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109TH CONGRESS
1ST SESSION

H. R. 2123

AN ACT

To reauthorize the Head Start Act to improve the school readiness of disadvantaged children, and for 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.

This Act may be cited as the ''School Readiness Act of 2005''.

SEC. 2. PURPOSE.

Section 636 of the Head Start Act (42 U.S.C. 9831) is amended to read as follows:

''SEC. 636. STATEMENT OF PURPOSE.

''It is the purpose of this subchapter to promote school readiness by enhancing the development of low-income children, including development of cognitive abilities, through educational instruction in prereading skills, premathematics skills, language, and social and emotional development linked to school readiness and through the provision to low-income children and their families of health, educational, nutritional, social and other services that are determined, based on family needs assessments, to be necessary.''.

SEC. 3. DEFINITIONS.

Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) in paragraph (17) by striking '', but for fiscal years'' and all that follows down to the period;

(2) by redesignating paragraphs (16) and (17) as paragraphs (23) and (24), respectively;

(3) by redesignating paragraph (15) as paragraph (21);

(4) by redesignating paragraphs (11) through (14) as paragraphs (16) through (19), respectively;

(5) by redesignating paragraph (10) as paragraph (14);

(6) by redesignating paragraphs (3) through (9) as paragraphs (6) through (12), respectively;

(7) by redesignating paragraph (2) as paragraph (4);

(8) by inserting after paragraph (1) the following:

''(2) The term 'challenging State developed academic content standards' has the meaning given such term in paragraphs (1) and (5) of section 1111(b) of the Elementary and Secondary Education Act of 1965.

''(3) The term 'deficiency' means—

''(A) systemic or significant failure of a Head Start agency in an area of performance that the Secretary determines involves—

''(i) a threat to the health, safety, or civil rights of children or staff;

''(ii) a denial to parents of the exercise of their full roles and responsibilities related to program governance;

"(iii) a failure to perform the requirements of section 641A(a), as determined by the Secretary;

"(iv) the misuse of funds received under this subchapter;

"(v) loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or

"(vi) failure to meet any other Federal or State requirement;

"(B) failure of the board of directors of a Head Start agency to fully exercise its legal and fiduciary responsibilities;

"(C) failure of a Head Start agency to meet the administrative requirements of section 644(b); or

"(D) failure of a Head Start agency to meet the integration requirements of section 642B(a).";

(9) by inserting after paragraph (4), as so redesignated, the following:

"(5) The term 'eligible entities' means an institution of higher education or other agency with ex-

pertise in delivering training in early childhood development, family support, and other assistance designed to improve the quality of early childhood education programs.'';

(10) by inserting after paragraph (12), as so redesignated, the following:

''(13) The term 'homeless children' has the meaning given such term in subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435).'';

(11) by inserting after paragraph (14), as so redesignated, the following:

''(15) LIMITED ENGLISH PROFICIENT; LIMITED ENGLISH PROFICIENCY.—The terms 'limited English proficient' and 'limited English proficiency' mean with respect to an individual, that such individual—

''(A)(i) was not born in the United States or has a native language that is not English;

''(ii)(I) is a Native American, an Alaska Native, or a native resident of a territory or possession of the United States; and

''(II) comes from an environment in which a language that is not English has had a significant impact on such individual's level of English language proficiency; or

"(iii) is migratory, has a native language that is not English, and comes from an environment in which a language that is not English is dominant; and

"(B) has difficultly in speaking or understanding the English language to an extent that may be sufficient to deny such individual—

"(i) the ability to successfully achieve in classrooms in which the language of instruction is English; or

"(ii) the opportunity to fully participate in society.";

(12) by inserting after paragraph (19), as so redesignated, the following:

"(20) PROFESSIONAL DEVELOPMENT.—The term 'professional development' means high quality activities that will enhance the school readiness of eligible children and prevent such children from encountering difficulties once they enter school by improving the knowledge and skills of Head Start teachers and staff, as relevant to their roles and functions, including activities that—

"(A) provide teachers with the content knowledge and teaching strategies needed to provide effective instruction and other school

readiness services in early language and literacy, early mathematics, cognitive skills, approaches to learning, creative arts, science, physical health and development, and social and emotional development linked to school readiness;

"(B) assist teachers in meeting the requirements in paragraphs (1) and (2) of section 648A(a), as appropriate;

"(C) improve teachers' classroom management skills, as appropriate;

"(D) for teachers, are sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and teachers' performance in the classroom;

"(E) are not primarily 1-day or short-term workshops or conferences, and attendance at activities that are 1-day or short-term workshops or conferences must be as part of the professional development plan defined in section 648A(f);

"(F) assist teachers and staff in increasing their knowledge and skills in program administration, program quality, and the provision of services and instruction, as appropriate, in a

manner that improves service delivery to eligible children and families;

"(G) are part of a sustained effort to improve overall program quality and outcomes for eligible children and families;

"(H) advance teacher understanding of effective instructional strategies that are—

"(i) based on scientifically based research; and

"(ii) strategies for improving school readiness or substantially increasing the knowledge and teaching skills of teachers;

"(I) are, where applicable, aligned with and directly related to—

"(i) challenging State academic content standards, student academic achievement standards, assessments, and the Head Start Child Outcomes Framework developed by the Secretary; and

"(ii) the curricula, ongoing assessments, and other instruction and services designed to help meet the standards described in section 641A(a)(1);

"(J) are developed or selected with extensive participation of administrators and teachers from Head Start programs;

"(K) are developmentally appropriate for the children being served;

"(L) are designed to give teachers of limited English proficient children, and other teachers and instructional staff, the knowledge and skills to provide instruction and appropriate language and support services to increase the English language skills of such children, as appropriate;

"(M) as a whole, are regularly evaluated for their impact on increased teacher and staff effectiveness and improved ability of teachers to support learning and increase participating children's school readiness, with the findings of the evaluations used to improve the quality of professional development;

"(N) provide instruction in methods of teaching children with special needs, as appropriate;

"(O) include instruction in ways that Head Start personnel may work more effectively with parents, as appropriate; and

"(P) are designed to give teachers and staff the knowledge and skills to provide instruction and appropriate support services to children of diverse backgrounds, as appropriate.";

(13) by inserting after paragraph (21), as so redesignated, the following:

"(22) The term 'scientifically based research'—

"(A) means research that involves the application of rigorous, systematic and objective procedures to obtain reliable and valid knowledge relevant to education activities and programs; and

"(B) includes 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 reliable and valid data across evaluators and observers, across multiple measurements and observa-

tions, and across studies by the same or different investigators;

"(iv) is evaluated using experimental or quasi-experimental designs in which individuals, entities, programs or activities are assigned to different conditions and with appropriate controls to evaluate the effects of the condition of interest, with a preference for random assignment experiments, or other designs to the extent that those designs contain within-condition or across-condition controls;

"(v) ensures that experimental studies are presented in sufficient detail and clarity to allow for replication or, at a minimum, offer the opportunity to build systematically on their findings; and

"(vi) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review."; and

(14) by inserting after paragraph (24), as so redesignated, the following:

"(25) The term 'State educational agency' has the meaning given such term in the Elementary and Secondary Education Act of 1965.

"(26) The term 'unresolved area of noncompliance' means a failure to correct a noncompliance item within 90 days, or within such additional time (if any) authorized by the Secretary, after receiving from the Secretary notice of such noncompliance item.

"(27) The term 'auditor' means a certified public accountant or a Federal, State, or local government audit organization, which meets the general standards specified in generally accepted government auditing standards.".

SEC. 4. FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS.

Section 638 of the Head Start Act (42 U.S.C. 9833) is amended by inserting "for a period of 5 years" after "provide financial assistance to such agency".

SEC. 5. AUTHORIZATION.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended to read as follows:

"SEC. 639. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated for carrying out the provisions of this sub-

chapter $6,899,000,000 for the fiscal year 2006 and such sums as may be necessary for the fiscal years 2007 through 2011.

"(b) SPECIFIC PROGRAMS.—From the amount appropriated under subsection (a), the Secretary shall make available not more than $20,000,000 for fiscal year 2006, and such sums as may be necessary for fiscal years 2007 through 2011 to carry out such other research, demonstration, and evaluation activities, including longitudinal studies, under section 649, of which not more than $7,000,000 for each of the fiscal years 2006 through 2011 to carry out impact studies under section 649(g).".

SEC. 6. ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE.

(a) ALLOTMENTS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (2)—

(A) by amending subparagraph (A) to read as follows:

"(A) Indian Head Start programs, services for children with disabilities, and migrant and seasonal Head Start programs, except that—

"(i) there shall be made available for each fiscal year for use by Indian Head Start programs and by migrant and sea-

sonal Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian Head Start programs and by migrant and seasonal Head Start programs for fiscal year 2005 (including under any decision made by the Secretary under clause (ii) or (iv));

''(ii) migrant and seasonal Head Start programs shall receive at least 5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible children of migrant and seasonal farmworkers is comparable to access to funding for other eligible children based on the data collected and reported pursuant to section 648(i), except that no future reduction in funding shall result in the termination of Head Start services provided to any eligible child 3 years of age or older who is participating in any such program on the date a reduction in funding occurs, and shall, to the extent possible, continue participation for children less

than 3 years of age receiving services prior to such reduction in funding; and

"(iii) Indian Head Start programs shall receive at least 3.5 percent of the amount appropriated for such fiscal year until such time as the Secretary can make funding decisions to ensure access to funding for eligible Indian children is comparable to access to funding for other eligible children based on the data collected, and in accordance with the requirements of, section 648(i), except that no future reduction in funding shall result in the termination of Head Start services provided to any eligible child 3 years of age or older who is participating in any such program on the date a reduction in funding occurs, and shall, to the extent possible, continue participation for children less than 3 years of age receiving services prior to such reduction in funding;"; and

(B) by amending subparagraph (B) to read as follows:

"(B) payments, subject to paragraph (7) to Guam, American Samoa, the Commonwealth of the

Northern Mariana Islands, and the Virgin Islands of the United States, and subject to the requirements of section 105(f)(1)(B)(ix) of Public Law 108–188 to Palau;";

(C) by amending (C) to read as follows:

"(C) training and technical assistance activities to foster program quality and management improvement as described in section 648, in an amount for each fiscal year which is equal to 2 percent of the amount appropriated for such fiscal year, of which—

"(i) not less than 50 percent shall be made available to local Head Start agencies to make program improvements identified by such agencies and comply with the standards described in section 641A(a)(1), of which not less than 50 percent shall be used to comply with the standards described in section 641A(a)(1)(B) and for the uses described in clauses (iii), (iv), and (vii) of subsection (a)(3)(B);

"(ii) not less than 20 percent shall be made available to support a State system of early childhood education training and technical assistance, including the State Early Learning Council described in section 642B(b);

"(iii) not less than 30 percent shall be made available to the Secretary to assist local programs in meeting the standards described in section 641A(a)(1) and shall be allocated to address program weaknesses identified by monitoring activities conducted by the Secretary under section 641A(c); and

"(iv) not less than $3,000,000 of the amount in clause (iii) appropriated for such fiscal year shall be made available to carry out activities described in section 648(d)(4);"; and

(D) by striking the last sentence.

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) in clause (i)(I) by striking "year 1999" and all that follows down to the semicolon and inserting "years 2006 through 2011"; and

(ii) by adding at the end the following:

"(iii) After the reservation of amounts under paragraph (2) and the 60 percent amount referred to in subparagraph (A) of this paragraph, a portion of the remaining funds shall be made available—

"(I) to expand services to underserved populations, such as children receiving services under Early Head Start programs and under migrant and seasonal Head Start programs; and

"(II) to increase funding to grantees with full enrollment and whose aggregate amount of financial assistance provides funding per child that is below the national average.";

(B) by amending subparagraph (B) to read as follows:

"(B) Funds reserved under this paragraph (in this paragraph referred to as 'quality improvement funds') shall be used to accomplish the following goals:

"(i) Ensuring that Head Start programs meet or exceed standards pursuant to section 641A(a)(1).

"(ii) Ensuring that such programs have adequate numbers of qualified staff, and that such staff is furnished adequate training, including developing skills to promote the development of language skills, premathematic skills, and prereading in young children and in working with children with limited English proficiency, children referred by child welfare services, and children with disabilities, when appropriate.

"(iii) Developing and financing the salary scales described under section 644(a)(3) and section 653, in order to ensure that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

"(iv) Using salary increases—

"(I) to assist with the implementation of quality programs and improve staff qualifications;

"(II) to ensure that staff can promote the language skills and literacy growth of children and can provide children with a variety of skills that have been identified, through scientifically based early reading research, as predictive of later reading achievement; and

"(III) to encourage the staff to continually improve their skills and expertise by informing the staff of the availability of Federal and State incentive and loan forgiveness programs for professional development.

"(v) Improving community-wide strategic planning and needs assessments for such programs and collaboration efforts for such programs, including collaborations to increase program participation by underserved populations of eligible children.

"(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and their parents.

"(vii) Ensuring that such programs have qualified staff that can promote language skills and literacy growth of children and that can provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.

"(viii) Providing assistance to complete postsecondary course work including scholarships or other financial incentives, such as differential and merit pay, to enable Head Start teachers to improve competencies and the resulting child outcomes.

"(ix) Upgrading the qualifications and skills of educational personnel to meet the professional standards established under section 648A(a)(1), including certification and licensure as bilingual education teachers and other educational personnel who serve limited English proficient children.

"(x) Promoting the regular attendance and stability of all children participating in Head Start programs, with particular attention to highly mobile

children, including children from migrant and seasonal farm worker families (if appropriate), homeless children, and children in foster care.

''(xi) Making such other improvements in the quality of such programs as the Secretary may designate.''; and

(C) by amending subparagraph (C) to read as follows:

''(C) Quality improvement funds shall be used to carry out the activities in any or all of the following clauses:

''(i)(I) Not less than one-half of the amount reserved under this paragraph, to improve the compensation (including benefits) of classroom teachers and other staff of Head Start agencies providing instructional services and thereby enhancing recruitment and retention of qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a). The expenditure of funds under this clause shall be subject to section 653. Salary increases, in excess of cost-of-living allowance, provided with such funds shall be subject to the specific standards governing salaries and salary increases established pursuant to section 644(a).

"(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, then such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

"(III) From the remainder of the amount reserved under this paragraph (after the Secretary carries out subclause (I)), the Secretary may carry out the activities described in clauses (ii) through (vii).

"(ii) To train classroom teachers and other staff to meet the education standards described in section 641A(a)(1)(B), through activities—

"(I) to promote children's language and prereading growth, through techniques identified through scientifically based reading research;

"(II) to promote the acquisition of the English language for limited English proficient children and families, while ensuring that children are making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

"(III) to foster children's school readiness through activities described in section 648A(a)(1); and

"(IV) to provide education and training necessary to improve the qualifications of Head Start staff, particularly assistance to enable more instructors to be fully competent and to meet the degree requirements under section 648A(a)(2)(A), and to support staff training, child counseling, and other services necessary to address the challenges of children participating in Head Start programs, including children from immigrant, refugee, and asylee families, children from families in crisis, children who experience chronic violence in their communities, children who experience substance abuse in their families, and children with emotional and behavioral problems.

"(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio, lead instructors who meet the qualifications of section 648A(a) and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

"(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

"(v) To supplement amounts provided under paragraph (2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.

"(vi) To conduct outreach to homeless families in an effort to increase the program participation of homeless children.

"(vii) To conduct outreach to migrant and seasonal farm-working families and families with children with a limited English proficiency.

"(viii) Such other activities as the Secretary may designate.";

(3) in paragraph (4) by striking "1998" in subparagraph (A) and inserting "2005";

(4) in paragraph (5) by amending subparagraphs (A), (B), and (C) to read as follows:

"(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall award the collaboration grants described in subparagraphs (B) and (D).

"(B) From the reserved sums in paragraph (4), the Secretary shall award a collaboration grant to any State that submits a written request. Such grant shall be equal to the amount the State received under this paragraph for such activity for fiscal year 2005. Such grant shall be used by the State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in and by the State that are designed to benefit low-income children and families and to encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance under the Child Care and Development Block Grant Act of 1990 and the entities that provide child care resource and referral services in the State) in order to better meet the needs of low-income children and their families.

"(C) In order to improve results for children, a State that receives a grant under subparagraph (B) shall appoint an individual to serve as the State Director of Head Start Collaboration to be a liaison between the appropriate

regional office of the Administration for Children and Families and agencies carrying out Head Start programs in the State. The State shall—

"(i) ensure that such Director holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies and local entities, including—

"(I) the State educational agency;

"(II) the State Department of Health and Human Services;

"(III) the State agency that oversees child care;

"(IV) the State agency that assists children with developmental disabilities;

"(V) the State Head Start Association;

"(VI) the State network of child care resource and referral agencies;

"(VII) local educational agencies;

"(VIII) community-based and faith-based organizations;

"(IX) representatives of migrant and seasonal Head Start programs located in the State;

"(X) representatives of Indian Head Start programs located in the State;

"(XI) State and local providers of early childhood education and child care, including providers with experience serving children with limited English proficiency; and

"(XII) other entities carrying out programs serving low-income children and families in the State;

"(ii) involve the entities described in clause (i) to develop a strategic plan for the coordinated outreach to identify eligible children and to implement strategies based on a needs assessment, which shall include an assessment of the availability of high quality prekindergarten services for low-income children in the State. Such assessment shall be completed not later than 1 year after the date of enactment of the School Readiness Act of 2005 and be updated on an annual basis and shall be made available to the general public within the State;

"(iii) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, child protective services, education, community service activities, family literacy services, activities relat-

ing to children with disabilities (including coordination of services with those State officials who are responsible for administering part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.)), and services for homeless children (including coordination of services with the Office of Coordinator for Education of Homeless Children and Youth designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act of 2001 (42 U.S.C. 11432(g)(1)(J)(ii));

''(iv) require the State Director of Head Start Collaboration to—

''(I) serve on the Early Learning Council pursuant to section 642B(b);

''(II) consult with the Early Learning Council, chief State school officer, local educational agencies, representatives of local Head Start agencies and providers of early childhood education and care in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to develop school readiness standards;

"(III) consult with the chief State school officer, local educational agencies, State child care administrators, State human services administrators, representatives of local child care resource and referral agencies, local early childhood councils, providers of early childhood education and care, and other relevant State and local agencies, and representatives of the State Head Start Association to plan for the provision of full-working-day, full-calendar-year early care and education services for eligible children with working parents who have a demonstrated need;

"(IV) consult with the chief State school officer, local educational agencies, other State and local agencies administering the State prekindergarten program, as applicable, and Head Start agencies to improve alignment between Head Start programs and State-funded prekindergarten activities to meet shared goals of school readiness; and

"(V) establish improved linkages between Head Start agencies and other children and family agencies, including agencies that provide health, mental health or family services or other child and family support services.";

(C) in subparagraph (D)(i) by inserting "and providers of services supporting early childhood education and child care" after "Associations"; and

(D) by amending paragraph (6)(A) to read as follows:

"(A) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a) of this subchapter, a portion of the combined total of such amounts equal to at least 10 percent for each of the fiscal years 2006 through 2011, of the amount appropriated pursuant to section 639(a), except as provided in subparagraph (B).".

(b) SERVICE DELIVERY MODELS.—Section 640(f) of the Head Start Act (42 U.S.C. 9835(f)) is amended by inserting before the period at the end the following: ", including models that leverage the existing capacity and capabilities of the delivery system of early childhood education and child care".

(c) MAINTENANCE OF SERVICE LEVELS.—Section 640(g)(2) of the Head Start Act (42 U.S.C. 9835(g)(2)) is amended—

(1) by striking "For the purpose of expanding Head Start programs, in" and inserting "In";

(2) by amending subparagraph (C) to read as follows:

''(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations and Federal, State, and local public agencies serving children and families (including organizations and agencies providing family support services and protective services to children and families and organizations serving families in whose homes English is not the language customarily spoken), and individuals, organizations, and public entities serving children with disabilities and homeless children including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Veto Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii));'';

(3) in subparagraph (D) by striking ''other local'' and inserting ''the State and local'';

(4) in subparagraph (E) by inserting ''would like to participate but'' after ''community who'';

(5) in subparagraph (G)—

(A) by inserting ''leverage the existing delivery systems of such services and'' after ''manner that will''; and

(B) by striking ''and'' at the end;

(6) in subparagraph (H)—

(A) by inserting '', including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)),'' after ''community involved'';

(B) by striking ''plans to coordinate'' and inserting ''successfully coordinated its activities''; and

(C) by striking the period at the end and inserting ''; and''; and

(7) by adding at the end the following:

''(I) the amount of funds used by such agency to pay administrative expenses and the amount of available funds received by such agency under this section to serve each enrolled child.''.

(d) VEHICLE SAFETY REQUIREMENTS.—Section 640(i) of the Head Start Act (42 U.S.C. 9835(i)) is amended—

(1) by striking ''(i) The'' and inserting the following:

''(i) TRANSPORTATION SAFETY.—

''(1) REGULATIONS.—The''; and

(2) by adding at the end the following:

"(2) WAIVER AUTHORITY.—

"(A) IN GENERAL.—The Secretary may waive for a period of up to one year the requirements of regulations promulgated under paragraph (1) for one or more vehicles used by the agency or its designee in transporting children enrolled in a Head Start program or an Early Head Start program if—

"(i) such requirements pertain to child restraint systems and bus monitors;

"(ii) the agency demonstrates that compliance with such requirements will result in a significant disruption to the Head Start program or the Early Head Start program; and

"(iii) is in the best interest of the child.

"(B) RENEWAL.—The Secretary may renew a waiver under subparagraph (A).".

(e) MIGRANT AND SEASONAL HEAD START PROGRAMS.—Section 640(l) of the Head Start Act (42 U.S.C. 9835(l)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement at the national level for meeting the needs of Indian children and children of migrant and seasonal farmworkers and shall ensure that appropriate funding is provided to meet such needs, including training and technical assistance and the appointment of a national migrant and seasonal Head Start collaboration director and a national Indian Head Start collaboration director."; and

(2) by adding at the end the following:

"(4)(A) For the purposes of paragraph (3), the Secretary shall conduct an annual consultation in each affected Head Start region, with tribal governments operating Head Start programs and Early Head Start programs.

"(B) The consultations shall be for the purpose of better meeting the needs of American Indian and Alaska Native children and families pertinent to subsections (a), (b), and (c) of section 641, taking into consideration funding allocations, distribution formulas, and other issues affecting the delivery of Head Start services within tribal communities.

"(C) The Secretary shall publish a notification of the consultations in the Federal Register prior to conducting the consultations.

"(D) A detailed report of each consultation shall be prepared and made available, on a timely basis, to all tribal governments receiving funds under this subchapter.".

(f) ENROLLMENT OF HOMELESS CHILDREN.—Section 640 of the Head Start Act (42 U.S.C. 9835) is amended by adding at the end the following:

"(m) ENROLLMENT OF HOMELESS CHILDREN.—The Secretary shall by regulation prescribe policies and procedures to remove barriers to the enrollment and participation of homeless children in Head Start programs. Such regulations shall require Head Start agencies—

"(1) to implement policies and procedures to ensure that homeless children are identified and prioritized for enrollment;

"(2) to allow homeless families to apply to, enroll in and attend Head Start programs while required documents, such as proof of residency, immunization and other medical records, birth certificates and other documents, are obtained within a reasonable time frame; and

"(3) coordinate individual Head Start centers and programs with efforts to implement subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435).

"(n) RULE OF CONSTRUCTION.—Nothing in this subchapter shall be construed to require a State to establish a program of early education for children in the State, to require any child to participate in a program of early education, to attend school, or to participate in any initial screening prior to participation in such program, except as provided under section 612(a)(3), (consistent with section 614(a)(1)(C)), of the Individuals with Disabilities Education Act.

"(o) MATERIALS.—All curricula and instructional materials funded under this subchapter shall be scientifically based and age and developmentally appropriate. Parents shall have the ability to inspect, upon request, any curricula or instructional materials.".

SEC. 7. DESIGNATION OF AGENCIES.

(a) AUTHORITY TO DESIGNATE.—Section 641(a) of the Head Start Act (42 U.S.C. 9836(a)) is amended to read as follows:

"(a) AUTHORITY TO DESIGNATE.—

"(1) IN GENERAL.—The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit or for-profit agency within a State, including a community-based or faith-based organization that—

"(A) has power and authority to carry out the purpose of this subchapter and perform the functions set forth in section 642 within a State; and

"(B) is determined to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

"(2) DESIGNATION REQUIREMENTS.—To be designated as a Head Start agency and to receive financial assistance under this subparagraph, an entity described in sub paragraph (1) shall—

"(A) establish measurable objectives for—

"(i) the school readiness of children participating in the program under this subchapter;

"(ii) meeting the performance standards described in section 641A;

"(iii) educational instruction in prereading, premathematics, and language skills; and

"(iv) the provision of health, educational, nutritional, social and other services related to school readiness; and

"(B) align curricula to challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary.

"(3) ELIGIBILITY FOR SUBSEQUENT FINANCIAL ASSISTANCE.—In order to receive financial assistance under this subchapter subsequent to the initial financial assistance provided following the effective date of this subsection, an entity described in paragraph (1) shall demonstrate that the entity has met the measurable objectives described in paragraph (2);

"(4) MEASURING PROGRESS.—Progress in meeting such measurable objectives shall not be measured primarily or solely by the results of assessments.".

(b) PRIORITY IN DESIGNATION.—Section 641(c) of the Head Start Act (42 U.S.C. 9836(c)) is amended to read as follows:

"(c) CONSULTATION.—In the administration of this section, the Secretary shall, in consultation with the chief executive officer of the State involved, give priority in the designation of Head Start agencies to Head Start agencies that—

"(1) are receiving assistance under this subchapter on the effective date of this subsection;

"(2) meet or exceed program and financial management requirements, standards described in section 641A(a);

"(3) meet or exceed the education standards and requirements described in section 641A(a)(1)(B);

"(4) have no unresolved area of noncompliance;

"(5) have not been deemed to have a deficiency since the then most recent designation;

"(6) employ qualified staff (including in center-based programs, a teaching staff of whom at least 50 percent have an associate, baccalaureate, or advanced degree in early child education or a related field), except that the Secretary may waive the application of this paragraph, for a period not to exceed 3 years, for Head Start programs operating in rural areas, for migrant and seasonal Head Start programs, and for Indian Head Start programs, on a case-by-case basis, if the program demonstrates progress in increasing the qualifications of teaching staff and demonstrates adequate instructional supervision by qualified staff;

"(7) were not deemed by the Secretary as chronically under-enrolled since the then most recent designation;

"(8) utilize curricula based on scientifically based research that are aligned with challenging State developed academic content standards and the Head Start Child Outcomes Framework developed by the Secretary;

"(9) demonstrate active partnerships with local educational agencies serving the same communities to facilitate smooth transitions to kindergarten;

"(10) actively implement a memorandum of understanding described in section 642B(a) and additional collaborative partnerships with organizations that enhance the delivery of services to children;

"(11) demonstrate success in improving child outcomes across all domains of development, including measurable progress in language skills, prereading knowledge, and premathematics knowledge;

"(12) maintain classroom environments constructive to early learning and future school success;

"(13) demonstrate strong parental involvement and activities to develop parent skills to support their children's educational development and ability

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

"(14) are overseen by a board described in section 642(b) that provides direction and actively oversees all program activities;

"(15) document strong fiscal controls, including—

"(A) the employment of well-qualified fiscal staff with a history of successful management of a public or private organization;

"(B) having no reportable material weaknesses with applicable laws and regulations on all annual financial audits performed since the most recent designation;

"(C) meeting or exceeding annual requirements for financial support under section 640(b); and

"(D) maintaining total administrative costs at or below 15 percent of total program costs;

"(16) are licensed to operate in accordance with all applicable State child care regulations;

"(17) conduct outreach activities to ensure that services are provided to the most at-risk families in the community;

"(18) have developed strong community partnerships with public and private organizations, such as businesses, health, providers of early childhood education, and social service providers; and

"(19) provide opportunities for ongoing professional development.".

(c) DESIGNATION WHEN NO ENTITY HAS PRIORITY.—Section 641(d) of the Head Start Act (43 U.S.C. 9836(d)) is amended to read as follows:

"(d) DESIGNATION WHEN NO ENTITY HAS PRIORITY.—

"(1) IN GENERAL.—If no entity in a community is entitled to the priority specified in subsection (c), the Secretary shall, after conducting an open competition, designate for a 5-year period a Head Start agency from among qualified applicants in such community.

"(2) CONSIDERATIONS IN DESIGNATION.—In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

"(A) any past performance of such applicant in providing services comparable to Head

Start services, including how effectively such applicant provided such comparable services;

"(B) the plan of such applicant to provide comprehensive health (including mental and behavioral health), educational, nutritional, social, and other services needed to prepare children to succeed in school;

"(C) the capacity of such applicant to serve eligible children with curriculum and teaching practices based on scientifically based research that promote the school readiness of children participating in the program;

"(D) the plan of such applicant to meet standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section;

"(E) the proposed budget and plan of such applicant to maintain strong fiscal controls and cost effective fiscal management;

"(F) the plan of such applicant to coordinate the Head Start program the applicant proposes to carry out with other educational programs for young children, including—

"(i) the Early Reading First and Even Start programs under subparts 2

and 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6371 et seq., 6381 et seq.);

"(ii) programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

"(iii) State prekindergarten programs;

"(iv) child care programs;

"(v) the educational programs that the children participating in the Head Start program involved will enter at the age of compulsory school attendance; and

"(vi) reading readiness programs such as those conducted by public and school libraries;

"(G) the plan of such applicant to coordinate the Head Start program that the applicant proposes to carry out, with public and private entities that are willing to commit resources to assist the Head Start program in meeting its program needs;

"(H) the plan of such applicant—

"(i) to seek the involvement of parents (including grandparents and kinship care-

1 givers, as appropriate) of children partici-
2 pating in the proposed Head Start pro-
3 gram, in activities (at home and, if prac-
4 ticable, at the location of the Head Start
5 program) designed to help such parents be-
6 come full partners in the education of their
7 children;

8 ''(ii) to afford such parents the oppor-
9 tunity to participate in the development
10 and overall conduct of the program at the
11 local level;

12 ''(iii) to offer (directly or through re-
13 ferral to local entities, such as entities car-
14 rying out Even Start programs under sub-
15 part 3 of part B of title I of the Elemen-
16 tary and Secondary Education Act of 1965
17 (20 U.S.C. 6381 et seq.), public and school
18 libraries, and entities carrying out family
19 support programs) to such parents—

20 ''(I) family literacy services; and

21 ''(II) parenting skills training;

22 ''(iv) to offer to parents of partici-
23 pating children, substance abuse coun-
24 seling (either directly or through referral
25 to local entities), including information on

the effect of drug exposure on infants and fetal alcohol syndrome;

"(v) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

"(I) training in basic child development (including cognitive development);

"(II) assistance in developing literacy and communication skills;

"(III) opportunities to share experiences with other parents (including parent mentor relationships);

"(IV) regular in-home visitation;

"(V) mental and behavioral health services; or

"(VI) any other activity designed to help such parents become full partners in the education of their children;

"(vi) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraph (H) in which such

parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities); and

"(vii) to extend outreach to fathers, in appropriate cases, in order to strengthen the role of fathers in families, in the education of their young children, and in the Head Start program, by working directly with fathers and father figures through activities such as—

"(I) in appropriate cases, including fathers in home visits and providing opportunities for direct father-child interactions; and

"(II) targeting increased male participation in the conduct of the program;

"(I) the ability of such applicant to carry out the plans described in paragraphs (2), (4), and (5);

"(J) the plan of such applicant to meet the needs of limited English proficient children and their families, including procedures to identify such children, plans to provide trained per-

sonnel, and plans to provide services to assist the children in making progress toward the acquisition of the English language, while making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 641A(a)(1)(B);

''(K) the plan of such applicant to meet the diverse cultural needs of the population served;

''(L) the plan of such applicant to meet the needs of children with disabilities;

''(M) the plan of such applicant who chooses to assist younger siblings of children who will participate in the Head Start program, to obtain health services from other sources;

''(N) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community, including private entities and charter schools offering pre-kindergarten;

''(O) the plan of such applicant to meet the needs of homeless children, including transportation needs, and children in foster care;

''(P) the plan of such applicant to maintain a qualified staff, including a teaching staff

qualified to implement research-based educational curricula aligned with challenging State-developed academic content standards, the Head Start Child Outcomes Framework developed by the Secretary, and the State early learning standards in States in which such standards are developed;

"(Q) the plan of such applicant to enter into memoranda of understanding with local educational agencies, child care providers, and other entities within the service area; and

"(R) other factors related to the requirements of this subchapter.".

(d) SELECTION OF APPLICANTS.—Section 641(g) of the Head Start Act (43 U.S.C. 9836(g)) is amended to read as follows:

"(g) ISSUANCE OF RULES.—Not later than 180 days after the enactment of the School Readiness Act of 2005, the Secretary shall issue rules to carry out this section.".

SEC. 8. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

(a) QUALITY STANDARDS.—Section 641A(a) of the Head Start Act (42 U.S.C. 9836a(a)) is amended—

(1) by amending paragraph (1)(B)—

(A) in clause (i)—

(i) by inserting ''based on sound scientific evidence'' after ''standards''; and

(ii) by inserting ''and sustained academic gains'' after ''readiness''; and

(B) by amending clause (ii) to read as follows:

''(ii) additional scientifically-based education standards to ensure that the children participating in the program, at a minimum develop and demonstrate—

''(I) language knowledge and skills, including oral language and listening comprehension;

''(II) prereading knowledge and skills that prepare children for early literacy in schools, including phonological awareness, print awareness and print skills, and alphabetic knowledge;

''(III) premathematics knowledge and skills, including aspects of classification, seriation, number, spatial relations, and time;

''(IV) cognitive abilities related to academic achievement and child development;

"(V) social and emotional development related to early learning, school success, and sustained academic gains;

"(VI) approaches to learning related to child development and early learning; and

"(VII) in the case of limited-English proficient children, progress toward acquisition of the English language while making meaningful progress in attaining the knowledge, skills, abilities, and development described in subclauses (I) through (IV);";

(2) in paragraph (2)—

(A) by amending subparagraph (B) to read as follows:

"(B) take into consideration—

"(i) past experience with use of the standards in effect under this subchapter on October 27, 1998;

"(ii) changes over the period since October 27, 1998, in the circumstances and problems typically facing children and families served by Head Start agencies;

"(iii) developments concerning research based practices with respect to early childhood education and development, children with disabilities, family services, program administration, and financial management;

"(iv) projected needs of an expanding Head Start program;

"(v) guidelines and standards currently in effect or under consideration that promote child health services and physical development, including outdoor activity that supports children's motor development and overall health and nutrition;

"(vi) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children;

"(vii) scientifically based research to ensure that children participating in Head Start programs make a successful transition to schools that the children will be attending; and

"(viii) the unique challenges faced by individual programs, including those that are seasonal or short term, and those that serve rural populations; and"; and

(B) in subparagraph (C)(ii) by striking "the date" and all that follows through "Act of 1998", and inserting "October 27, 1998"; and

(3) by adding at the end the following:

"(4) EVALUATIONS AND CORRECTIVE ACTIONS FOR DELEGATE AGENCIES.—

"(A) PROCEDURES.—The Head Start agency shall establish procedures relating to its delegate agencies, including—

"(i) procedures for evaluating delegate agencies;

"(ii) procedures for defunding delegate agencies; and

"(iii) procedures for appealing a defunding decision relating to a delegate agency.

"(B) EVALUATIONS.—Each Head Start agency—

"(i) shall evaluate its delegate agencies using the procedures established pur-

suant to this section, including subparagraph (A); and

"(ii) shall inform the delegate agencies of the deficiencies identified through the evaluation that shall be corrected.

"(C) REMEDIES TO ENSURE CORRECTIVE ACTIONS.—If the Head Start agency identifies a deficiency for a delegate agency through the evaluation, the Head Start agency may—

"(i) initiate procedures to terminate the designation of the agency unless the agency corrects the deficiency;

"(ii) conduct monthly monitoring visits to such delegate agency until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency; and

"(iii) release funds to such delegate agency only as reimbursements until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency.

"(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to impact or obviate the responsibilities of the Secretary

with respect to Head Start agencies or delegate agencies receiving funding under this subchapter.''.

(b) RESULTS-BASED PERFORMANCE MEASURES.—Section 641A(b) of the Head Start Act (42 U.S.C. 9836a(b)) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) CHARACTERISTICS OF MEASURES.—The performance measures developed under this subsection shall—

''(A) be used to assess the impact of the various services provided by Head Start programs and, to the extent the Secretary finds appropriate, administrative and financial management practices of such programs;

''(B) be adaptable for use in self-assessment, peer review, and program evaluation of individual Head Start agencies and programs;

''(C) be developed for other program purposes as determined by the Secretary;

''(D) be appropriate for the population served; and

"(E) be reviewed no less than every 4 years, based on advances in the science of early childhood development.

The performance measures shall include the performance standards described in subparagraphs (A) and (B) of subsection (a)(1).";

(2) by amending paragraph (3) to read as follows:

"(3) USE OF MEASURES.—

"(A) The Secretary shall use the performance measures pursuant to this subsection to identify—

"(i) strengths and weaknesses in the operation of Head Start programs nationally, regionally, and locally as appropriate; and

"(ii) program areas that may require additional training and technical assistance resources.

"(B) The Secretary shall provide a detailed justification to the Congress regarding the planned uses of the data collected by the National Reporting System developed by the Secretary and shall demonstrate its scientific validity and reliability for such purposes, including

its scientific validity and reliability with children with limited English proficiency for such purposes;

"(C) The Secretary shall not use the National Reporting System assessment results either as the primary method for assessing program effectiveness or as the primary method for making grantee funding determinations.

"(D) The Secretary shall develop a process to ensure that the National Reporting System shall not be used to exclude children from Head Start programs."; and

(3) by amending paragraph (4) to read as follows:

"(4) EDUCATIONAL MEASURES.—Results based measures shall be designed for the purpose of promoting the competencies of children participating in Head Start programs specified in subsection (a)(1)(B)(ii), with an emphasis on measuring those competencies that have a strong scientifically-based predictability of a child's school readiness and later performance in school.".

(c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—Section 641A(c) of the Head Start Act (42 U.S.C. 9836a(c)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A) by inserting ''develop and utilize a risk-based assessment system to'' after ''shall'';

(B) by amending subparagraph (C) to read as follows:

''(C) Followup reviews, including unannounced reviews as appropriate, of programs with 1 or more findings of deficiencies not later than 6 months after the date of such finding.'';

and

(C) by amending subparagraph (D) to read as follows:

''(D) Unannounced site inspections of Head Start centers and other reviews, as appropriate.'';

(2) by amending paragraph (2) to read as follows:

''(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

''(A) that incorporate a monitoring visit, may be done without prior notice of the visit to the local agency or program;

"(B) are conducted by review teams composed of individuals who are knowledgeable about the program areas they are reviewing and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and limited-English proficient children and their families;

"(C) include as part of the reviews of the programs, a review and assessment of program effectiveness, including strengths and areas for improvement, as measured in accordance with the results-based performance measures developed by the Secretary pursuant to subsection (b) and with the standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1);

"(D) seek information from the communities and the States involved about the performance of the programs and the efforts of the Head Start agencies to collaborate with other entities carrying out early childhood education and child care programs in the community;

"(E) seek information from the communities where Head Start programs exist about

innovative or effective collaborative efforts, barriers to collaboration, and the efforts of the Head Start agencies and programs to collaborate with the entities carrying out early childhood education and child care programs in the community;

"(F) include as part of the reviews of the programs, a review and assessment of whether a program is in conformity with the income eligibility requirements, as defined in section 645 and regulations promulgated thereunder;

"(G) include as part of the reviews of the programs, a review and assessment of whether programs have adequately addressed the population and community needs (including populations of children with a limited English proficiency and children of migrant and seasonal farm-working families);

"(H) include as part of the review the extent to which the program addresses the community needs and strategic plan identified in section 640(g)(2)(C); and

"(I) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, and

based on a transparent and reliable system of review.''.

(d) CORRECTIVE ACTION; TERMINATION.—Section 641A(d) of the Head Start Act (42 U.S.C. 9836a(d)) is amended—

(1) in paragraph (1) by amending the matter preceding subparagraph (A) to read as follows:

''(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (a) or results-based performance measures developed by the Secretary under subsection (b), or fails to adequately address the community needs and strategic plan identified in 640(g)(2)(C), the Secretary shall—'';

(2) by amending paragraph (2) to read as follows:

''(2) QUALITY IMPROVEMENT PLAN.—

''(A) AGENCY AND PROGRAM RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, or in the case of a Head Start program, in order to continue to receive funds from such agency, a Head Start agency, or Head Start program

that is the subject of a determination described in paragraph (1) (other than an agency or program required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

"(i) develop in a timely manner, a quality improvement plan that shall be subject to the approval of the Secretary, or in the case of a program, the sponsoring agency, and which shall specify—

"(I) the deficiencies to be corrected;

"(II) the actions to be taken to correct such deficiencies; and

"(III) the timetable for accomplishment of the corrective actions specified; and

"(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency or program received notice of the determination and of the specific deficiency to be corrected).

"(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

"(C) AGENCY RESPONSIBILITY FOR PROGRAM IMPROVEMENT.—Not later than 30 days after receiving from a Head Start program, a proposed quality improvement plan pursuant to subparagraph (A), the sponsoring agency shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved."; and

(3) in paragraph (3) by inserting "and programs" after "agencies";

(4) by amending subsection (e) to read as follows:

"(e) SUMMARIES OF MONITORING OUTCOMES.—Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (d), during such fiscal year. Such information

shall be made available to all parents with children receiving assistance under this subchapter in an understandable and uniform format, and to the extent practicable, provided in a language that the parents can understand, and in addition, make the information widely available through public means such as distribution through public agencies, and at a minimum posting such information on the Internet immediately upon publication.''; and

(5) by adding at the end the following:

''(f) REDUCTION OF GRANTS AND REDISTRIBUTION OF FUNDS IN CASES OF UNDER-ENROLLMENT.—

''(1) DEFINITIONS.—In this subsection:

''(A) ACTUAL ENROLLMENT.—The term 'actual enrollment' means, with respect to a Head Start program, the actual number of children enrolled in such program in a given month.

''(B) BASE GRANT.—The term 'base grant' means, with respect to a Head Start agency for a fiscal year, that portion of the grant derived—

''(i) from amounts reserved for use in accordance with section 640(a)(2)(A), for a Head Start agency administering an In-

dian Head Start program or migrant and seasonal Head Start program;

"(ii) from amounts reserved for payments under section 640(a)(2)(B); or

"(iii) from amounts available under section 640(a)(2)(D) or allotted among States under section 640(a)(4).

"(C) FUNDED ENROLLMENT.—The term 'funded enrollment' means, with respect to the program of a Head Start agency in a fiscal year, the number of children that the agency is funded to serve through a grant for the program during such fiscal year, as indicated in the grant agreement.

"(2) ENROLLMENT REPORTING REQUIREMENT FOR CURRENT FISCAL YEAR.—Each entity carrying out a Head Start program shall report on a monthly basis to the Secretary and the relevant Head Start agency—

"(A) the actual enrollment in such program; and

"(B) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

"(3) SECRETARIAL REVIEW AND PLAN.—The Secretary shall—

"(A) on a semiannual basis, determine which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment based on not less than the average of 4 consecutive months of data;

"(B) for each such Head Start agency operating a program with an actual enrollment that is less than 95 percent of its funded enrollment, as determined under subparagraph (A), develop, in collaboration with such agency, a plan and timetable for reducing or eliminating under-enrollment taking into consideration—

"(i) the quality and extent of the outreach, recruitment, and community needs assessment conducted by such agency;

"(ii) changing demographics, mobility of populations, and the identification of new underserved low-income populations;

"(iii) facilities-related issues that may impact enrollment;

"(iv) the ability to provide full-day programs, where needed, through Head Start funds or through collaboration with

entities carrying out other preschool or child care programs, or programs with other funding sources (where available);

"(v) the availability and use by families of other preschool and child care options (including parental care) in the local catchment area; and

"(vi) agency management procedures that may impact enrollment; and

"(C) provide timely and ongoing technical assistance to each agency described in subparagraph (B) for the purpose of implementing the plan described in such subparagraph.

"(4) IMPLEMENTATION.—Upon receipt of the technical assistance described in paragraph (3)(C), a Head Start agency shall immediately implement the plan described in paragraph (3)(B).

"(5) SECRETARIAL ACTION FOR CONVERSION TO SERVE YOUNGER CHILDREN.—If, after implementing the plan described in paragraph (3)(B), the grantee continues to operate a program at less than full enrollment, the grantee may, upon approval by the Secretary, be permitted to use a portion of the base grant equal to the percentage difference between funded enrollment and actual enrollment for

the most then recent year, to serve persons described in section 645A(c) if such agency currently operates a grant described in section 645A and submits an application containing—

"(A) evidence of community need for such services;

"(B) a description of how the needs of pregnant women, infants, and toddlers will be addressed in accordance with section 645A(b) and with regulations prescribed by the Secretary pursuant to section 641A in areas including—

"(i) the approach to childhood development and health services; and

"(ii) the approach to family and community partnerships; and approach to program design and management;

"(C) assurances that the agency will participate in technical assistance activities for newly funded and existing grantees under section 654A; and

"(D) evidence that the agency meets the eligibility criteria as grantees under section 645A.

1 Any grantee permitted to serve children under this
2 paragraph shall be subject to the rules, regulations,
3 and conditions under section 645A.

4 "(6) SECRETARIAL ACTION FOR CONTINUED
5 UNDER-ENROLLMENT.—If, 1 year after the date of
6 implementation of the plan described in paragraph
7 (3)(B), the Head Start agency continues to operate
8 a program at less than full enrollment, the Secretary
9 shall, where determined appropriate, continue to
10 provide technical assistance to such agency.

11 "(7) SECRETARIAL REVIEW AND ADJUSTMENT
12 FOR CHRONIC UNDER-ENROLLMENT.—

13 "(A) IN GENERAL.—If, after receiving
14 technical assistance and developing and imple-
15 menting a plan to the extent described in para-
16 graphs (3), (4), (5), and (6) for 6 months, a
17 Head Start agency is still operating a program
18 with an actual enrollment that is less than 95
19 percent of its funded enrollment, the Secretary
20 may—

21 "(i) designate such agency as chron-
22 ically under-enrolled; and

23 "(ii) recapture, withhold, or reduce
24 the base grant for the program by a per-
25 centage equal to the percentage difference

between funded enrollment and actual enrollment for the program for the most recent year in which the agency is determined to be under-enrolled under paragraph (2)(B).

"(B) WAIVER OR LIMITATION OF REDUCTIONS.—If the Secretary, after the implementation of the plan described in paragraph (3)(B), finds that—

"(i) the shortfall can reasonably be expected to be temporary; or

"(ii) the number of slots allotted to the agency is small enough that under-enrollment does not constitute a significant shortfall,

the Secretary may, as appropriate, waive or reduce the percentage recapturing, withholding, or reduction otherwise required by subparagraph (A).

"(C) PROCEDURAL REQUIREMENTS; EFFECTIVE DATE.—The actions taken by the Secretary under this paragraph with respect to a Head Start agency shall take effect 1 day after the date on which—

"(i) the time allowed for appeal under section 646(a) expires without an appeal by the agency; or

"(ii) the action is upheld in an administrative hearing under section 646.

"(8) REDISTRIBUTION OF FUNDS.—

"(A) IN GENERAL.—Funds held by the Secretary as a result of recapturing, withholding, or reducing a base grant in accordance with paragraph (7) in a fiscal year shall be redistributed in such fiscal year as follows:

"(i) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out an Indian Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more Indian Head Start programs.

"(ii) If such funds are attributable to the portion of a base grant derived from amounts specified in paragraph (1)(B)(i) payable, but for the operation of this paragraph, to carry out a migrant and seasonal

Head Start program, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more migrant and seasonal Head Start programs.

"(iii) If such funds are attributable to the portion of a base grant derived from amounts specified in clause (ii) or (iii) of paragraph (1)(B) payable, but for the operation of this paragraph, to carry out a Head Start program (excluding Indian Head Start programs, and migrant and seasonal Head Start programs) in a State, then such funds shall be redistributed to increase enrollment in such fiscal year in 1 or more—

"(I) other Head Start programs (excluding Indian Head Start programs and migrant and seasonal Head Start programs) that are carried out in such State; or

"(II) if the Secretary determines that children eligible under section 641 are being adequately served within such State, 1 or more Early Head Start programs (excluding Indian

Head Start programs and migrant and seasonal Head Start programs) or 1 or more Head Start programs for the purpose of becoming a grantee pursuant to section 645A.

"(B) ADJUSTMENT TO FUNDED ENROLLMENT.—The Secretary shall adjust as necessary the requirements relating to funded enrollment indicated in the grant agreement of a Head Start agency receiving funds redistributed under this paragraph.".

SEC. 9. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

(a) QUALIFICATIONS FOR DESIGNATION.—Section 642(b) of the Head Start Act (42 U.S.C. 9837(b)) is amended to read as follows:

"(b) In order to be so designated, a Head Start agency shall do all of the following:

"(1) Establish a program with standards set forth in section 641A(a)(1), with particular attention to the standards set forth in subparagraphs (A) and (B) of such section.

"(2) Demonstrate capacity to serve eligible children with scientifically-based curricula and other

interventions that help promote the school readiness of children participating in the program.

"(3) Establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests.

"(4) Establish an independent board of directors selected from among eligible individuals who shall serve on the board (or may designate an existing entity whose members are eligible individuals, that shall be such board) for a period not to exceed 5 years, except that board members who oversee a public entity and who are selected by election (or members of a board of a local educational agency or a local council, appointed by an elected official or an official of a general purpose local government), may serve for such period as may be determined by the electing or appointing authority, as the case may be. An individual who has a conflict of interest is ineligible to serve as a member of the board. Members of the board of all nonpublic entities shall include representatives of the local community (including at least 1 member with significant financial management or accounting experience and the chair of (or the designee of the chair, approved by) the council

1 described in section 642(b)(4)(B)(ii)). Additional
2 members shall be selected for their expertise in edu-
3 cation, business administration, community affairs,
4 government, legal affairs, and such other areas of
5 expertise as may contribute to effective governance
6 of the Head Start agency. All members of the board
7 shall receive training in the management responsibil-
8 ities and obligations, ethics, and financial literacy
9 and management, and shall adopt practices that as-
10 sure active, independent and informed governance of
11 the Head Start agency, including independent over-
12 sight of the financial and management practices of
13 such agency. The board shall provide direction to the
14 executive director of the Head Start agency and
15 shall operate as an entity independent of staff em-
16 ployed by the Head start agency, entity, or applicant
17 and have the following duties and responsibilities:
18 "(A) To provide independent oversight to
19 ensure that the Head Start agency under the
20 direction of the executive director is delivering
21 high quality services to children and families in
22 compliance with all applicable standards in ef-
23 fect under this subchapter and with the applica-
24 ble performance measures established by the
25 Secretary under section 644.

"(B) To establish 2 or more standing committees to facilitate governance of the Head Start agency which shall include both of the following:

"(i) An audit and finance committee whose primary responsibility shall be—

"(I) to approve annually the operating budget of the Head Start agency;

"(II) to review and recommend to the board the selection of independent auditors who shall report all critical accounting policies and practices to the finance and audit committee except when the auditor is assigned by the State under State law;

"(III) to review and recommend to the board the termination or extension of the existing audit firm at least once every 5 years;

"(IV) to review and advise the board of the audit management letter provided pursuant to the chapter 75 of title 31 of the United States Code, and of any audit findings; and

"(V) to monitor agency actions to correct any such audit findings or other actions necessary to comply with applicable laws (including regulations) governing financial statements and accounting practices.

"(ii) A policy council, a majority of whose representatives shall be parents of children participating in a Head Start program or in an Early Head Start program, or of children who participated in a Head Start program or in an Early Head Start program in the then most recent 5-year period preceding the selection of the particular representative involved, and whose primary responsibility shall be to serve as a link between parents and the board of directors and to make and submit recommendations on the following activities to the Board:

"(I) The strategic direction of the program, including long and short-term planning goals and objectives.

"(II) Program operation policies, including standards of conduct for program staff and volunteers.

"(III) Activities to support the active involvement of parents in supporting program operations.

"(IV) Classroom activities and staffing.

"(V) Program responsiveness to community and parent needs.

"(VI) Other areas the committee identifies as necessary to improve program operations.

"(C) To approve the selection and dismissal of the Head Start director, and to review annually the human resources available to ensure the effective operation of the Head Start agency.

"(D) To consult, on a regular basis, with the policy council and to take actions on recommendations submitted by such council.

"(E) To review and approve the major operational policies of the Head Start agency, including policies addressing accounting, financial management, procurement, record confiden-

tiality, and personnel (including specific standards governing salaries, salary adjustments, travel and per diem allowances, and other employee benefits).

"(F) To ensure that the Head Start agency is operated in compliance with applicable Federal, State, and local laws (including regulations), and to monitor agency implementation of any corrective action necessary to comply with applicable laws (including regulations);

"(G) To oversee the program planning of the Head Start agency, including adoption of the Head Start agency philosophy and mission statement, adoption of policies for determining community needs, setting long- and short-range goals and objectives, establishment of criteria for selecting families in Head Start programs or Early Head Start programs, and to oversee and approve the agency's applications to receive funds made available under this subchapter; and

"(H) To establish, to adopt, and to periodically update written standards of conduct that establish standards and formal procedures for disclosing, addressing, and resolving—

"(i) any conflict of interest, and any appearance of a conflict of interest, by board members, officers, employees, consultants, and agents who provide services or furnish goods to the Head Start agency; and

"(ii) complaints, including investigations, when appropriate.

"(5) To seek the involvement of parents, area residents, and local business in the design and implementation of the program.

"(6) To provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

"(7) To establish effective procedures to facilitate the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level, including a process through which parents of children currently participating in a Head Start program or an Early Head

Start program select the parent representatives to serve on the council under section 642(b)(4)(B)(ii).

"(8) To conduct outreach to schools in which children participating in Head Start programs enroll, local educational agencies, the local business community, community-based organizations, faith-based organizations, museums, and libraries to generate support and leverage the resources of the entire local community in order to improve school readiness.

"(9) To offer (directly or through referral to local entities, such as entities carrying out Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training.

"(10) To offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on drug-exposed infants and fetal alcohol syndrome.

"(11) At the option of such agency, to offer (directly or through referral to local entities), to such parents—

"(A) training in basic child development (including cognitive development);

"(B) assistance in developing literacy and communication skills;

"(C) opportunities to share experiences with other parents (including parent-mentor relationships);

"(D) mental and behavioral health services;

"(E) regular in-home visitation; or

"(F) any other activity designed to help such parents become full partners in the education of their children.

"(12) To provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (5) through (8) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities).

"(13) To consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.

"(14) To perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers.

"(15)(A) To inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support; and

"(B) To refer eligible parents to the child support offices of State and local governments.

"(16) To provide parents of limited English proficient children outreach and services under this subchapter, in an understandable and uniform format and, to the extent practicable, in a language that such parents can understand.".

(b) COORDINATION AND COLLABORATION.—Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended to read as follows:

"(c) The head of each Head Start agency shall coordinate and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education

and development programs, including programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), and programs under Part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. 1431–1445, 1419), and the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.''.

(c) OTHER COORDINATION.—Section 642(d) of the Head Start Act (42 U.S.C. 9837(d)) is amended—

(1) by redesignating paragraphs (2) through (4) as paragraph (5) through (7), respectively;

(2) by inserting after paragraph (1) the following:

''(2) COORDINATION.—

''(A) LOCAL EDUCATIONAL AGENCY.—In communities where both public prekindergarten programs and Head Start programs operate, a Head Start agency shall collaborate and coordinate activities with the local educational agency or other public agency responsible for the operation of the prekindergarten program and pro-

viders of prekindergarten, including outreach activities to identify eligible children.

"(B) ELEMENTARY SCHOOLS.—Head Start staff shall, with the permission of the parents of children enrolled in Head Start programs, regularly communicate with the elementary schools such children will be attending—

"(i) to share information about such children;

"(ii) to receive advice and support from the teachers in such elementary schools participating in Early Reading First programs funded under subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 regarding scientifically based teaching strategies and options; and

"(iii) to ensure a smooth transition to elementary school for such children.

"(C) OTHER EARLY EDUCATION AND CHILD DEVELOPMENT PROGRAMS.—The head of each Head Start agency shall coordinate activities and collaborate with the State agency responsible for administering the State program carried out under the Child Care and Develop-

ment Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other entities carrying out early childhood education and development programs, programs under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435), Even Start programs under subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.), and programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C 1419, 1431 et seq.), serving the children and families served by the Head Start agency.

"(D) OTHER PROGRAMS.—Each Head Start agency shall collaborate, as appropriate, with providers of social and community services available to children and families participating in Head Start programs, and may support such partnerships with financial agreements, when applicable, for the provision of such services.

"(3) COLLABORATION.—A Head Start agency shall take steps to coordinate activities with the local educational agency serving the community involved and with schools in which children participating in

a Head Start program operated by such agency will enroll following such program, including—

"(A) collaborating on the shared use of transportation and facilities;

"(B) collaborating to enhance the efficiency of services while increasing the program participation of underserved populations of eligible children; and

"(C) exchanging information on the provision of noneducational services to such children.

"(4) PARENTAL INVOLVEMENT.—In order to promote the continued involvement of the parents (including grandparents and kinship caregivers, as appropriate) of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall work with the local educational agency—

"(A) to provide training to the parents—

"(i) to inform the parents about their rights and responsibilities concerning the education of their children; and

"(ii) to enable the parents—

"(I) to understand and work with schools in order to communicate with teachers and other school personnel;

"(II) to support the schoolwork of their children; and

"(III) to participate, as appropriate, in decisions relating to the education of their children; and

"(B) to take other actions, as appropriate and feasible, to support the active involvement of the parents with schools, school personnel, and school-related organizations.";

(3) in paragraph (5), as so redesignated—

(A) by striking "A" and inserting "Each";

(B) by striking "may" and inserting "shall";

(C) by striking "and" at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following:

"(B) collaborating to increase the program participation of underserved populations of eligible children; and"; and

(4) by adding at the end the following:

"(8) Head Start agencies shall implement a research-based early childhood curricula that promotes young chil-

dren's school readiness in the areas of language and cognitive development, early reading and premathematics skills, socio-emotional development, physical development, and approaches to learning. Such curricula shall be—

"(A) based on scientifically based research and have standardized training procedures and published curriculum materials to support implementation; and

"(B) comprehensive, outcomes based, and linked to ongoing assessment with instructional goals and measurable objectives.

"(9) Head Start agencies shall use ongoing, research-based assessment methods that are developmentally appropriate, culturally and linguistically responsive, and tied to children's daily activities in order to support the educational instruction of children in the program, including language skills, prereading knowledge and premathematics knowledge. Assessment instruments shall be those designed and validated for making decisions about teaching and learning and aligned with the program's curricula and Section 641A(a)(1).

"(10) For the purpose of meeting the performance standards, Head Start agencies shall use high-quality research-based developmental screening tools that have been demonstrated to be standardized, reliable, valid, and accu-

rate for children from a range of racial, ethnic, linguistic, and cultural backgrounds.

"(11) Head Start agencies may develop or maintain partnerships with institutions of higher education and non-profit organizations that recruit, train, place, and support college students to serve as mentors and reading coaches to preschool children in Head Start programs.".

(d) ASSESSMENT.—Section 642 of the Head Start Act (42 U.S.C. 9837) is amended by striking subsection (e) and inserting the following:

"(e) ASSESSMENT.—Each Head Start agency shall adopt, in consultation with experts in child development and with classroom teachers, an assessment to be used when hiring or evaluating any classroom teacher in a center-based Head Start program. Such assessment shall measure whether such teacher has mastered the functions described in section 648A(a)(1) and attained a level of literacy appropriate to implement Head Start curricula.

"(f) FUNDED ENROLLMENT; WAITING LIST.—Each Head Start agency shall enroll 100 percent of its funded enrollment and maintain an active waiting list at all times with ongoing outreach to the community and activities to identify underserved populations.".

SEC. 10. HEAD START ALIGNMENT WITH K–12 EDUCATION.

Section 642A of the Head Start Act (42 U.S.C. 9837a) is amended—

(1) by amending the heading to read as follows: **"SEC. 642A. HEAD START ALIGNMENT WITH K–12 EDUCATION.";**

(2) in paragraph (2)—

(A) by inserting ''ongoing'' after ''establishing''; and

(B) by inserting ''McKinney-Vento liaisons as established under section 722 (g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)),'' after ''social workers,'';

(3) by redesignating paragraphs (3) through (7) as paragraphs (5) through (9), respectively; and

(4) by inserting the following after paragraph (2):

''(3) developing continuity of developmentally appropriate curricula between Head Start and local educational agencies to ensure an effective transition and appropriate shared expectations for children's learning and development as they make such transition to school;

"(4) organizing and participating in joint training, including transition-related training for school staff and Head Start staff;";

(5) by amending paragraph (7), as so redesignated, to read as follows:

"(7) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 and family outreach and support efforts under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431–11435);";

(6) in paragraph (8), as so redesignated—

(A) by inserting "and continuity in parental involvement activities" after "developmental continuity"; and

(B) by striking "and" at the end;

(7) by amending paragraph (9), as so redesignated, to read as follows:

"(9) linking the services provided in such Head Start program with the education services, including services relating to language, literacy, and numeracy, provided by such local educational agency;"; and

(8) by adding at the end the following:

"(10) helping parents (including grandparents and kinship caregivers, as appropriate) to understand the importance of parental involvement in a child's academic success while teaching them strategies for maintaining parental involvement as their child moves from Head Start to elementary school;

"(11) developing and implementing a system to increase program participation of underserved populations of eligible children; and

"(12) coordinating activities and collaborating to ensure that curricula used in the Head Start program is aligned with—

"(A) State early learning standards with regard to cognitive, social, emotional, and physical competencies that children entering kindergarten are expected to demonstrate; and

"(B) the Head Start Child Outcomes Framework developed by the Secretary.".

SEC. 11. LOCAL AND STATE INTEGRATION OF EARLY CHILDHOOD EDUCATION.

The Head Start Act (42 U.S.C. 9831 et. seq.) is amended by inserting after section 642A the following:

"SEC. 642B. LOCAL AND STATE INTEGRATION OF EARLY CHILDHOOD EDUCATION.

"(a) LOCAL INTEGRATION.—In general, Head Start agencies shall enter into ongoing partnerships with local educational agencies, State-funded preschool and other early childhood programs. Head Start agencies shall operate in a manner consistent with the goal of creating and expanding an efficient and effective system of early childhood and school readiness services in each State and community, while maintaining compliance with standards under section 641A(a).

"(1) MEMORANDA OF UNDERSTANDING.—Each Head Start agency shall enter into a memorandum of understanding with any local educational agencies or local councils, responsible for managing publicly funded prekindergarten programs in the service area of the Head Start agency (or if such agencies and such councils are not applicable in the service area, with the largest provider of publicly funded prekindergarten in the service area), that shall include plans to coordinate the following activities:

"(A) Educational activities, curricula, and instruction aligned to challenging State developed educational activities, curricula, and instruction aligned to challenging State developed academic content standards.

"(B) Public information dissemination and access to programs for families contacting any of the early childhood programs.

"(C) Selection priorities for eligible children to be served by programs.

"(D) Service delivery areas.

"(E) Staff training, including opportunities for joint staff training on topics such as academic content standards and instructional methods.

"(F) Program technical assistance.

"(G) Provision of additional services to meet the child care needs of working parents.

"(H) Planning and parent education for smooth transitions to kindergarten as required in section 642A(3) and 642A(6).

"(I) Provision and use of facilities, transportation, and other program elements.

"(J) Other elements mutually agreed to by the parties to such memorandum.

"(2) TIMING OF MEMORANDA.—Each Head Start agency shall enter into a memorandum of understanding under paragraph (1) not later than 1 year after the effective date of this section.

"(3) SECRETARIAL REVIEW.—Each memorandum of understanding entered into under paragraph (1) shall be submitted to the Secretary not later than 30 days after entering into such memorandum.

"(A) If a Head Start agency is unable to comply with the requirement in (1) the Head Start agency shall notify the Secretary and the chief executive officer of the State not later than 30 days after determining that they are unable to enter into such memorandum. The Secretary, in cooperation with the State Early Learning Council and the State Director of Head Start Collaboration, shall evaluate the causes of failure to enter into a memorandum of understanding under paragraph (1). With the assistance of the State Early Learning Council and the State Director of Head Start Collaboration, all parties shall again attempt to enter into a memorandum of understanding under paragraph (1). Then if no such memorandum of understanding is entered into within 30 days, the Secretary shall make 1 of the following determinations:

"(i) The local educational agency, local council, or other appropriate entity is unable or unwilling to enter into such a memorandum despite reasonable efforts on the part of the Head Start agency.

"(ii) The Head Start agency has not engaged in reasonable efforts to successfully negotiate and enter into a memorandum of understanding pursuant to paragraph (1).

"(iii) There is an absence of publicly funded prekindergarten in the service area of the Head Start agency.

"(B) If the Secretary determines the Head Start agency is not making reasonable efforts to enter into a memorandum of understanding pursuant to paragraph (1), the Head Start agency shall be found to have a deficiency and shall be considered by the Secretary in the same manner as other deficiency findings.

"(C) If the Secretary concludes that the local educational agency, local council, or other appropriate entity is not making reasonable efforts to reach such a memorandum of under-

standing, the Head Start agency shall not be found out of compliance with paragraph (1).

"(4) REVISION OF MEMORANDA.—Each memorandum of understanding shall be revised and renewed annually by the parties to such memorandum, in alignment with the beginning of the school year.

"(5) ABSENCE OF PREKINDERGARTEN.—In the absence of publicly funded prekindergarten in the service area of a Head Start agency, the Head Start agency shall submit notice to the Secretary and the chief executive officer of the State, and shall work with the State Early Learning Council and the State Director of Head Start Collaboration to improve coordination in their service area.

"(b) STATEWIDE INTEGRATION.—From the amounts reserved under section 640(a)(2)(C)(ii), the Secretary shall award an early learning collaboration grant to each State for the purposes of supporting a State Early Learning Council responsible for advancing the development of a coordinated early childhood services delivery system in the State. A State that receives a grant under this subparagraph shall—

"(1) establish a State Early Learning Council, which shall include the State Director of Head Start Collaboration, representatives from the State pre-

school programs, representatives of local educational agencies, the State official who oversees child care programs, the State official who oversees section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), the State official who oversees the State educational agency, and representatives from Head Start agencies located in the State, including migrant and seasonal Head Start programs and Indian Head Start programs. The chief executive officer of the State may designate an existing entity to serve as the Early Learning Council if such entity includes representatives described in this paragraph;

"(2) ensure that allotted funds distributed to a State for a fiscal year to carry out this subsection may be used by the State to pay not more than 30 percent of the cost of carrying out this subsection;

"(3) direct the Early Learning Council—

"(A) to increase coordination and collaboration among State preschool, Head Start programs, child care programs, early childhood special education, and other early childhood programs, including in the areas of outcomes and standards, technical assistance, coordination of services, cross-sector professional devel-

opment and training, community outreach, communication, and better serving the needs of working families through provision of full-day and full-year early education services;

"(B) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to local Head Start programs, school districts, and State and locally funded preschool and child care programs to increase integration among early childhood programs through adoption of local memoranda of understanding described in subparagraph (A) and other means;

"(C) to work with State agencies responsible for education, child care, and early intervention to provide leadership and assistance to develop a coherent sequence of standards for children age 3 through the early elementary grades to effect a smooth transition to and success in the early elementary grades;

"(D) to conduct periodic statewide needs assessments concerning early care and education programs for children from birth to school entry;

"(E) to work to identify and address barriers to and opportunities for integration between entities carrying out Federal and State child development, child care, and early childhood education programs;

"(F) to develop recommendations regarding means of establishing a unified data collection system for early care and education programs operating throughout the State;

"(G) to address coordination of early learning programs with health care (including mental and behavioral health care), welfare, family literacy and services for homeless children;

"(H) to support a State system of early childhood education, and training and technical assistance that improves the quality of early learning programs and the capacity of such programs to deliver services pursuant to section 648(b); and

"(I) to develop a plan for increasing the participation of children underrepresented in State early childhood education and child care programs, including Head Start, State preschool programs, and programs carried out

under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(4) Nothing in this subsection shall be construed to provide the Early Learning Council with authority to alter the provisions of this Act.

"(5) Funds made available under this section shall be used to supplement, and not supplant, other Federal, State, and local funds that would otherwise be expended to carry out the purposes of this section.".

SEC. 12. ADMINISTRATIVE REQUIREMENTS AND STANDARDS.

Section 644 of the Head Start Act (42 U.S.C. 9839(f)(2)) is amended—

(1) in subsection (a)—

(A) by inserting "(1) STANDARDS.—" after "(a)"; and

(B) by inserting after the 3d sentence the following:

"(2) ANNUAL REPORT.—Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the then most recently concluded fiscal year, except that reporting such information shall not re-

1 veal personally identifiable information about an indi-
2 vidual child:
3 "(A) The total amount of public and private
4 funds received and the amount from each source.
5 "(B) An explanation of budgetary expenditures
6 and proposed budget for the following fiscal year.
7 "(C) The total number of children and families
8 served and percent of average monthly enrollment,
9 including the percent of eligible children served.
10 "(D) The results of the most recent review by
11 the Secretary and the financial audit.
12 "(E) The percentage of enrolled children that
13 received medical and dental exams.
14 "(F) Information about parent involvement ac-
15 tivities.
16 "(G) The agency's efforts to prepare children
17 for kindergarten.
18 "(H) Any other information that describes the
19 activities of the agency.
20 "(3) PROCEDURAL CONDUCT.—"; and
21 (2) in subsection (f)(2)
22 (A) by redesignating subparagraphs (A)
23 through (E) as subparagraphs (B) through (F),
24 respectively; and

(B) by inserting before subparagraph (B), as so redesignated, the following:

''(A) a description of the consultation conducted by the Head Start agency with the providers in the community demonstrating capacity and capability to provide services under this subchapter, and of the potential for collaboration with such providers and the cost effectiveness of such collaboration as opposed to the cost effectiveness of the purchase of a facility;''.

SEC. 13. ELIGIBILITY.

Section 645(a) of the Head Start Act (42 U.S.C. 9840) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)(i)—

(i) by striking ''to a reasonable extent'' and inserting ''not to exceed 10 percent of the total enrollment'';

(ii) by striking ''benefit from such programs'' and inserting ''benefit from such programs, including children referred by child welfare services,''; and

(iii) by inserting ''(a homeless child shall be deemed to meet the low-income criteria)'' before the semicolon; and

(2) by adding at the end the following:

''(3) The amount of a basic allowance provided under section 403 of title 37, United States Code, on behalf of an individual who is a member of the uniformed services for housing that is acquired or constructed under the authority of subchapter IV of chapter 169 of title 10, United States Code, or any other related provision of law, shall not be considered to be income for purposes of determining the eligibility of a child of the individual for programs assisted under this subchapter.''.

SEC. 14. EARLY HEAD START PROGRAMS.

(a) IN GENERAL.—Section 645A(b) of the Head Start Act (42 U.S.C. 9840a(b)) is amended—

(1) by amending paragraphs (4) and (5) to read as follows:

''(4) provide services to parents to support their role as parents (including parenting skills training and training in basic child development) and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

''(5) coordinate services with services (including home-based services) provided by programs in the State and programs in the community (including programs for infants and toddlers with disabilities

and programs for homeless infants and toddlers) to ensure a comprehensive array of services (such as health and mental health services, and family support services);'';

(2) by amending paragraph (8) to read as follows:

''(8) ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and the agency responsible for administering section 106 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a);'';

(3) by redesignating paragraph (9) as paragraph (11); and

(4) by inserting after paragraph (8) the following:

''(9) develop and implement a systematic procedure for transitioning children and parents from an Early Head Start program into a Head Start program or another local early childhood education program;

"(10) establish channels of communication between staff of Early Head Start programs and staff of Head Start programs or other local early childhood education programs, to facilitate the coordination of programs; and".

(b) MIGRANT AND SEASONAL PROGRAMS; COMMUNITY- AND FAITH-BASED ORGANIZATIONS.—Section 645A(d) of the Head Start Act (42 U.S.C. 9840a(d)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) entities operating Head Start programs under this subpart, including migrant and seasonal Head Start programs; and"; and

(2) in paragraph (2) by inserting ", including community- and faith-based organizations" after "entities" the 2d place it appears.

(c) TRAINING AND TECHNICAL ASSISTANCE ACCOUNT.—Section 645A(g)(2)(B) of the Head Start Act (42 U.S.C. 9640a(g)(2)(B)) is amended—

(1) in clause (iii) by striking "and" at the end;

(2) in clause (iv) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(v) providing professional development designed to increase program participation for underserved populations of eligible children.".

(d) CENTER-BASED STAFF.—Section 645A of the Head Start Act (42 U.S.C. 9840a) is amended by adding at the end the following:

"(h) CENTER-BASED STAFF.—The Secretary shall ensure that, not later than September 30, 2008, all teachers providing direct services to children and families participating in Early Head Start programs located in Early Head Start centers have a minimum of a child development associate credential or an associate degree, and have been trained (or have equivalent course work) in early childhood development.".

SEC. 15. PARENTAL CONSENT REQUIREMENT FOR NON-EMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 645A the following:

"SEC. 645B. PARENTAL CONSENT REQUIREMENT FOR HEALTH CARE SERVICES, INCLUDING NON-EMERGENCY INTRUSIVE PHYSICAL EXAMINATIONS.

"(a) DEFINITIONS.—For purposes of this section:

1 "(1) The term 'health care service' includes—
2 "(A) any nonemergency intrusive physical
3 examination; and
4 "(B) any screening, included but not lim-
5 ited to, a medical, dental, developmental, men-
6 tal health, social, or behavioral screening.
7 "(2) The term 'nonemergency intrusive physical
8 examination' means, with respect to a child, a phys-
9 ical examination that—
10 "(A) is not immediately necessary to pro-
11 tect the health or safety of such child, or the
12 health or safety of another individual; and
13 "(B) includes incision or is otherwise
14 invasive, or includes exposure of private body
15 parts.
16 "(b) REQUIREMENT.—Before administering any
17 health care service to a child (or referring a child to obtain
18 such service) in connection with participation in a program
19 under this subchapter, a Head Start agency or an entity
20 that receives assistance under section 645A shall obtain
21 the informed written consent of a parent of such child in-
22 dicating consent for each specific health care service to
23 be performed.
24 "(c) RULES OF CONSTRUCTION.—

"(1) Nothing in this section shall be construed to prohibit a Head Start agency or an entity that receives assistance under section 645A from using established methods for handling cases of suspected or known child abuse or neglect that are in compliance with applicable Federal, State, or tribal law.

"(2) Nothing in this subchapter shall be construed to permit a Head Start agency, an entity that receives assistance under section 645A, or the personnel of such agency or entity to administer any health care service to a child (or to refer a child to obtain such service) without the informed written consent of a parent of such child indicating consent for each specific health care service to be performed.

"(3) Nothing in this section shall be construed to require a Head Start agency or an entity that receives assistance under section 645A to provide separate consent forms for each specific health care service.".

SEC. 16. RIGHT TO APPEAL.

Section 646(a)(3) of the Head Start Act (42 U.S.C. 9841(a)(3)) is amended to read as follows:

"(3) if financial assistance under this subchapter is terminated or reduced, an application for a noncompeting continuation award is denied based

on a previous failure to comply with terms applicable to financial assistance previously provided this subchapter, or suspension of financial assistance is continued for more than 30 days, the recipient with respect to whom such action is taken shall have the opportunity to appeal such action in accordance with such procedures, except that no funds made available under this subchapter may be used to reimburse any such recipient for legal fees and other costs incurred in pursuing such an appeal;''.

SEC. 17. AUDITS.

Section 647 of the Head Start Act (42 U.S.C. 9842) is amended by adding at the end the following:

''(c)(1) Not later than 270 days after the end of each fiscal year, each Head Start agency and each entity that receives assistance under section 645A shall, with financial assistance provided by this subchapter—

''(A) undergo a single audit under the requirements of the Single Audit Act and submit its financial statement audit and compliance audit of Federal assistance to the Secretary and to the Federal Audit Clearinghouse an independent financial audit of the Head Start program if subject to the Single Audit Act Amendments of 1996; or

"(B) undergo a financial statement audit in accordance with the generally accepted government auditing standards issued by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States, if not subject to the Single Audit Act.

"(2) Audits described in subparagraph (A) and (B) shall be carried out by an auditor selected through a competitive process by the board described in section 642(b)(4) except when conducted by the State auditor as required by State law.

"(3) No audit partner shall perform audits of such agency for a period exceeding 5 consecutive fiscal years except when such agency notifies the Secretary that rotation is not possible because an alternate audit partner is not available or would present a significant challenge to the agency.

"(4) Not later than 60 days after receiving such audit, the Secretary shall provide to such agency or such entity, and to the chief executive officer of the State in which such program is operated, a notice identifying the actions such agency or such entity is required to take to correct all deficiencies identified in such audit.

"(d) Each recipient of financial assistance under this subchapter shall—

"(1) maintain, and annually submit to the Secretary, a complete accounting of its administrative expenses (including a detailed statement identifying the amount of financial assistance provided under this subchapter used to pay expenses for salaries and compensation and the amount (if any) of other funds used to pay such expenses); and

"(2) provide such additional documentation as the Secretary may require.".

SEC. 18. TECHNICAL ASSISTANCE AND TRAINING.

(a) ALLOCATION OF RESOURCES.—Section 648(c) of the Head Start Act (42 U.S.C. 9843(c)) is amended—

(1) in paragraph (2) by inserting "and for activities described in section 1221(b)(3) of the Elementary and Secondary Education Act of 1965" after "disabilities" ; and

(2) in paragraph (5) by inserting ", including the needs of homeless children and their families" after "assessment";

(3) in paragraph (10) by striking "and" at the end;

(4) in paragraph (11) by striking the period at the end and inserting a semicolon; and

(5) by adding the following at the end:

''(12) assist Head Start agencies and programs in increasing program participation of homeless children; and

''(13) assist Head Start agencies and Head Start programs in improving outreach to, and the quality of services available to, limited English proficient children and their families, particularly in communities that have experienced a large percentage increase in the population of limited English proficient individuals, as measured by the Bureau of the Census.''.

(b) TRAINING IN USE OF MEDIA.—Section 648(d) of the Head Start Act (42 U.S.C. 9843(d)) is amended by inserting '', including community- and faith-based organizations'' after ''entities'' the first place such term appears.

(c) CHILD DEVELOPMENT AND NATIONAL ASSESSMENT PROGRAM.—Section 648(e) of the Head Start Act (42 U.S.C. 9843(e)) is amended to read as follows:

''(e) The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood devel-

1 opment and child care programs, training for personnel
2 providing services to limited English proficient children
3 (including services to promote the acquisition of the
4 English language), training for personnel providing serv-
5 ices to children determined to be abused or neglected,
6 training for personnel providing services to children re-
7 ferred by or receiving child welfare services, training for
8 personnel in helping children cope with community vio-
9 lence, and resource access projects for personnel working
10 with disabled children.''.

11 (d) ADDRESSING UNIQUE NEEDS.—Section 648 of
12 the Head Start Act (42 U.S.C. 9843) is amended by add-
13 ing at the end the following:

14 ''(f) The Secretary shall provide, either directly or
15 through grants, or other arrangements, funds for training
16 of Head Start personnel in addressing the unique needs
17 of migrant and seasonal working families, families with
18 one or more children with disabilities, families with a lim-
19 ited English proficiency, and homeless families.

20 ''(g) More than 50 percent of funds expended under
21 this section shall be used to provide high quality, sus-
22 tained, intensive, and classroom-focused training and tech-
23 nical assistance in order to have a positive and lasting im-
24 pact on classroom instruction. Funds shall be used to
25 carry out activities related to any or all of the following:

1 "(1) Education and early childhood develop-
2 ment.
3 "(2) Child health, nutrition, and safety.
4 "(3) Family and community partnerships.
5 "(4) Other areas that impact the quality or
6 overall effectiveness of Head Start programs.
7 "(h) The Secretary shall develop and implement an
8 outreach program to train and recruit African-American
9 and Latino-American men to become Head Start teachers
10 in order to increase the provision of quality services and
11 instruction to children with diverse backgrounds.
12 "(i) Funds under this subchapter used for training
13 shall be used for needs identified annually by a grant ap-
14 plicant or delegate agency in their program improvement
15 plan, except that funds shall not be used for long-distance
16 travel expenses for training activities available locally or
17 regionally or for training activities substantially similar to
18 locally or regionally available training activities.
19 "(j)(1) The Secretary shall work in collaboration with
20 the Head Start agencies that carry out migrant and sea-
21 sonal Head Start programs and Indian Head Start pro-
22 grams, State Directors of Head Start Collaboration, the
23 Indian Head Start Collaboration Director, the migrant
24 and seasonal Head Start collatoration director, and other
25 appropriate entities, including tribal governments—

"(A) to accurately determine the number of children nationwide who are eligible to participate in migrant and seasonal Head Start programs and in Indian Head Start programs each year;

"(B) to document how many of these children are receiving Head Start services each year; and

"(C) to the extent practicable, to ensure that access to migrant and seasonal Head Start programs and in Indian Head Start programs for eligible children is comparable to access to other Head Start programs for other eligible children;

"(2) In carrying out paragraph (1)(A), the Secretary shall consult with the Secretary of Education about the Department of Education's systems for collecting and reporting data about, and maintaining records on, students from migrant and seasonal farmworker families and American Indian and Alaska Native students.

"(3) Not later than 9 months after the effective date of this subsection, the Secretary shall publish in the Federal Register a notice of how the Secretary plans to carry out paragraph (1) and shall provide a period for public comment. To the extent practicable, the Secretary shall consider comments received before submitting a report to the Congress.

1 "(4) Not later than 1 year after the effective date
2 of this subsection, the Secretary shall submit a report to
3 the Committee on Education and the Workforce of the
4 House of Representatives and the Committee on Health,
5 Education, Labor, and Pensions of the Senate, detailing
6 how the Department of Health and Human Services plans
7 to carry out paragraph (1).

8 "(5) The Secretary shall submit annually a report to
9 the Congress detailing the number of children of migrant
10 and seasonal farmworkers, American Indian and Alaska
11 Native children who are eligible to participate in Head
12 Start programs and the number of such children who are
13 enrolled in Head Start programs.

14 "(6) The Secretary shall take appropriate action, con-
15 sistent with section 444 of the General Education Provi-
16 sions Act, to ensure the protection of the confidentiality
17 of any personally identifiable data, information, and
18 records collected or maintained by the Secretary, by Head
19 Start agencies that carry out migrant and seasonal Head
20 Start programs and in Indian Head Start programs, by
21 State Directors of Head Start Collaboration, by the Mi-
22 grant and Seasonal Farmworker Collaboration Project Di-
23 rector, by the Indian Head Start Collaboration Project Di-
24 rector, and by other appropriate entities pursuant to this
25 subsection.

"(7) Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable information on individuals involved in studies or other collections of data under this subsection.

"(k) For purposes of this section, the term 'eligible entities' means an institution of higher education or other entity with expertise in delivering training in early childhood development, family support, and other assistance designed to improve the delivery of Head Start services.".

SEC. 19. STAFF QUALIFICATIONS AND DEVELOPMENT.

(a) CLASSROOM TEACHERS.—Section 648A(a)(2) of the Head Start Act (42 U.S.C. 9843a(a)(2)) is amended to read as follows:

"(2) DEGREE REQUIREMENTS.—

"(A) IN GENERAL.—The Secretary shall ensure that not later than September 30, 2011, at least 50 percent of all Head Start teachers nationwide in center-based programs have—

"(i) a baccalaureate or advanced degree in early childhood education; or

"(ii) a baccalaureate or advanced degree in a field related to early childhood education, with experience in teaching preschool children.

"(B) PROGRESS.—Each Head Start agency shall provide to the Secretary a report indicating the number and percentage of classroom instructors with child development associate credentials and associate, baccalaureate, or advanced degrees. The Secretary shall compile all program reports and make them available to the Committee on Education and the Workforce of the United States House of Representatives and the Committee on Health, Education, Labor, and Pensions of the United States Senate.

"(C) REQUIREMENT FOR NEW HEAD START TEACHERS.—Within 3 years after the effective date of this subparagraph, the Secretary shall require that all Head Start teachers nationwide in center-based programs hired following the effective date of this subparagraph—

"(i) have an associate, baccalaureate, or advanced degree in early childhood education or a related field; or

"(ii) be currently enrolled in a program of study leading to an associate degree in early childhood education and

agree to complete degree requirements within 3 years from the date of hire.

"(D) SERVICE REQUIREMENTS.—The Secretary shall establish requirements to ensure that individuals who receive financial assistance under this subchapter in order to comply with the requirements under section 648A(a)(2) shall subsequently teach in a Head Start center for a period of time equivalent to the period for which they received assistance or repay the amount of the funds.

"(E) LIMITATION.—The Secretary shall require that any Federal funds provided directly or indirectly to comply with subparagraph (A) shall be used toward degrees awarded by an institution of higher education, as defined by sections 101 or 102 of the Higher Education Act (20 U.S.C. 1001–1002).".

(b) CLASSROOM TEACHERS.—Section 648A of the Head Start Act (42 U.S.C. 9843a) is amended by adding at the end the following:

"(f) PROFESSIONAL DEVELOPMENT PLANS.—Each Head Start agency and program shall create, in consultation with an employee, a professional development plan for

all full-time employees who provide direct services to children.''.

SEC. 20. RESEARCH, DEMONSTRATIONS, AND EVALUATION.

(a) NEW IDEAS AND APPROACHES.—Section 649(a)(1)(B) of the Head Start Act (42 U.S.C. 9844(a)(1)(B)) is amended to read as follows:

''(B) use the Head Start programs to develop, test, and disseminate new ideas and approaches based on existing scientifically based research, for addressing the needs of low-income preschool children (including children with disabilities and children determined to be abused or neglected) and their families and communities (including demonstrations of innovative non-center based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.''.

(b) STUDY.—Section 649(d) of the Head Start Act (42 U.S.C. 9844(d) is amended—

(1) in paragraph (8) by adding ''and'' at the end;

(2) in paragraph (9) by striking the semicolon and inserting a period;

(3) by striking paragraph (10); and

(4) by striking the last sentence.

(c) EXPERT PANEL.—Section 649(g) of the Head Start Act (42 U.S.C. 9844(g)) is amended—

(1) in paragraph (1)(A)—

(A) by striking clause (i); and

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(2) in paragraph (7)(C)(i) is amended to read as follows:

"(i) Not later than September 30, 2007, the Secretary shall transmit to the committees specified in clause (ii) the final report.".

(d) NAS STUDY.—Section 649(h) of the Head Start Act (42 U.S.C. 9844(h)) is amended to read as follows:

"(h) NAS STUDY.—

"(1) IN GENERAL.—The Secretary shall use funds allocated in section 640(a)(2)(C)(iii) to contract with the National Academy of Sciences for the Board on Children, Youth, and Families of the National Research Council to establish an independent panel of experts to review and synthesize research, theory and applications in the social, behavioral and biological sciences and to make recommendations on

early childhood pedagogy with regard to each of the following:

"(A) Age and developmentally appropriate Head Start academic requirements and outcomes, including the domains in 641A(a)(B).

"(B) Differences in the type, length, mix and intensity of services necessary to ensure that children from challenging family and social backgrounds including: low-income children, children of color, children with special needs, and children with limited English proficiency enter kindergarten ready to succeed.

"(C) Appropriate assessments of young children (including systematic observation assessment in a child's natural environment, and parent and provider interviews) for purposes of improving instruction, services, and program quality, and accommodations for children with disabilities and appropriate assessments for children with special needs (including needs related to the acquisition of the English language).

"(D) An evaluation of the current and appropriate uses of the National Reporting System developed by the Secretary.

1 "(2) COMPOSITION.—The panel shall consist of
2 multiple experts in each of the following areas:
3 "(A) Child development and education, in-
4 cluding cognitive, social, emotional, physical,
5 approaches to learning, and other domains of
6 child development and learning.
7 "(B) Professional development, including
8 teacher preparation, to individuals who teach
9 young children in programs.
10 "(C) Assessment of young children, includ-
11 ing screening, diagnostic and classroom-based
12 instructional assessment; children with special
13 needs, including children with disabilities and
14 limited English proficient children.
15 "(3) TIMING.—The National Academy of
16 Sciences and the Board shall establish the panel not
17 later than 90 days after the date of the enactment
18 of the School Readiness Act of 2005. The panel shall
19 complete its recommendations within 18 months of
20 its convening.
21 "(4) APPLICATION OF PANEL RECOMMENDA-
22 TIONS.—The recommendations of the panel shall be
23 used as guidelines by the Secretary to develop, in-
24 form and revise, where appropriate, the Head Start
25 education performance measures and standards and

the assessments utilized in the Head Start program.''.

(e) STUDY OF STATUS OF LIMITED ENGLISH PROFICIENT CHILDREN.—Section 649 of the Head Start Act (42 U.S.C. 9844) is amended by adding at the end the following:

''(i) LIMITED ENGLISH PROFICIENT CHILDREN.—

''(1) STUDY.—Not later than 1 year after the date of enactment of the School Readiness Act of 2005, the Secretary shall conduct a study on the status of limited English proficient children and their families in Head Start programs and Early Head Start programs.

''(2) REPORT.—The Secretary shall prepare and submit to Congress, not later than September 2008, a report containing the results of such study, including information on—

''(A)(i) the demographics of limited English proficient children less than 5 years of age and the geographical distribution of such children; and

''(ii) the number of such children receiving Head Start services and the number of such children receiving Early Head Start services,

and the geographical distribution of such children receiving such services;

"(B) the nature of the Head Start services and of the Early Head Start services provided to limited English proficient children and their families, including the types, content, duration, intensity, and costs of family services, language assistance, and educational services;

"(C) procedures in Head Start programs for assessing language needs and for making the transition of limited English proficient children to kindergarten, including the extent to which Head Start programs meet the requirements of section 642A for limited English proficient children;

"(D) the qualifications and training provided to Head Start teachers and Early Head Start teachers who serve limited English proficient children and their families;

"(E) the rate of progress made by limited English proficient children and their families in Head Start programs and in Early Head Start programs, including—

"(i) the rate of progress made by limited English proficient children toward

meeting the additional educational standards described in section 641A(a)(1)(B)(ii) while enrolled in Head Start programs;

"(ii) the correlation between such progress and the type and quality of instruction and educational programs provided to limited English proficient children; and

"(iii) the correlation between such progress and the health and family services provided by Head Start programs to limited English proficient children and their families; and

"(F) the extent to which Head Start programs make use of funds under section 640(a)(3) to improve the quality of Head Start services provided to limited English proficient children and their families.".

(f) NATIONAL ASSESSMENET SYSTEM.—Section 649 of the Head Start Act (42 U.S.C. 9834), as amended by subsection (d), is amended by adding at the end the following:

"(j) NATIONAL REPORTING SYSTEM.—The Secretary shall temporarily suspend the implementation of the National Reporting System pending the completion of the

recommendations required by subsection (h), and shall integrate such recommendations to develop a national assessment system, as appropriate, that will inform improving Head Start program success.''.

SEC. 21. REPORTS.

(a) REPORT.—Section 650(a) of the Head Start Act (42 U.S.C. 9845(a)) is amended—

(1) by amending the first sentence to read as follows: ''At least once during every 2-year period, the Secretary shall prepare and submit, 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 concerning the status of children (including disabled, homeless, and limited English proficient children) in Head Start programs, including the number of children and the services being provided to such children.''; and

(2) in paragraph (8) by inserting '', homelessness'' after ''background''.

(b) NATIONAL REPORTING SYSTEM.—Section 650 of the Head Start Act (42 U.S.C. 9845) is amended by adding at the end the following:

''(c) NATIONAL REPORTING SYSTEM.—The Secretary shall submit annually 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 the status of the National Reporting System developed by the Secretary. Such report shall include—

"(1) information on all contracts, grants, and expenses relating to the development and implementation of the National Reporting System;

"(2) information described in section 641A(b)(3)(B); and

"(3) a description of the recommendations made by the Technical Working Group, including issues of the technical adequacy, purpose, and administration of the System, and an explanation of how the Secretary plans to address these recommendations.".

SEC. 22. LIMITATION ON RATE OF FEDERAL FUNDING FOR COMPENSATION.

Section 653 of the Head Start Act (42 U.S.C. 9848) is amended—

(1) by striking the heading;

(2) by striking "SEC. 653. The" and inserting the following:

"SEC. 653. WAGES AND COMPENSATION.

"(a) COMPARABILITY OF WAGES.—The"; and

(3) by adding at the end the following:

''(b) FEDERAL RATE LIMITATION.—Notwithstanding any other provision of law, no Federal funds shall be used to pay all or any part of the compensation of an individual employed by a Head Start agency in carrying out programs under this subchapter, either as direct or indirect costs or any proration thereof, at a rate in excess of the rate then payable for level II of the Executive Schedule under section 5316 of title 5, United States Code.''.

SEC. 23. LIMITATION ON USE OF FUNDS.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 656 the following:

''SEC. 656A. LIMITATION ON CERTAIN USES OF FUNDS.

''No funds made available to carry out this subchapter may be used—

''(1) for publicity or propaganda purposes not heretofore authorized by the Congress; or

''(2) unless authorized by law in effect on the effective date of this section, to produce any prepackaged news story intended for broadcast or distribution unless such story includes a clear notification contained within the text or audio of such story stating that the prepackaged news story was prepared or funded by the Department of Health and Human Services.''.

SEC. 24. CONFORMING AMENDMENT.

Section 641A(a)(2)(A) of the Head Start Act (42 U.S.C. 9836a(a)(2)(A)) is amended by striking ''non-English language background'' and inserting ''limited English proficient''.

SEC. 25. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsections (b) and (c), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to any fiscal year that begins before the date of the enactment of this Act.

(c) PRIORITY IN THE DESIGNATION OF HEAD START AGENCIES.—

(1) EFFECTIVE DATE.—Section 641(c), as amended by section 7(b) of this Act, shall take effect exactly twelve months from the date of the enactment of this Act, except for section 641(c)(5), which shall take effect on the date of the enactment of this Act.

(2) IMPLEMENTATION RULE.—For purposes of carrying out section 641(c) of the Head Start Act, as amended by section 7(b) of this Act, the Secretary may only consider the performance of a Head

Start program in meeting the requirements described in section 641(c) of the Head Start Act, as amended by section 7(b) of this Act, from the date of enactment of this Act, except any performance that constitutes a deficiency since the then most recent designation.

SEC. 26. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

Section 641A of the Head Start Act (42 U.S.C. 9836a) is further amended by adding at the end the following new subsection:

''(g) In carrying out the provisions of section 641A, and in addition to the use of whatever other resources the Secretary deems appropriate, the Secretary shall—

''(1) contract with an intermediary organization which, in the determination of the Secretary, meets each of the following criteria—

''(A) focuses on improving the performance management and the use of technology for nonprofit, educational, and social service organizations;

''(B) has demonstrated experience in providing a range of assistance, including but not limited to—

''(i) assessing performance metrics;

1 "(ii) the use of technology;
2 "(iii) improving financial manage-
3 ment; and
4 "(iv) developing recommendations to
5 improve performance and the use of tech-
6 nology;
7 "(C) has a proven methodology for sys-
8 temic change in the not-for-profit sector, includ-
9 ing governmental and nongovernmental entities;
10 "(D) has demonstrated results in providing
11 performance management support to small-,
12 mid- and large-size not-for-profit organizations
13 annually on a pro bono basis;
14 "(E) has demonstrated the ability to iden-
15 tify areas for program improvement related
16 to—
17 "(i) accomplishing the goals and ob-
18 jectives as outlined in Head Start regula-
19 tions, reporting criteria and measurement
20 of program outcomes;
21 "(ii) meeting reporting requirements;
22 "(iii) using technology in classrooms
23 and enabling its use by administrators;

"(F) has demonstrated the ability to develop an implementation plan for recommended improvements by the organizations it assists;

"(G) has demonstrated the ability to assist with and provide on-site, hands-on guidance with the implementation of the recommendations;

"(H) has demonstrated the ability to tailor the assessment and implementation process to the children and communities served (where appropriate); and

"(I) has demonstrated the ability to create an online community that allows Head Start administrators, teachers, service providers, parents, policy makers, and other stakeholders to communicate and provide support during and following the assessment and subsequent implementation process;

"(2) utilize the intermediary organization selected in paragraph (1) not later than 90 days from the date of enactment of this Act to—

"(A) assess the performance of the Secretary in overseeing the Head Start Bureau and ensuring the effective management of the Head

Start program in the areas of finance, operations, human capital, and customer service;

"(B) evaluate the Department's organizational structure, policies, and procedures for managing Head Start grant recipients, make recommendations to improve national program quality and maximize the efficiency in the use of program dollars, and support implementation of the recommendations;

"(C) evaluate the Secretary's administrative resource allocations to determine if investment is properly targeted based on risk assessment to address the program's most significant national and local challenges, and propose adjustments as appropriate;

"(D) evaluate and identify best practice Head Start models and build process models to enable their replication;

"(E) develop early warning systems to identify Head Start programs that need intervention;

"(F) evaluate processes to assist Head Start programs that need intervention in implementing necessary program improvements;

"(G) evaluate the effectiveness of the current process for selecting Head Start organizations and develop and implement improvements to ensure that performance metrics emerge as a key criteria for evaluating successful Head Start applicants, including the creation of evaluation criteria that ensure the selection of quality Head Start applicants;

"(H) evaluate how the Department targets resources to remedy ongoing problems or deficiencies in the program's management or governance, and propose solutions as appropriate; and

"(I) conduct a detailed assessment of the Secretary's ability to monitor grantees.".

SEC. 27. ALLOTMENT OF FUNDS.

Section 640(a)(2) of the Head Start Act (42 U.S.C. 9835) is further amended by adding at the end the following new clause:

"(v) not less than $7,500,000 of the amount in clause (iii) appropriated for fiscal years 2006 and 2007 shall be made available to carry out activities described in section 641A(g).".

SEC. 28. TEACHER RETENTION REPORT.

Not later than one year after implementation of the Head Start teacher qualifications and development under amendments made by this Act, the Secretary of Health and Human Services shall submit to Congress a report on Head Start teacher retention levels.

SEC. 29. IMPROVING HEAD START ACCESS FOR HOMELESS AND FOSTER CHILDREN.

(a) DEFINITIONS.—Section 637 of the Head Start Act (42 U.S.C. 9832) is amended by adding at the end the following:

"(18) The term 'family' means all persons living in the same household who are—

"(A) supported by the income of at least 1 parent or guardian (including any relative acting in place of a parent, such as a grandparent) of a child enrolling or participating in the Head Start program; and

"(B) related to the parent or guardian by blood, marriage, or adoption.

"(19) The term 'homeless child' means a child described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)).

"(20) The term 'homeless family' means the family of a homeless child.".

(b) ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE.—

(1) QUALITY IMPROVEMENT.—Section 640(a)(3) of the Head Start Act (42 U.S.C. 9835(a)(3)) is amended—

(A) in subparagraph (B)—

(i) in clause (ii), by inserting ''children in foster care, children referred to Head Start programs by child welfare agencies, '' after ''background''; and

(ii) in clause (v), by inserting '', including collaboration to increase program participation by underserved populations, including homeless children, eligible children in foster care, and children referred to Head Start programs by child welfare agencies'' before the period; and

(B) in subparagraph (C)—

(i) in clause (ii)(IV)—

(I) by inserting ''homeless children, children in foster care, children referred to Head Start programs by child welfare agencies, '' after ''dysfunctional families''; and

(II) by inserting ''and families'' after ''communities'';

(ii) in clause (v)—

(I) by inserting ''homeless children, children in foster care, children referred to Head Start programs by child welfare agencies,'' after ''dysfunctional families''; and

(II) by inserting ''and families'' after ''communities'';

(iii) by redesignating clause (vi) as clause (viii); and

(iv) by inserting after clause (v) the following:

''(vi) To conduct outreach to homeless families and to increase Head Start program participation by homeless children.''.

(2) COLLABORATION GRANTS.—Section 640(a)(5)(C)(iv) of the Head Start Act (42 U.S.C. 9835(a)(5)(C)(iv)) is amended—

(A) by inserting ''child welfare (including child protective services),'' after ''child care,'';

(B) by inserting ''home-based services (including home visiting services),'' after ''family literacy services''; and

(3) ALLOCATION OF FUNDS.—Section 640(g)(2) of the Head Start Act (42 U.S.C. 9835(g)(2)) is amended—

(A) in subparagraph (C)—

(i) by inserting ''organizations and agencies providing family support services, child abuse prevention services, protective services, and foster care, and'' after ''(including''; and

(ii) by striking ''and public entities serving children with disabilities'' and inserting '', public entities, and individuals serving children with disabilities and homeless children (including local educational agency liaisons designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)))'';

(B) in subparagraph (H), by inserting ''(including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)))'' after ''community involved''.

(c) RESEARCH, DEMONSTRATIONS, AND EVALUATION.—Section 649 of the Head Start Act (42 U.S.C. 9844) is amended in subsection (a)(1)(B), by striking ''disabilities)'' and inserting ''disabilities, homeless children, children who have been abused or neglected, and children in foster care''.

(d) REPORTS.—Section 650(a) of the Head Start Act (42 U.S.C. 9846(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''disabled and'' and inserting ''disabled children, homeless children, children in foster care, and'';

(2) in paragraph (8), by inserting ''homelessness, whether the child is in foster care or was referred by a child welfare agency,'' after ''background''.

SEC. 30. CHILDREN AFFECTED BY HURRICANE KATRINA.

(a) Definitions.—For the purposes of this section, the following definitions apply:

(1) CHILDREN AFFECTED BY HURRICANE KATRINA.—The term ''children affected by Hurricane Katrina'' means a child who is not older than 5 and who resides or who resided on August 22, 2005, in an area in which the President has declared that a major disaster exists.

1 (2) IMPACTED HEAD START AGENCIES.—The
2 term ''impacted Head Start Agencies'' means a
3 Head Start agency receiving a significant number of
4 children from an area in which a major disaster has
5 been declared.
6 (3) MAJOR DISASTER.—The term ''major dis-
7 aster'' means a major disaster declared by the Presi-
8 dent in accordance with section 401 of the Robert
9 T. Stafford Disaster Relief Emergency Assistance
10 Act (42 U.S.C. 4170), related to Hurricane Katrina.
11 (b) TECHICAL ASSISTANCE, GUIDANCE, AND RE-
12 SOURCES.—The Secretary shall provide technical assist-
13 ance, guidance, and resources through the Region 4 and
14 Region 6 offices of the Administration for Children and
15 Families (and may provide technical assistance, guidance,
16 and resources, through other regional offices of the Ad-
17 ministration, at the request of such offices, that admin-
18 ister affected Head Start agencies) to Head Start agencies
19 in areas in which a major disaster has been declared, and
20 to affected Head Start agencies, to assist the agencies in-
21 volved in providing Head Start services to children af-
22 fected by Hurricane Katrina.
23 (c) WAIVER.—For such period up to March 31, 2006,
24 and to such extent as the Secretary considers appropriate,
25 the Secretary of Health and Human Services—

(1) may waive section 640(b) of the Head Start Act; and

(2) shall waive requirements of documentation for children affected by Hurricane Katrina who participate in Head Start programs and Early Head Start programs funded under the Head Start Act.

SEC. 31. DISCRIMINATION PROVISIONS.

Section 654 of the Head Start Act is amended to read as follows:

"SEC. 654 NONDISCRIMINATION PROVISIONS.

''(a)(1) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

''(2) Paragraph (1) shall not apply to a recipient of financial assistance under this subchapter that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall

1 comply with the other requirements contained in this sub-
2 section.

3 "(b) No person in the United States shall on the
4 ground of sex be excluded from participation in, be denied
5 the benefits of, be subjected to discrimination under, or
6 be denied employment in connection with any program or
7 activity receiving assistance under this subchapter. The
8 Secretary shall enforce the provisions of the preceding sen-
9 tence in accordance with section 602 of the Civil Rights
10 Act of 1964. Section 603 of such Act shall apply with re-
11 spect to any action taken by the Secretary to enforce such
12 sentence. This section shall not be construed as affecting
13 any other legal remedy that a person may have if such
14 person is excluded from participation in, denied the benefit
15 of, subjected to discrimination under, or denied employ-
16 ment (except as provided in subsection (a)(2)), in the ad-
17 ministration of any program, project, or activity receiving
18 assistance under this subchapter.

19 "(c) The Secretary shall not provide financial assist-
20 ance for any program, project, or activity under this sub-
21 chapter unless the grant or contract relating to the finan-
22 cial assistance specifically provides that no person with re-
23 sponsibilities in the operation of the program, project, or
24 activity will discriminate against any individual because of
25 a handicapping condition in violation of section 504 of the

1 Rehabilitation Act of 1973, except as provided in sub-
2 section (a)(2).''.

Passed the House of Representatives September 22, 2005.

Attest:

Clerk.

109th CONGRESS
1st Session

H. R. 2123

AN ACT

To reauthorize the Head Start Act to improve the school readiness of disadvantaged children, and for other purposes.