a working knowledge of the English language that is sufficient to permit them to perform, in English, in a classroom that is not tailored to limited English proficient children; and

"(2) such other information as the State or the Secretary may require.

"(d) EVALUATION MEASURES.—In prescribing the form of an evaluation provided by an entity under subsection (a), a State or the Secretary shall approve evaluation measures, as applicable, for use under subsection (c) that are designed to assess—

"(1) oral language proficiency in kindergarten;

"(2) oral language proficiency, including speaking and listening skills, in first grade;

"(3) both oral language proficiency, including speaking and listening skills, and reading and writing proficiency in grades 2 and higher; and

"(4) attainment of challenging State performance standards.

"SEC. 7404. CONSTRUCTION.

"Nothing in part A shall be construed as requiring a State or a local educational agency to establish, continue, or eliminate a program of native language instruction.

"SEC. 7405. LIMITATION ON FEDERAL REGULATIONS.

"The Secretary shall issue regulations under this title only to the extent that such regulations are necessary to ensure compliance with the specific requirements of this title.

"SEC. 7406. LEGAL AUTHORITY UNDER STATE LAW.

"Nothing in this title shall be construed to negate or supersede the legal authority, under State law, of any State agency, State entity, or State public official over programs that are under the jurisdiction of the State agency, entity, or official.

"SEC. 7407. CIVIL RIGHTS.

"Nothing in this title shall be construed in a manner inconsistent with any Federal law guaranteeing a civil right.

"SEC. 7408. RULE OF CONSTRUCTION.

''Nothing in part A shall be construed to limit the preservation or use of Native American languages as defined in the Native American Languages Act or Alaska Native languages.

"SEC. 7409. REPORT.

''The Secretary shall prepare, and submit to the Secretary and to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, a report on—

''(1) the activities carried out part A and the effectiveness of such activities in increasing the English proficiency of limited English proficient children and helping them to meet challenging State content standards and challenging State performance standards;

''(2) the types of instructional programs used under part A to teach limited English proficient children;

''(3) the number of programs, if any, which were terminated from the program because they were not able to reach program goals; and

''(4) other information gathered as part of the evaluation conducted under section 7403.

"SEC. 7410. PROGRAMS FOR NATIVE AMERICANS AND PUERTO RICO.

''Programs authorized under subparts 1 and 2 of part A that serve Native American children, Native Pacific Island children, and children in the Commonwealth of Puerto Rico, notwithstanding any other provision of part A may include programs of instruction, teacher training, curriculum development, evaluation, and testing designed for Native American children learning and studying Native American languages and children of limited Spanish proficiency, except that a primary outcome of programs serving such children shall be increased English proficiency among such children.''.

SEC. 902. CONFORMING AMENDMENT TO DEPARTMENT OF EDUCATION ORGANIZATION ACT.

(a) IN GENERAL.—The Department of Education Organization Act is amended by striking ''Office of Bilingual Education and Minority Languages Affairs'' each place such term appears in the text and inserting ''Office of Educational Services for Limited English Proficient Children''.

(b) CLERICAL AMENDMENTS.—

(1) SECTION 209.—The section heading for section 209 of the Department of Education Organization Act is amended to read as follows:

"OFFICE OF EDUCATIONAL SERVICES FOR LIMITED ENGLISH PROFICIENT CHILDREN".

(2) SECTION 216.—The section heading for section 216 of the Department of Education Organization Act is amended to read as follows:

"SEC. 216. OFFICE OF EDUCATIONAL SERVICES FOR LIMITED ENGLISH PROFICIENT CHILDREN.".

(3) TABLE OF CONTENTS.—

(A) SECTION 209.—The table of contents of the Department of Education Organization Act is amended by amending the item relating to section 209 to read as follows:

"Sec. 209. Office of Educational Services for Limited English Proficient Children.".

(B) SECTION 216.—The table of contents of the Department of Education Organization Act is amended by amending the item relating to section 216 to read as follows:

"Sec. 216. Office of Educational Services for Limited English Proficient Children.".

Passed the House of Representatives October 21, 1999.

Attest: JEFF TRANDAHL,

Clerk.