108TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
108–659

VOCATIONAL AND TECHNICAL EDUCATION FOR THE FUTURE ACT

SEPTEMBER 7, 2004.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BOEHNER, from the Committee on Education and the Workforce, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 4496]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 4496) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to strengthen and improve programs under that Act, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Vocational and Technical Education for the Future Act".

SEC. 2. REFERENCES.

Wherever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

SEC. 3. PURPOSES AND DEFINITIONS.

(a) PURPOSES.—Section 2(2) (20 U.S.C. 2301(2)) is amended by inserting "rigorous and challenging" after "integrate".

(b) DEFINITIONS.—Section 3 (20 U.S.C. 2302) is amended—

(1) by striking paragraph (26) and redesignating paragraphs (21) through (25) as paragraphs (23) through (27), and paragraphs (27) through (30) as paragraphs (29) through (32), respectively;

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(2) by redesignating paragraphs (4) through (20) as paragraphs (5) through (21), respectively, and inserting after paragraph (3) the following:

"(4) ARTICULATION AGREEMENT.—The term 'articulation agreement' means a written commitment, agreed upon at the State level or approved annually and facilitated by the lead administrators of the secondary and postsecondary consortia members as described in section 135(b)(3)(A), to a program designed to provide students with a nonduplicative sequence of progressive achievements leading to degrees, certificates, or credentials in a tech-prep education program linked through credit transfer agreements.";

(3) in paragraph (5) (as so redesignated), by inserting "to students (and parents, as appropriate)" after "providing access";

(4) in paragraph (6) (as so redesignated), by striking "section 5206" and inserting "section 5210";

(5) in paragraph (7) (as so redesignated)—

(A) by striking "method of instruction" and inserting "method"; and

(B) by inserting "rigorous and challenging" after "required";

(6) in paragraph (11)(A) (as so redesignated), by striking "an" and inserting "a public or nonprofit private";

(7) in paragraph (18) (as so redesignated)—

(A) in the paragraph heading, by striking "TRAINING AND EMPLOYMENT" and inserting "FIELDS";

(B) by striking "training and employment" and inserting "fields"; and

(C) by inserting "current and" after "technology, and other";

(8) in paragraph (19) (as so redesignated), by striking "the Republic of the Marshall Islands, the Federated States of Micronesia,";

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

"(22) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given that term in section 9101(37) of the Elementary and Secondary education Act of 1965 (20 U.S.C. 780137).";

(10) in paragraph (25) (as so redesignated)—

(A) in subparagraph (C), by striking "training and employment" and inserting "fields";

(B) in subparagraph (E), by striking "and";

(C) in subparagraph (F)—

(i) by striking "individuals with other barriers to educational achievement, including"; and

(ii) by striking the period and inserting "; and"; and

(D) by inserting after subparagraph (F) the following:

"(G) individuals with other barriers to educational achievement, as determined by the State.";

(11) by inserting after paragraph (27) (as so redesignated) the following:

"(28) SUPPORTIVE SERVICES.—The term 'supportive services' means services such as transportation, child care, dependent care, and needs-based payments, that are necessary to enable an individual to participate in activities authorized under this Act.";

(12) in paragraph (29) (as so redesignated), by striking "section 2" and inserting "section 2(a)(4)";

(13) in paragraph (30) (as so redesignated)—

(A) by inserting "of subsection (a)" after "paragraph (2)"; and

(B) by striking "paragraph (5)(A) of such section" and inserting "paragraph (5)(A) of such subsection"; and

(14) by amending paragraph (31)(A) (as so redesignated) to read as follows:

"(A) offer a sequence of courses that—

"(i) provides individuals with the rigorous and challenging academic and technical knowledge and skills the individuals need to prepare for further education and for careers (other than careers requiring a master's or doctoral degree) in current or emerging employment sectors;

"(ii) may include the provision of skills or courses necessary to enroll in a sequence of courses that meet the requirements of this subparagraph; and

"(iii) provides, at the postsecondary level, for a 1-year certificate, an associate degree, or industry recognized credential; and".

SEC. 4. TRANSITION PROVISIONS.

Section 4 (20 U.S.C. 2303) is amended—

(1) by striking "the Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "the 'Carl D. Perkins Vocational and Technical Education Act of 1998'"; and

(2) by striking "the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998" and inserting "the Vocational and Technical Education for the Future Act. Each eligible agency shall be assured 1 full fiscal year for transition, to plan for and implement the requirements of this Act".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

Section 8 (20 U.S.C. 2307) is amended to read as follows:

"SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this Act (other than subsection (a), (b), and (c) of section 114, and sections 117 and 118) $1,307,000,000 for fiscal year 2005 and such sums as may be necessary for each of fiscal years 2006 through 2010.".

SEC. 6. PROHIBITIONS.

(a) IN GENERAL.—The Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.) is amended by adding after section 8 the following new section:

"SEC. 9. PROHIBITIONS.

"(a) LOCAL CONTROL.—Nothing in this Act shall be construed to authorize an officer or employee of the Federal government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.

"(b) NO PRECLUSION OF OTHER ASSISTANCE.—Any State that declines to submit an application to the Secretary for assistance under this Act shall not be precluded from applying for assistance under any other program administered by the Secretary.

"(c) PROHIBITION ON REQUIRING FEDERAL APPROVAL OR CERTIFICATION OF STANDARDS.—Notwithstanding any other provision of Federal law, no State shall be required to have academic and vocational and technical content or student academic and vocational and technical achievement standards approved or certified by the Federal government, in order to receive assistance under this Act.

"(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect requirements under section 113.".

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by inserting after the item relating to section 8, the following new item:

"Sec. 9. Prohibitions.".

SEC. 7. ALLOTMENT AND ALLOCATION TO STATES.

(a) ALLOTMENT FOR NATIONAL ACTIVITIES FOR 2005.—Section 111(a)(1) (20 U.S.C. 2321(a)(1)) is amended to read as follows:

"(1) RESERVATIONS.—From the sum appropriated under section 8 for each fiscal year, the Secretary shall reserve—

"(A) 0.12 percent to carry out section 115;

"(B) 1.50 percent to carry out section 116, of which—

"(i) 1.25 percent of the sum shall be available to carry out section 116(b); and

"(ii) 0.25 percent of the sum shall be available to carry out section 116(h); and

"(C) 0.54 percent to carry out section 114(d).".

(b) MINIMUM ALLOTMENTS.—Section 111(a) (20 U.S.C. 2321(a)) is further amended—

(1) in paragraph (3), by striking "(or in the case of fiscal year 1999" and all that follows through "Amendments of 1998)" each place it appears and inserting "(or in the case of fiscal year 2005 only, under this section and under title II of this Act, as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act)"; and

(2) by amending paragraph (4)(A) to read as follows:

"(A) IN GENERAL.—No State shall receive an allotment under this section for a fiscal year that is less than the allotment the State received for fiscal year 2004 under this section and under title II of this Act (as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act).".

(c) WITHIN STATE ALLOCATION.—Section 112 (20 U.S.C. 2322) is amended—

(1) by amending subsection (a) to read as follows:

"(a) ALLOCATION FORMULA.—From the amount allotted to each State under section 111 for a fiscal year, the State board (hereinafter referred to as the 'eligible agency') shall allocate such amount as follows:

"(1) Subject to paragraph (4), not less than 88 percent shall be made available for distribution under section 131 or 132, of which the eligible agency shall first make available for the activities described in section 135(b)(3) not less than the amount allotted in fiscal year 2004 to such eligible agency under title II of this Act (as such title was in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act), reduced by the percentage by which the amount allotted to the State under section 111 for the fiscal year is less than the amount allotted under such section to such State for fiscal year 2004. Of the remainder of the 88 percent, not more than 10 percent may be used in accordance with subsection (c).

"(2) Subject to paragraph (4), not more than 10 percent shall be made available to carry out State leadership activities described in section 124, of which—

"(A) an amount equal to not more than 1 percent of the amount allotted to the State under section 111 for the fiscal year shall be made available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

"(B) not less than $60,000 and not more than $150,000 shall be available for services that prepare individuals for nontraditional fields.

"(3) An amount equal to not more than 2 percent, or $250,000, whichever is greater, shall be made available for administration of the State plan, which may be used for the costs of—

"(A) developing the State plan;

"(B) reviewing the local plan;

"(C) monitoring and evaluating program effectiveness;

"(D) assuring compliance with all applicable Federal laws; and

"(E) providing technical assistance.

"(4) If the amount allocated for any fiscal year under paragraph (2) shall be less than the amount allocated under such paragraph for fiscal year 2004, additional amounts may be made available from the amount allocated under paragraph (1) for the purposes described in paragraph (2). If such additional amounts are made available under this paragraph, the percentage of the total amount allotted under section 111 that is allocated for the purposes described in paragraph (2) shall not exceed the percentage of the total amount allotted under section 111 for fiscal year 2004 that was allocated under paragraph (2) for fiscal year 2004."; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking the semicolon and inserting "; and";

(ii) in subparagraph (C), by striking "; and" and inserting a period; and

(iii) by striking subparagraph (D); and

(B) in paragraph (2), by striking "through (D)" and inserting "through (C)".

SEC. 8. ACCOUNTABILITY.

(a) PURPOSE.—Section 113(a) (20 U.S.C. 2323(a)) is amended—

(1) by striking "establish a State" and inserting "support a State and local"; and

(2) by inserting "and its eligible recipients" after "effectiveness of the State".

(b) STATE PERFORMANCE MEASURES.—Section 113(b) (20 U.S.C. 2323(b)) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively;

(B) in subparagraph (A)—

(i) in the subparagraph heading, by inserting "FOR SECONDARY STUDENTS" after "PERFORMANCE";

(ii) by inserting "of secondary students that are, to the extent practicable, valid and reliable and" after "indicators of performance";

(iii) in clause (i), by striking "State established academic," and inserting "academic content and achievement standards, as established by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)),";

(iv) in clause (ii)—

(I) by striking "or its recognized equivalent" and inserting "or the General Educational Development credential (including recognized alternative standards for individuals with disabilities)"; and

(II) by striking ", or a postsecondary degree or credential";

(v) by amending clause (iii) to read as follows:

"(iii) Student graduation rates (as described in section 111(b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(vi))), placement in postsecondary education or advanced training, placement in military service, or placement in employment."; and

(vi) in clause (iv), by striking "training and employment" and inserting "fields";

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

"(B) CORE INDICATORS OF PERFORMANCE FOR POSTSECONDARY STUDENTS.—Each eligible agency shall identify in the State plan core indicators of performance of postsecondary students that are, to the extent practicable, valid and reliable, and that include, at a minimum, measures of each of the following:

"(i) Student attainment of challenging academic and vocational and technical skill proficiencies.

"(ii) Student retention in postsecondary education, attainment of an associate degree or postsecondary credential, or transfer to a baccalaureate degree program.

"(iii) Placement in military service or placement or retention in employment.

"(iv) Student participation in and completion of vocational and technical education programs in nontraditional fields.";

(D) in subparagraph (C) (as so redesignated), by striking "under the title" and inserting "under this title"; and

(E) in subparagraph (D) (as so redesignated), by inserting "vocational and technical education" after "has developed State"; and

(2) in paragraph (3)—

(A) by amending the paragraph heading to read as follows:

"(3) STATE LEVELS OF PERFORMANCE.—"; and

(B) in subparagraph (A)—

(i) in clause (i)—

(I) by striking "paragraph (2)(A)" and inserting "subparagraphs (A) and (B) of paragraph (2)"; and

(II) in subclause (II), by striking "to continually" and all that follows through "performance", and inserting "to make continuous and substantial improvement in the academic and vocational and technical achievement";

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

"(v) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—

"(I) 3RD AND 4TH PROGRAM YEARS.—Prior to the third program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the third and fourth programs years covered by the State plan, taking into account the factors described in clause (vi).

"(II) 5TH AND 6TH PROGRAM YEARS.—Prior to the fifth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the fifth and sixth programs years covered by the State plan, taking into account the factors described in clause (vi).

"(III) AGREEMENTS INCORPORATED INTO STATE PLAN.—The State adjusted levels of performance agreed to under this clause shall be considered the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan.";

(iii) in clause (vi)(II), by inserting "and substantial" after "continuous"; and

(iv) in clause (vii), by striking "under clause (iii) or (iv)" and inserting "under clause (iii) or (v)".

(c) LOCAL LEVELS OF PERFORMANCE.—Section 113(b) is further amended by adding at the end the following:

"(4) LOCAL LEVELS OF PERFORMANCE.—

"(A) LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

"(i) IN GENERAL.—Each eligible recipient shall establish in the local plan submitted under section 134, levels of performance for each of the core indicators of performance described in paragraph (2)(A) and (B), as

appropriate for the eligible recipient, for vocational and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

"(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

"(II) require the eligible recipient to make continuous and substantial improvement in the academic and vocational and technical achievement of vocational and technical education students.

"(ii) IDENTIFICATION IN THE LOCAL PLAN.—Each eligible recipient shall identify, in the local plan submitted under section 134, levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan.

"(iii) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 2 YEARS.—The eligible agency and each eligible recipient shall reach agreement on the levels of performance for each of the core indicators of performance, for the first 2 program years covered by the local plan, taking into account the levels identified in the local plan under clause (ii) and the factors described in clause (v). The levels of performance agreed to under this clause shall be considered to be the local adjusted level of performance for the eligible recipient for such years and shall be incorporated into the local plan prior to the approval of such plan.

"(iv) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—

"(I) 3RD AND 4TH PROGRAM YEARS.—Prior to the third program year covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the third and fourth program years covered by the local plan, taking into account the factors described in clause (v).

"(II) 5TH AND 6TH PROGRAM YEARS.—Prior to the fifth program year covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the fifth and sixth program years covered by the local plan, taking into account the factors described in clause (v).

"(III) AGREEMENTS INCORPORATED INTO LOCAL PLAN.—The local adjusted levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan.

"(v) FACTORS.—The agreement described in clause (iii) or (iv) shall take into account—

"(I) how the levels of performance involved compare with the local adjusted levels of performance established for other eligible recipients taking into account factors including the characteristics of participants when the participants entered the program and the services or instruction to be provided; and

"(II) the extent to which such levels of performance promote continuous and substantial improvement on the indicators of performance by such eligible recipient.

"(vi) REVISIONS.—If unanticipated circumstances arise with respect to an eligible recipient resulting in a significant change in the factors described in clause (v)(II), the eligible recipient may request that the local adjusted levels of performance agreed to under clause (iii) or (iv) be revised. The eligible agency shall issue objective criteria and methods for making such revisions.

"(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible recipient may identify in the local plan, local levels of performance for any additional indicators of performance. Such levels shall be considered to be the local levels of performance for purposes of this title.

"(C) LOCAL REPORT.—

"(i) CONTENT OF REPORT.—Each eligible recipient that receives an allotment under section 111 shall annually prepare and submit to the eligible agency a report, regarding—

"(I) the progress of such recipient in achieving the local adjusted levels of performance on the core indicators of performance; and

"(II) in the case of an eligible recipient that receives funds described in section 112(a) for activities described in section 135(b)(3),

the progress in achieving the local adjusted levels of performance on the core indicators with respect to tech prep program participants.

"(ii) DISAGGREGATION OF DATA.—Each eligible recipient shall—

"(I) disaggregate data for each of the indicators of performance under section 113(b)(2) for the categories of students enumerated under section 1111(b)(2)(C)(v)(II) of the Elementary and Secondary Education Act of 1965 that are served under this Act; and

"(II) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible recipient under the Act.

"(iii) RULES FOR REPORTING OF DATA.—The disaggregation of data under clause (ii) shall be required except in a case in which the number of students in a category is insufficient to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

"(iv) AVAILABILITY.—The report described in clause (i) shall be made available to the public through a variety of formats, including electronically or through the Internet.".

(d) STATE REPORT.—Section 113(c) (20 U.S.C. 2323(c)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively, and inserting after paragraph (1) the following:

"(2) DISAGGREGATION OF DATA.—Each eligible agency under this subsection shall—

"(A) disaggregate data for each of the indicators of performance under section 113(b)(2) for the categories of students enumerated under section 1111(b)(2)(C)(v)(II) of the Elementary and Secondary Education Act of 1965 that are served under this Act; and

"(B) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible agency under the Act.

"(3) RULES FOR REPORTING OF DATA.—The disaggregation of data under paragraph (2) shall be required except in a case in which the number of students in a category is insufficient to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student."; and

(2) in paragraph (4) (as so redesignated)—

(A) by striking "special populations" and inserting "each of the populations described in section 3(25) and the populations described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(i))"; and

(B) by striking "have made" and inserting "has made".

SEC. 9. NATIONAL ACTIVITIES.

(a) PROGRAM PERFORMANCE INFORMATION.—Section 114(a)(3) (20 U.S.C. 2324(a)(3)) is amended by inserting "in the aggregate" after "international comparisons".

(b) EVALUATION AND ASSESSMENT.—Section 114(c) (20 U.S.C. 2324(c)) is amended—

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

"(2) INDEPENDENT ADVISORY PANEL.—The Secretary shall appoint an independent advisory panel, consisting of academic and vocational and technical education educators, administrators, experts in evaluation, research, and assessment, representatives of labor organizations, businesses, parents, guidance and counseling professionals, and other individuals with relevant expertise, to advise the Secretary on the implementation of the assessment described in paragraph (3), including the issues to be addressed and the methodology of the studies involved to ensure the assessment adheres to the highest standards of quality. The advisory panel shall transmit to the Secretary and to Congress an independent analysis of the findings and recommendations resulting from such assessment. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.";

(2) in paragraph (3)—

(A) in subparagraph (A), by inserting "the implementation of the" after "and assessment of";

(B) in subparagraph (B)—

(i) by inserting "but shall not be limited to" after "paragraph (1) shall include";

(ii) by striking clauses (i), (ii), (iv), and (vii) and redesignating clauses (iii), (v), (vi), and (viii) as clauses (i) through (iv), respectively;

(iii) in clause (i) (as so redesignated), by striking ", and academic, curricula in vocational and technical education programs," and inserting "education (such as meeting State established teacher certification or licensing requirements)"; and

(iv) in clause (ii) (as so redesignated)—

(I) by striking "and employment outcomes" and all that follows through "including analyses of" and inserting "and vocational and technical education achievement and employment outcomes of vocational and technical education students, including analyses of";

(II) in subclause (I), by striking "and tech-prep students" and inserting "and students participating in the activities described in section 135(b)(3)" ;

(III) in subclause (II), by striking "academic, and vocational and technical, education" and inserting "rigorous and challenging academic and vocational and technical education, including a review of the effect of integrated rigorous and challenging academic and vocational and technical education on the achievement of students"; and

(IV) in subclause (III), by inserting ", particularly those in which math and science skills are critical," after "high-skill careers"; and

(C) in subparagraph (C)—

(i) in clause (i)—

(I) by striking "the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate" and inserting "Congress"; and

(II) by striking "2002" and inserting "2008" both places it appears; and

(ii) in clause (ii), by striking "the Committee on Education and the Workforce of the House of Representatives, the Committee on Labor and Human Resources of the Senate," and inserting "Congress";

(3) in paragraph (5)(A)—

(A) by striking "to carry out research" each place it appears, and inserting "to carry out scientifically based research";

(B) in clause (i), by inserting "scientifically based" after "programs, including";

(C) in clause (ii), by inserting "that are integrated with rigorous and challenging academic education" after "implementation of vocational and technical education programs"; and

(D) in clause (iii)(I), by inserting "and the integration of those systems with the academic education system" after "technical education systems";

(4) in paragraph (6)—

(A) by striking:

"(6) DEMONSTRATIONS AND DISSEMINATION.—

"(A) DEMONSTRATION PROGRAM.—The", and inserting:

"(6) DEMONSTRATIONS AND DISSEMINATION.—The"; and

(B) by striking subparagraph (B); and

(5) in paragraph (8), by striking "this section" and all that follows and inserting "subsections (a), (b), and (c) of this section, such sums as may be necessary for each of fiscal years 2005 through 2010."

(c) INCENTIVE GRANTS FOR ELIGIBLE AGENCIES.—Section 114 is further amended by adding at the end the following new subsection:

"(d) INCENTIVE GRANTS FOR ELIGIBLE AGENCIES.—

"(1) IN GENERAL.—From funds reserved under section 111(a)(1)(C), the Secretary may award grants to eligible agencies for exemplary performance in carrying out programs under this Act. Such awards shall be based on an eligible agency exceeding State adjusted levels of performance established under section 113(b) and showing sustained or significant improvement.

"(2) SPECIAL CONSIDERATION.—In awarding these grants, the Secretary may consider—

"(A) an eligible agency's success in effectively developing connections between secondary education and postsecondary education and training;

"(B) an eligible agency's integration of rigorous and challenging academic and technical coursework; and

"(C) an eligible agency's progress in having special populations participating in vocational and technical education meet State adjusted levels of performance.

"(3) USE OF FUNDS.—The funds awarded to an eligible agency under this subsection may be used to carry out any activities authorized under section 124, including demonstrations of innovative programs.".

SEC. 10. OUTLYING AREAS, NATIVE AMERICAN PROGRAMS, AND TRIBALLY CONTROLLED INSTITUTIONS.

(a) ASSISTANCE FOR THE OUTLYING AREAS.—Section 115 (20 U.S.C. 2325) is amended to read as follows:

"SEC. 115. ASSISTANCE FOR THE OUTLYING AREAS.

"(a) OUTLYING AREAS.—From funds reserved pursuant to section 111(a)(1)(A), the Secretary shall—

"(1) make a grant in the amount of $660,000 to Guam;

"(2) make a grant in the amount of $350,000 to each of American Samoa and the Commonwealth of the Northern Mariana Islands; and

"(3) make a grant in the amount of $160,000 to the Republic of Palau.

"(b) REMAINDER.—Subject to the provisions of subsection (a), the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A), in equal proportion, to each of Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for the purpose of providing direct vocational and technical educational services, including—

"(1) teacher and counselor training and retraining;

"(2) curriculum development; and

"(3) the improvement of vocational and technical education and training programs in secondary schools and institutions of higher education, or improving cooperative education programs involving both secondary schools and institutions of higher education.

"(c) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this section upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association after the date of enactment of the Vocational and Technical Education for the Future Act.".

(b) NATIVE AMERICAN PROGRAM.—Section 116 (20 U.S.C. 2326) is amended—

(1) in subsection (a), by inserting a period at the end of paragraph (5); and

(2) in subsection (b)—

(A) in paragraph (1), by striking "subsection (d)" and inserting "subsection (c)"; and

(B) in paragraph (2), by striking "(other than in subsection (i))".

(c) TRIBALLY CONTROLLED INSTITUTIONS.—Section 117 (20 U.S.C. 2327) is amended—

(1) by amending subsection (b) to read as follows:

"(b) USES OF GRANTS.—Amounts made available under this section shall be used for vocational and technical education programs for Indian students and for instructional support costs of the grant, including the expenses described in subsection (e).";

(2) in subsection (c), by inserting after paragraph (2) the following:

"(3) INDIRECT COSTS.—Notwithstanding any other provision of law or regulation, the Secretary shall not require the use of a restricted indirect cost rate for grants issued under this section.";

(3) by striking subsection (g) and redesignating subsections (h) and (i) as subsections (g) and (h), respectively; and

(4) in subsection (h) (as so redesignated)—

(A) by striking "$4,000,000 for fiscal year 1999 and"; and

(B) by striking "the 4 succeeding fiscal years" and inserting "fiscal years 2005 through 2010".

(d) OCCUPATIONAL AND EMPLOYMENT INFORMATION.—Section 118 (20 U.S.C. 2328) is amended—

(1) by amending subsection (b) to read as follows:

"(b) STATE LEVEL ACTIVITIES.—

"(1) DESIGNATED ENTITY.—In order for a State to receive a grant under this section, the eligible agency and the Governor of the State shall jointly designate an entity in the State responsible for conducting the activities in this subsection.

"(2) APPLICATION.—The jointly designated agency shall submit an application to the Secretary at the same time the State submits its state plan under section 122. The application shall be in such a manner and be accompanied by such information as the Secretary may reasonably require. At a minimum, the application shall describe how the jointly designated agency will assist the eligible agency in meeting its adjusted levels of performance under section 113(b).

"(3) ACTIVITIES.—The jointly designated agency shall conduct activities—

"(A) to provide support for a career guidance and academic counseling programs designed to promote improved career and education decision making by students (and parents, as appropriate) regarding education and training options and preparations for high skill, high wage occupations;

"(B) to make available to students, parents, teachers, administrators, and counselors, and to improve accessibility with respect to, information and planning resources that relate academic and vocational and technical educational preparation to career goals and expectations;

"(C) to equip teachers, administrators, and counselors with the knowledge, skills, and occupational information needed to assist students and parents with educational and other postsecondary opportunities and education financing;

"(D) to assist appropriate State entities in tailoring resources and training for use by such entities;

"(E) to improve coordination and communication among administrators and planners of programs authorized by this Act and by section 15 of the Wagner-Peyser Act (29 U.S.C. 49*l*–2) at the Federal, State, and local levels to ensure nonduplication of efforts and the appropriate use of shared information and data; and

"(F) to provide ongoing means for customers, such as students and parents, to provide comments and feedback on products and services and to update resources, as appropriate, to better meet customer requirements.";

(2) in subsection (e)(1), by striking "an identification" and inserting "a description"; and

(3) in subsection (f), by striking "1999 through 2003" and inserting "2005 through 2010".

SEC. 11. STATE ADMINISTRATION.

Section 121 (20 U.S.C. 2341) is amended to read as follows:

"SEC. 121. STATE ADMINISTRATION.

"(a) ELIGIBLE AGENCY RESPONSIBILITIES.—The responsibilities of an eligible agency under this title shall include—

"(1) coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for nontraditional fields;

"(2) consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, representatives of businesses, labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title;

"(3) convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than four times annually; and

"(4) the adoption of such procedures as the eligible agency considers necessary to—

"(A) implement State level coordination with the activities undertaken by the State boards under section 111 of Public Law 105–220; and

"(B) make available to the service delivery system under section 121 of Public Law 105–220 within the State a listing of all school dropout, postsecondary, and adult programs assisted under this title.

"(b) EXCEPTION.—Except with respect to the responsibilities set forth in subsection (a), the eligible agency may delegate any of the other responsibilities of the eligible agency that involve the administration, operation, supervision of activities assisted under this title, in whole or in part, to one or more appropriate State agencies.".

SEC. 12. STATE PLAN.

Section 122 (20 U.S.C. 2342) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "5-year period" and inserting "6-year period";

(B) in paragraph (2)(B), by striking "5 year State plan" and inserting "6-year period"; and

(C) in paragraph (3), by striking "(including employers, labor organizations, and parents)" and inserting "(including charter school authorizers and organizers, employers, labor organizations, parents, students, and community organizations)";

(2) in subsection (b)(1), by striking "teachers, eligible recipients, parents, students, interested community members" and inserting "academic and vocational

and technical education teachers, eligible recipients, charter school authorizers and organizers, parents, students, interested community members (including parent and community organizations), institutions of higher education";

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by redesignating subparagraphs (A) through (D) as subparagraphs (B) through (E), respectively, and inserting before such subparagraphs (as so redesignated) the following:

"(A) the development of model sequences of courses for vocational and technical content areas that—

"(i) incorporate both secondary and postsecondary education elements;

"(ii) include rigorous and challenging academic content and vocational and technical content in a coordinated, nonduplicative progression of courses;

"(iii) lead to a postsecondary 1-year certificate, associate or baccalaureate degree, or a proficiency credential in conjunction with a secondary school diploma; and

"(iv) may be adopted by local educational agencies and postsecondary institutions to be offered as an option to students (and their parents as appropriate), when choosing future coursework;";

(ii) in subparagraph (B) (as so redesignated), by inserting "and how the eligible agency will distribute information identifying eligible recipients that offer elements of the model sequences of courses" before the semicolon;

(iii) by amending subparagraph (C) (as so redesignated) to read as follows:

"(C) the criteria that will be used by the eligible agency to evaluate and approve eligible recipients for funds under this title, including criteria to assess the extent to which the local plan will promote continuous and substantial improvement in academic achievement and technical skill attainment;";

(iv) in subparagraph (D) (as so redesignated)—

(I) by inserting ", both academically and technically," after "students"; and

(II) by striking "; and" and inserting ", and how participating students will be made aware of such opportunities;";

(v) in subparagraph (E) (as so redesignated), by inserting "aligned with rigorous and challenging academic content" before the semicolon; and

(vi) by inserting after subparagraph (E) (as so redesignated) the following:

"(F) the process by which, for vocational and technical education programs carried out under this Act, the eligible agency will develop the secondary or postsecondary elements of the model sequences of courses identified by the eligible agency, with an emphasis on rigorous and challenging academic and technical content that, through a progression of courses, leads to a postsecondary 1-year certificate, associate's or baccalaureate degree, or a proficiency credential in conjunction with a secondary school diploma;

"(G) the role that any eligible recipients successfully implementing the activities described in section 135(b)(3) will play in assisting other eligible recipients in establishing agreements and plans for coordinating the offering of model sequences of courses to students at both the secondary and postsecondary levels; and

"(H) how funds will be used effectively to link secondary and postsecondary academic and vocational and technical education in a manner that increases student academic and vocational and technical achievement;

"(I) how the eligible agency will report the integration of rigorous and challenging academics in vocational and technical education programs in order to adequately evaluate the quality of such integration;";

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

"(2) describes how comprehensive professional development (including initial teacher preparation and activities that support recruitment) for vocational and technical, academic, guidance, and administrative personnel will be provided, especially professional development that—

"(A) promotes the integration of rigorous and challenging academic and vocational and technical education curriculum development;

"(B) increases the percentage of teachers that meet teacher certification or licensing requirements;

"(C) increases the academic and industry knowledge of vocational and technical education teachers; and

"(D) encourages applied learning that contributes to the academic and vocational and technical knowledge of the student;";

(C) in paragraph (3), by inserting "academic and vocational and technical" after "parents,";

(D) in paragraph (5)(A)—

(i) by inserting "(especially as pertaining to math, science, and technology)" after "academic and technical skills"; and

(ii) by striking "core academic, and vocational and technical, subjects" and inserting "core academic subjects (as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11))), and vocational and technical subjects";

(E) in paragraph (11), by inserting "and technology" after "equipment";

(F) by striking paragraph (19) and redesignating paragraphs (12) through (18) as paragraphs (13) through (19), respectively;

(G) by inserting after paragraph (11) the following:

"(12) provides an assurance that when disposing of equipment acquired with funds under this Act, any personally identifiable information contained in such equipment will be totally destroyed prior to or as part of the disposition;";

(H) in paragraph (18) (as so redesignated), by striking "training and employment" and inserting "fields"; and

(I) by redesignating paragraphs (20) and (21) as paragraphs (22) and (23), respectively, and inserting after paragraph (19) (as so redesignated) the following:

"(20) describes how the eligible agency will award grants, on a competitive basis or on the basis of a formula determined by the eligible agency, using funds described in section 112 (a) (1) for activities described in section 135(b)(3);

"(21) describes how the eligible agency will carry out measurable, sustainable, and coordinated tech-prep activities in the State (as described in section 135(b)(3)), with funds allocated under section 112(a), that are developed in consultation with the entities described in subsection (b)(1) and that effectively prepare students for post-secondary education or employment in high demand occupations through a seamless program of study consisting of appropriate advanced academic and technical courses that include a minimum of 2 years of secondary school preceding graduation and a minimum of 2 years of higher education or an apprenticeship program of at least 2 years following secondary instruction;"; and

(4) by striking subsections (d) and (f) and redesignating subsection (e) as subsection (d).

SEC. 13. IMPROVEMENT PLANS.

Section 123 (20 U.S.C. 2343) is amended to read as follows:

"SEC. 123. IMPROVEMENT PLANS.

"(a) STATE PROGRAM IMPROVEMENT.—

"(1) PLAN.—If a State fails to meet the agreed upon State adjusted levels of performance required under section 113(b)(3), the eligible agency shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(c)(2)) in consultation with the appropriate agencies, individuals, and organizations for the first program year succeeding the program year in which the eligible agency failed to meet the State adjusted levels of performance, in order to avoid a sanction under paragraph (3).

"(2) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purpose of this Act, based on the State's adjusted levels of performance, the Secretary shall work with the eligible agency to implement improvement activities consistent with the requirements of this Act.

"(3) SUBSEQUENT ACTION.—

"(A) IN GENERAL.—If an eligible agency fails to meet the State adjusted levels of performance and the purposes of this Act, has not implemented an improvement plan as described in paragraph (1), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (1), or has failed to meet the State adjusted levels of performance for 2 or more consecutive years, the Secretary may, after notice and opportunity for a hearing, withhold from the eligible agency all, or a portion of, the eligible agency's allotment under this title.

"(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The Secretary may waive the sanction in subparagraph (A) due to exceptional or uncontrollable

circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"(4) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—

"(A) IN GENERAL.—The Secretary shall use funds withheld under paragraph (3) for a State served by an eligible agency, to provide (through alternative arrangements) services and activities within the State to meet the purposes of this Act.

"(B) REDISTRIBUTION.—If the Secretary cannot satisfactorily use funds withheld under paragraph (3), then the amount of funds retained by the Secretary as a result of a reduction in an allotment made under paragraph (3) shall be redistributed to other eligible agencies in accordance with section 111.

"(b) LOCAL PROGRAM IMPROVEMENT.—

"(1) LOCAL EVALUATION.—Each eligible agency shall evaluate annually, using the local adjusted levels of performance described in section 113(b)(4), the vocational and technical education activities of each eligible recipient receiving funds under this title.

"(2) PLAN.—

"(A) IN GENERAL.—If, after reviewing the evaluation, the eligible agency determines that an eligible recipient is not making substantial progress in achieving the local adjusted levels of performance, or that an eligible recipient demonstrates under section 113(b)(4)(C) a widening of performance gaps between multiple categories of students served by the eligible recipient in comparison to all students in the State served under the Act, the eligible agency shall—

"(i) conduct an assessment of the educational needs that the eligible recipient shall address to overcome local performance deficiencies;

"(ii) enter into an improvement plan agreement with an eligible recipient based on the results of the assessment, for the first program year succeeding the program year in which the eligible recipient failed to meet the local adjusted levels of performance, which plan shall demonstrate how the local performance deficiencies will be corrected and include strategies for professional development and instructional and other programmatic innovations of demonstrated effectiveness, giving special consideration to performance gaps identified under section 113(b)(4)(C); and

"(iii) conduct regular evaluations of the progress being made toward reaching the local adjusted levels of performance as described in section 113(b)(4) and progress on implementing the improvement plan.

"(B) CONSULTATION.—The eligible agency shall conduct the activities described in paragraph (2) in consultation with teachers, parents, other school staff, appropriate agencies, and other appropriate individuals and organizations.

"(3) TECHNICAL ASSISTANCE.—If the eligible agency determines that an eligible recipient is not properly implementing the eligible recipient's responsibilities under section 134, or is not making substantial progress in meeting the purpose of this Act, based on the local adjusted levels of performance, the eligible agency shall provide technical assistance to the eligible recipient to assist such recipient in carrying out the improvement activities consistent with the requirements of this Act.

"(4) SUBSEQUENT ACTION.—

"(A) IN GENERAL.—If an eligible recipient fails to meet the local adjusted levels of performance as described in section 113(b)(4) and the purposes of this Act, has not implemented an improvement plan as described in paragraph (2), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (2), or has failed to meet the local adjusted levels of performance for 2 or more consecutive years, the eligible agency may, after notice and opportunity for a hearing, withhold from the eligible recipient all, or a portion of, the eligible recipient's allotment under this title.

"(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The eligible agency may waive the sanction under this paragraph due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"(5) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The eligible agency shall use funds withheld under paragraph (4) to continue to provide (through alternative arrangements) services and activities in the area served by such recipient to meet the purpose of this Act.".

SEC. 14. STATE LEADERSHIP ACTIVITIES.

Section 124 (20 U.S.C. 2344) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "learning" and inserting "education";

(B) in paragraph (2)—

(i) by inserting ", and the required math and science education," after "use of technology in vocational and technical education"; and

(ii) in subparagraph (B)—

(I) by inserting "(including the math and science knowledge that provides a strong basis for such skills)" after "technical skills"; and

(II) by striking "and telecommunications field" and inserting "fields, including nontraditional fields";

(C) in paragraph (3)—

(i) by inserting "at the secondary and postsecondary levels" after "academic, guidance, and administrative personnel";

(ii) by redesignating subparagraphs (A) through (D) as subparagraphs (C) through (F), respectively, and inserting before such subparagraphs (as so redesignated) the following:

"(A) will provide inservice and preservice training for vocational and technical education teachers in the integration and use of rigorous and challenging academics with vocational and technical subjects;

"(B) are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1 day or short-term workshops or conferences;";

(iii) in subparagraph (C) (as so redesignated)—

(I) by inserting "scientifically based" after "based on"; and

(II) by striking "; and" and inserting a semicolon;

(iv) in subparagraph (D) (as so redesignated), by striking "assist students in meeting" and inserting "improve student achievement in order to meet"; and

(v) by amending subparagraph (E) (as so redesignated) to read as follows:

"(E) will support education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to vocational and technical education students to ensure that teachers and personnel—

"(i) stay current with the needs, expectations, and methods of industry;

"(ii) meet teacher certification or licensing requirements, especially in core academic subjects as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11));

"(iii) effectively develop integrated rigorous and challenging academic and vocational and technical education curriculum;

"(iv) develop a high level of academic and industry knowledge and skills of vocational and technical education; and

"(v) effectively use applied learning that contributes to the academic and vocational and technical knowledge of the student;";

(D) in paragraph (4), by striking "integration of academics" and all that follows through "core academic," and inserting "provision of rigorous and challenging academics that are integrated with vocational and technical education to ensure achievement in the core academic subjects (as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11))),";

(E) in paragraph (5), by striking "training and employment" and inserting "fields";

(F) in paragraph (6), by inserting "and complete a model sequence of courses, as described in section 122(c)(1)(A)" after "technical skills";

(G) in paragraph (7), by striking "; and" and inserting a semicolon;

(H) in paragraph (8), by striking the period and inserting "; and"; and

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

"(9) technical assistance for eligible recipients."; and

(2) in subsection (c)—

(A) by striking paragraph (1), and redesignating paragraphs (2) through (10) as paragraphs (1) through (9), respectively, and paragraphs (11) and (12) as paragraphs (12) and (13), respectively;

(B) in paragraph (9) (as so redesignated), by inserting "that prepare individuals academically and technically for current and emerging occupations in demand" after "education courses"; and

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

"(10) awarding incentive grants to eligible recipients for exemplary performance in carrying out programs under this Act, which awards shall be based on—

"(A) eligible recipients exceeding challenging performance measures established under section 113(b) that reflect sustained or significant improvement;

"(B) eligible recipients effectively developing connections between secondary education and postsecondary education and training;

"(C) the adoption and integration of rigorous and challenging academic and technical coursework;

"(D) an eligible recipient's progress in having special populations participating in vocational and technical education programs meet local adjusted levels of performance; or

"(E) other factors relating to the performance of the eligible recipient under this Act as the eligible agency determines are appropriate.

"(11) providing for activities to support entrepreneurship education and training;".

SEC. 15. DISTRIBUTION OF FUNDS TO SECONDARY SCHOOL PROGRAMS.

Section 131 (20 U.S.C. 2351) is amended—

(1) by striking subsection (a) and redesignating subsections (b) through (i) as subsections (a) through (h), respectively;

(2) in subsection (a) (as so redesignated)—

(A) in the subsection heading, by striking "SPECIAL" and "FOR SUCCEEDING FISCAL YEARS"; and

(B) by striking "for fiscal year 2000 and succeeding fiscal years"; and

(3) in subsection (b) (as so redesignated)—

(A) by striking "subsection (b)" and inserting "subsection (a)"; and

(B) by striking "(42 U.S.C. 9902(2))" and inserting "(42 U.S.C. 9902(2)))".

SEC. 16. ELIMINATION OF REDISTRIBUTION RULE.

Section 133 (20 U.S.C. 2353) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 17. LOCAL PLAN FOR VOCATIONAL AND TECHNICAL EDUCATION PROGRAMS.

Section 134(b) (20 U.S.C. 2354(b)) is amended—

(1) in paragraph (2), by inserting "and local" after "State";

(2) in paragraph (3)—

(A) by redesignating subparagraphs (A) through (C) as subparagraphs (B) through (D), respectively, and inserting before such subparagraphs the following:

"(A) offer the appropriate courses of at least one of the model sequences of courses described in section 124(c)(1), as appropriate to the eligible recipient responsible for that element of the sequence;";

(B) in subparagraph (B) (as so redesignated)—

(i) by inserting "rigorous and challenging" after "integration of"; and

(ii) by inserting "subjects (as defined by section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)))" after "core academic"; and

(C) in subparagraph (D) (as so redesignated), by inserting "rigorous and" after "taught to the same";

(3) by redesignating paragraphs (4) through (10) as paragraphs (5) through (11), respectively, and inserting after paragraph (3) the following:

"(4) describe how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided that promotes the integration of rigorous and challenging academic and technical education (including curriculum development);";

(4) in paragraph (5) (as so redesignated)—

(A) by inserting "academic and vocational and technical" after "students,"; and

(B) by inserting ", including the eligible recipients that offer elements of the model sequence of courses" after "of this title"; and

(5) in paragraph (8) (as so redesignated)—

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

(B) in subparagraph (B), by inserting "and" after the semicolon; and

(C) by inserting after subparagraph (B) the following:

"(C) will provide activities to prepare special populations, including single parents and displaced homemakers, for high skill, high wage occupations that will lead to self-sufficiency;".

SEC. 18. LOCAL USE OF FUNDS.

Section 135 (20 U.S.C. 2355) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "to ensure learning in the core academic" and inserting "as established in the State-developed model sequences of courses described in section 122(c)(1)(A) to ensure learning in the core academic subjects (as defined by section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)))";

(B) by striking paragraph (8);

(C) by redesignating paragraphs (2) through (7) as paragraphs (4) through (9), respectively, and inserting after paragraph (1) the following:

"(2) link secondary vocational and technical education and postsecondary vocational and technical education, including offering model sequences of courses and implementing tech-prep programs consistent with the activities described in paragraph (3);

"(3) support tech-prep programs (if the eligible recipient receives the funds from the eligible agency under section 112(a)(1)) that—

"(A) are carried out under an articulation agreement between the participants in a consortium, which shall include—

"(i) a local educational agency, an intermediate educational agency or area vocational and technical education school serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

"(ii)(I) a nonprofit institution of higher education that offers—

"(aa) a 2 or 4-year degree program, or a 2-year certificate program, and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) (except those institutions described in section 102(a)(1)(C) of such Act), including an institution receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) and a tribally controlled postsecondary vocational and technical institution; or

"(bb) a 2-year apprenticeship program that follows secondary instruction, if such nonprofit institution of higher education is not prohibited from receiving assistance under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) pursuant to the provisions of section 435(a)(3) of such Act (20 U.S.C. 1083(a)); or

"(II) a proprietary institution of higher education that offers a 2-year associate degree program and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002), if such proprietary institution of higher education is not subject to a default management plan required by the Secretary,

and may include nonprofit organizations that provide eligible recipients with technology and programs to enhance math and science skills, employers, and labor organizations;

"(B) consist of a minimum of 2 years of secondary school preceding graduation and a minimum of 2 years of higher education, or an apprenticeship program of at least 2 years following secondary instruction;

"(C) meet academic standards developed by the State, including standards developed under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311) for secondary students, and support proficiency in mathematics, science, reading, writing, communications, and technologies;

"(D) are comprised of model sequences of courses that integrate rigorous and challenging academics and vocational and technical education;

"(E) provide technical preparation in a career field such as engineering technology; applied science; a mechanical, industrial, or practical art or trade; agriculture; health occupations; business; applied economics; advanced manufacturing; or other high-demand occupations as determined by the State;

"(F) use, if appropriate and available, work-based or worksite learning in conjunction with academic and vocational and technical education;

"(G) use educational technology and distance learning, as appropriate, to involve all the consortium partners more fully in the development and operation of programs;

"(H) facilitate and promote close working relationships among eligible recipients to ensure that programs within a geographic area are closely integrated with tech-prep program activities;

"(I) are sustainable and use performance indicator data, described in section 113, to inform program quality;

"(J) include academic and career counseling for participants that provide information to students (and parents, as appropriate) regarding tech-prep programs and support student progress in completing tech-prep programs;

"(K) include in-service training for teachers that—

"(i) provides for joint training for teachers in tech-prep programs; and

"(ii) is designed to ensure that teachers and administrators stay current with the needs, expectations, and methods of business and all aspects of an industry; and

"(L) provide students with transferable credit between the consortium members, as described in subparagraph (A), including through programs that allow secondary programs to be co-located on postsecondary campuses;";

(D) in paragraph (5) (as so redesignated)—

(i) by inserting ", and the related math and science education" after "use of technology in vocational and technical education";

(ii) in subparagraph (B)—

(I) by inserting "(including the math and science knowledge that provides a strong basis for such skills)" after "technical skills"; and

(II) by striking "and telecommunications field" and inserting "fields"; and

(iii) in subparagraph (C)—

(I) by striking "work" and inserting "collaborate"; and

(II) by inserting "that improve the math and science knowledge of students" after "mentoring programs";

(E) in paragraph (6) (as so redesignated)—

(i) by striking "teachers," and inserting "secondary and postsecondary teachers, instructors,"; and

(ii) in subparagraph (A), by striking "in effective teaching skills based on research" and inserting "in effective integration of rigorous and challenging academic and vocational and technical education, in effective teaching skills based on scientifically based research"; and

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

"(10) provide activities to prepare special populations, including single parents and displaced homemakers, for high skill, high wage occupations that will lead to self sufficiency."; and

(2) in subsection (c)—

(A) in paragraph (2), by inserting ", regarding the range of postsecondary options available, including for adult students who are changing careers or updating skills" before the semicolon;

(B) in paragraph (5), by inserting ", including the establishment and operation of special arrangements with industry partners that allow qualified industry professionals to serve as faculty in postsecondary programs" before the semicolon;

(C) in paragraph (8), by striking "aides" and inserting "aids";

(D) in paragraph (9), by inserting "that address the integration of academic and vocational and technical education and" after "teacher preparation programs";

(E) by redesignating paragraphs (10) through (14) as paragraphs (12) through (16), and paragraph (15) as paragraph (19), respectively, and inserting after paragraph (9) the following:

"(10) to develop and expand postsecondary program offerings that are accessible by students, including the use of distance education;

"(11) to provide activities to support entrepreneurship education and training;";

(F) in paragraph (12) (as so redesignated), by inserting ", including development of new proposed model sequences of courses for consideration by the eligible agency and courses that prepare individuals academically and technically for current and emerging occupations that are in demand" before the semicolon;

(G) in paragraph (16) (as so redesignated), by striking "; and" and inserting a semicolon, and inserting after such paragraph the following:

"(17) to provide accurate information relating to the availability of supportive services available in an area served by the eligible recipient , and referral to such services, as appropriate;

"(18) to support the activities described in subsection (b)(3); and".

SEC. 19. REPEAL OF TECH-PREP EDUCATION ACT.

Title II (20 U.S.C. 2071 et seq.) is repealed.

SEC. 20. GENERAL PROVISIONS.

(a) REDESIGNATION OF TITLE III.—

(1) REDESIGNATION.—Title III of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2391 et seq.) is amended by redesignating such title as title II of such Act. Such title is further amended by redesignating sections 311 through 318 as section 211 through 218, respectively, and sections 321 through 325 as sections 221 through 225, respectively.

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Carl D. Perkins Vocational and Technical Education Act of 1998 is amended—

(A) by striking the items relating to title III; and

(B) by amending the items relating to title II to read as follows:

"TITLE II—GENERAL PROVISIONS

"PART A—FEDERAL ADMINISTRATIVE PROVISIONS

"Sec. 211. Fiscal requirements.
"Sec. 212. Authority to make payments.
"Sec. 213. Construction.
"Sec. 214. Voluntary selection and participation.
"Sec. 215. Limitation for certain students.
"Sec. 216. Federal laws guaranteeing civil rights.
"Sec. 217. Participation of private school children.
"Sec. 218. Participation of private school personnel.

"PART B—STATE ADMINISTRATIVE PROVISIONS

"Sec. 221. Joint funding.
"Sec. 222. Prohibition on use of funds to induce out-of-State relocation of businesses.
"Sec. 223. State administrative costs.
"Sec. 224. Limitation on Federal regulations.
"Sec. 225. Student assistance and other Federal programs.".

(b) FISCAL REQUIREMENTS.—Section 211(b) (20 U.S.C. 2391(b)) (as so redesignated) is amended by inserting after paragraph (2) the following:

"(3) DEFINITION.—For purposes of this subsection, the term 'preceding fiscal year' means the Federal fiscal year or the 12-month fiscal period used by a State for official reporting purposes, prior to the beginning of the Federal fiscal year in which funds are available for obligation by the Secretary.".

(c) PARTICIPATION OF PRIVATE SCHOOL CHILDREN.—Section 217 (as so redesignated) is amended to read as follows:

"SEC. 217. PARTICIPATION OF PRIVATE SCHOOL CHILDREN.

"(a) PARTICIPATION ON EQUITABLE BASIS.—

"(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency that is eligible to receive funds under this Act, or that serves the area in which a program assisted under this Act is located, who are enrolled in private nonprofit elementary schools and secondary schools, or, with respect to instructional or personnel training programs funded by an eligible agency, the local educational agency, after consultation with appropriate private school officials—

"(A) shall provide, on an equitable basis and as may be necessary, for the benefit of such children in such schools, secular, neutral, and nonideological services (or other benefits), materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs; or

"(B) if such services, materials, and equipment are not feasible or necessary in one or more such private schools (as determined by the local educational agency after consultation with the appropriate private school officials), shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this Act.

"(2) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs carried out under this Act by an eligible agency or local educational agency, whether directly or through grants to, or contracts with, other public or private agencies, institutions, or organizations.

"(b) EQUAL EXPENDITURES.—

"(1) IN GENERAL.—Expenditures for programs under subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this Act for children enrolled in the public schools of the local educational agency.

"(2) CONCENTRATED PROGRAMS.—When funds available to a local educational agency under this Act are used to concentrate programs on a particular group, attendance area, or grade or age level, the local educational agency shall, after consultation with the appropriate private school officials, assure the equitable participation in both the purposes and benefits of such programs for children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, taking into account the needs of the individual children and other factors that relate to the expenditures referred to in paragraph (1).

"(c) ADMINISTRATIVE REQUIREMENTS.—

"(1) FUNDS, MATERIALS AND EQUIPMENT.—

"(A) FUNDS.—The control of funds expended under this section shall be administered by a public agency.

"(B) MATERIALS AND EQUIPMENT.—The title to materials and equipment provided under this section, shall remain with a public agency for the uses and purposes provided in this Act

"(2) PROVISION OF SERVICES.—Services provided under this Act shall be provided by employees of a public agency or through contract by such a public agency with a person, association, agency, organization, institution or corporation that, in the provision of such services, is independent of the private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such a public agency. The funds utilized under this section shall not be commingled with State or local funds.

"(3) TIMING AND CONTENT OF CONSULTATION.—The consultation required under this section shall include meetings of agency and private school officials and shall occur before the eligible agency and local educational agency makes any decision that affects the opportunities of eligible private school children to participate in programs under this Act. Such meetings shall include a discussion of service delivery mechanisms (including third party contractors) and shall continue throughout implementation and assessment of services under this Act.

"(d) WAIVER AND BYPASS PROCEDURES.—

"(1) STATE PROHIBITION.—If an eligible agency or local educational agency is prohibited, by reason of any provision of law, from providing for the participation in programs of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c), the Secretary shall waive such requirements for the agency involved and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

"(2) FAILURE TO COMPLY.—If the Secretary determines that an eligible agency or a local educational agency has substantially failed, or is unwilling, to provide for the participation on an equitable basis of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c), the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

"(3) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services under this subsection, the Secretary shall, after consultation with the appropriate public school and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the eligible agency under this Act.

"(4) DURATION OF DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the Act of the eligible agency or local educational agency to meet the requirements of subsections (a) through (c).

"(5) REVIEW OF DETERMINATION.—The Secretary shall not take any final action under this section until the eligible agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

"(e) WITHHOLDING OF ALLOTMENT OR ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a waiver under subsection (d)(1) or (d)(2), the Secretary may withhold from the allotment or allocation of the affected eligible agency or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of services to be provided by the Secretary under such subsection.

"(f) PRIOR DETERMINATION.—Any bypass determination by the Secretary under Title I or Title IX of the Elementary and Secondary Education Act of 1965 shall,

to the extent consistent with the purposes of this Act, apply to programs under this Act until such determinations terminate or expire.".

PURPOSE

H.R. 4496, the Vocational and Technical Education for the Future Act, strengthens and improves the Carl D. Perkins Vocational and Technical Education Act by enhancing local accountability, introducing model sequences of courses that incorporate both secondary and postsecondary elements in a non-duplicative progression of courses, and merging the stand-alone Tech-Prep program with the Basic State Grant program. The bill reauthorizes the Act through 2010.

COMMITTEE ACTION

SUBCOMMITTEE HEARINGS

On April 27, 2004, the Subcommittee on Education Reform held a hearing on Examining Success in Vocational Education. This hearing was the first hearing in preparation for the reauthorization of vocational and technical education, and it highlighted successful local vocational and technical education programs under the Carl D. Perkins Vocational and Technical Education Act. The testifying witnesses included Ms. Sandy Walls-Culotta, Principal, Sussex Technical High School, Georgetown, Delaware; Dr. Robin White, President/CEO, Great Oaks Institute of Technology and Career Development, Cincinnati, Ohio; Dr. Carl Wong, Superintendent of Schools, Sonoma County Office of Education, Santa Rosa, California; Dr. Thomas E. Barton, Jr., President, Greenville Technical and Community College, Greenville, South Carolina; and Ms. Marie Zwickert, Area Academy Manager for New England and Ohio Valley, CISCO Systems, Columbia, Maryland.

On May 4, 2004, the Subcommittee on Education Reform held a hearing on Strengthening Vocational Education. This hearing was the second of the vocational and technical education hearings, and examined vocational and technical education programs from a State and national perspective. Ms. Betsy Brand, Co-Director of the American Youth Policy Forum, Washington, DC; Mrs. Jean C. Stevens, Assistant Commissioner for the Office of Curriculum and Instructional Support, New York State Education Department, Albany, New York; Ms. Sandy Dunkel, Division Administrator for the Career Development Division, Illinois State Board of Education, Springfield, Illinois; Dr. Bill A. Ihlenfeldt, President, Chippewa Valley Technical College, Eau Claire, Wisconsin; and Ms. Brenda Quinn, Chief Executive Officer, Intelitek, Inc., Manchester, New Hampshire, testified before the Subcommittee.

On June 14, 2004, the Subcommittee on Education Reform held a hearing on H.R. 4496, the Vocational and Technical Education for the Future Act. The hearing allowed the Subcommittee to gather input and comments from the vocational education community on the major provisions in the bill. Dr. Robert D. Sommers, CEO, Butler Technology and Career Development Schools, Fairfield Township, Ohio; Ms. Mimi Lufkin, Executive Director, National Alliance for Partnerships in Equity, Cochranville, Pennsylvania; Mrs. Katherine Oliver, Assistant State Superintendent for Career, Technology and Adult Learning, Maryland State Department of Edu-

cation, Baltimore, Maryland; and Ms. Robin White, Senior Program and Policy Director, Academy for Educational Development, National Institute for Work and Learning, Washington, DC, testified before the Subcommittee.

LEGISLATIVE ACTION

On June 3, 2004 Education Reform Subcommittee Chairman Michael Castle (R–DE), along with Chairman John Boehner (R–OH) and Representative Joe Wilson (R–SC), introduced H.R. 4496, the Vocational and Technical Education for the Future Act, a bill to strengthen, and improve the Carl D. Perkins Vocational and Technical Education Act.

On July 14, 2004 the Subcommittee on Education Reform considered H.R. 4496 in legislative session and favorably reported the bill, as amended, by voice vote to the Committee on Education and the Workforce. The Subcommittee considered three amendments and adopted the following two amendments:

- The Subcommittee adopted by voice vote an amendment in the nature of a substitute offered by Subcommittee Chairman Castle. The substitute amendment contained the following changes:
  - Updates the hold-harmless provision in current law to ensure that each state receives at least as much as the state received in FY 2004 under the basic state grant and the previous stand-alone Tech-Prep program, and ensures that states will have available at least as much state leadership funds as in 2004;
  - Alters the requirement specifying how tech-prep activities will continue to receive funding;
  - Improves the provision of tech-prep services, including requiring a description of such services in the state plan, updating the definition of articulation agreements, and tying tech-prep activities to the state-developed performance indicators;
  - Requires that local recipients of Perkins funding provide activities to prepare special populations, including displaced homemakers, for high-skill, high wage occupations that will lead to self-sufficiency, and requires local recipients to describe such activities in their local plan;
  - Permits local recipients of Perkins funds to provide students with information about and referral to supportive services;
  - Allows the Department of Education and states to consider the performance of special populations as one of several factors used to award incentive grants;
  - Requires local recipients to report (with data disaggregated for disadvantaged, race/ethnicity, disability, LEP) on their progress in achieving local adjusted levels of performance on core indicators in the same manner as in the No Child Left Behind Act;
  - Improves the professional development of vocational and technical education teachers;
  - Retains current law maintenance of effort; and,
  - Makes other technical and clarifying amendments.
- The Subcommittee adopted, by voice vote, an amendment offered by Representative Tom Osborne (R–NE), which would allow

local recipients of federal vocational and technical education to offer entrepreneurial education activities.

On July 21, 2004 the Committee on Education and the Workforce considered H.R. 4496 in legislative session and favorably reported the bill, as amended, by voice vote to the House of Representatives. The Committee considered ten amendments and adopted the following two amendments:

- The Committee adopted, by voice vote, a substitute amendment offered by Subcommittee Chairman Castle. The substitute amendment contained the following changes:
  - Provides for the equitable participation of private school students in federally funded vocational and technical education programs;
  - Restores local administrative funds to five percent of the local recipient's grant, as in current law;
  - Ensures that any personally identifiable information is totally destroyed before the sale or destruction of equipment;
  - Allows nonprofit organizations that provide technology and operate programs to enhance math and science skills to participate in tech-prep consortia; and,
  - Makes other clarifying and technical amendments.
- The Committee adopted, by a vote of 46–0, an amendment offered by Chairman Boehner to allow programs for advanced manufacturing to be included in local tech-prep activities.

SUMMARY

The Vocational and Technical Education for the Future Act reauthorizes the programs under the Carl D. Perkins Vocational and Technical Education Act through 2010, and helps state and local communities strengthen vocational and technical education and improve educational opportunities for students.

H.R. 4496 supports student academic and vocational and technical achievement. It requires that academic courses for vocational and technical students be rigorous and challenging. The bill emphasizes student achievement in core academic subjects, as defined by the No Child Left Behind Act, and math and science education that incorporates the use of technology. In addition, local recipients of federal Perkins funds may offer vocational and technical education programs to provide entrepreneurial education and activities, enhancing learning opportunities for students.

The bill requires states to develop model sequences of courses for vocational and technical program areas. Sequences of courses would incorporate both secondary and postsecondary elements, and include rigorous and challenging academic and vocational and technical content in a coordinated, non-duplicative progression of courses. Model sequences of courses should lead to a degree or credential and may be adopted by local educational agencies and postsecondary institutions as an option to offer students, and their parents as appropriate to the age of the student. The bill specifies that local recipients will offer the courses (appropriate to the type of recipient) of at least one model sequence of courses.

H.R. 4496 allows equitable participation of private school students in vocational and technical education programs, making the Act consistent with other education programs such as the No Child

Left Behind Act and the House-passed Individuals with Disabilities Education Act.

The Vocational and Technical Education for the Future Act seeks to improve program quality and results through state and local accountability. The bill would establish separate performance indicators for secondary and postsecondary vocational and technical education students. Local recipients of Perkins funding would establish local adjusted levels of performance, just as states currently develop statewide expected levels of performance for each indicator.

H.R. 4496 establishes incentive grants to states that exceed their own state-developed, challenging performance measures and reflect sustained or significant improvement. The incentive grants are rewarded to states that have developed connections between secondary and postsecondary education, integrated rigorous academic and technical coursework, or achieved successful outcomes for special populations. The bill would also permit states to award incentive grants to local recipients for exemplary performance in carrying out vocational and technical education programs.

The bill insists states make continuous and substantial improvement in the academic and vocational and technical achievement of students. Local recipients would establish local improvement plans if they are not making substantial progress in achieving local levels of performance. The bill would permit states to apply sanctions to local recipients that, after receiving technical assistance, fail to show improvement within one year of implementing an improvement plan or fail to meet the local adjusted levels of performance for two or more consecutive years.

The bill streamlines and targets federal funding while maintaining local control. The Vocational and Technical Education for the Future Act would combine funding for the Perkins state grant and Tech-Prep programs into one program, and incorporate the activities of Tech-Prep into the basic grant program as local activities. H.R. 4496 improves the quality of tech-prep activities by increasing articulation and credit transfer agreements between secondary schools and postsecondary education institutions, through identified progressions of courses that culminate in a postsecondary degree, credential or certificate.

H.R. 4496 is authorized at $1,307,000,000 for fiscal year 2005 and such sums as may be necessary for each of fiscal years 2006 through 2010. The bill provides a hold harmless at the state level by specifying that states will receive at least the amount received in combined Tech-Prep and basic grant funds in FY 04. H.R. 4496 targets more funds directly for services to students by limiting to two percent or $250,000, whichever is greater, the share of state grant dollars that may be used for state administration. As a result, 88 percent of a state's funds would be spent at the local level. States must spend at a minimum the amount previously provided in 2004 through the Tech-Prep program to support tech-prep activities. Under the bill, states are allowed to spend not more than ten percent, or at least as much as they did in FY 04, on state leadership activities.

The bill clarifies that nothing in the law shall authorize the federal government to mandate or control a state, local educational agency, or school's instructional content, and curriculum; specifies that states are not required to have academic content or student

academic achievement standards approved or certified by the federal government in order to receive funds under this law; and ensures a state's refusal to apply for funds under the Perkins Act does not prevent that state from receiving funds under other federal education programs.

The Vocational and Technical Education for the Future Act would enhance professional development for teachers. It emphasizes in-service and pre-service professional development opportunities for vocational and technical education teachers for the integration of academics and technical subjects; ensures professional development programs are high quality, sustained, intensive, and classroom focused and are not one-day or short-term sessions; and supports professional development programs to ensure an increasing number of vocational and technical education teachers meet teacher certification and licensing requirements, especially in core academic subjects. These changes are consistent with professional development provisions in the No Child Left Behind Act.

COMMITTEE VIEWS

The Vocational and Technical Education for the Future Act builds on reforms made to the Perkins Act in 1998. The 1998 reforms increased the focus on ensuring that participating students at both the secondary and postsecondary levels acquired academic and technical skills, as well as completed their respective programs and transitioned into further education and successful employment. H.R. 4496 would emphasize student achievement, increase accountability, strengthen opportunities for coordination between secondary and postsecondary vocational and technical education, and help states better utilize federal funds for secondary and postsecondary vocational and technical education programs. These reforms would enhance educational opportunities for the millions of students participating in these programs.

Model sequences of courses

H.R. 4496 emphasizes student academic and vocational and technical achievement by establishing a provision for the state development of model sequences of courses for vocational and technical program areas. Sequences of courses, which are a current law concept, incorporate both secondary and postsecondary education elements, and include rigorous and challenging academic and vocational and technical content in a coordinated, non-duplicative progression of courses. Sequences of courses lead to a degree or credential and may be adopted by local educational agencies and postsecondary institutions as an option to offer students and their parents. The bill specifies that local recipients will offer the appropriate courses of at least one model sequence of courses as developed by the state. This change aims to ensure that students are offered both rigorous and challenging academic and vocational and technical education courses for the vocational and technical program area of their choice as well as clearly make students aware of the postsecondary education and training options they have available to them following secondary school graduation. The Committee does not intend that students be required to complete any sequence of courses; as with all classes, it intends that students and parents be offered choices and participation is voluntary. The

Committee believes that model sequences of courses will promote rigorous course-taking and increase linkages between secondary and postsecondary education. As a framework for instruction, model sequences of courses can improve transitions between secondary and postsecondary education by aligning coursework and reducing remediation. The sequences of courses also ensure that students understand the education they will need in order to complete an appropriate postsecondary education, including one-year certificates and associates degrees. The National Assessment of Vocational Education 2004 finds that achieving these postsecondary education goals provides better results for individuals.

During the June 14, 2004 Education Reform subcommittee hearing, Mrs. Katharine Oliver, Assistant State Superintendent for Career Technology and Adult Learning for the Maryland Department of Education, applauded the model sequences of courses concept and explained how a similar initiative has been successful in her state.

> Model sequences of courses highlight career and educational options and prepare students and their parents to make informed decisions. They help students navigate the world of opportunity by highlighting what courses to take to reach diverse career and educational goals. Model sequences of courses are like road maps that display the various routes for the journey to one's destination. They outline the classes necessary for high school graduation and highlight additional academic and [career and technical education] courses, as well as recommend other experiences, such as internships, that supplement classroom learning. They also help high school students focus on their own future and provide the information needed to make decisions about high school and college.

Strengthened accountability

Current law requires states to create a "performance accountability system." The basis of the system is the core indicators of performance, which are specified in the Act, and the adjusted levels of performance, which are negotiated between the state and the Secretary of Education. H.R. 4496 contains a provision that establishes separate performance indicators appropriate for secondary and postsecondary education students. This change allows secondary schools and postsecondary institutions to report on results more suitable to either secondary or postsecondary education students.

Accountability is further strengthened in the bill by new language that requires local recipients of Perkins funding to establish local adjusted levels of performance, just as states currently do. The bill provides for local improvement plans for local recipients not making substantial progress in achieving local levels of performance and permits sanctions for repeated failure to achieve these levels. This new language mirrors what currently goes on between the states and the Secretary and sets up a similar system between states and locals. Under current law and practice, locals continue to receive Perkins funding even if their programs are very low quality. The Committee believes this change will drive program

improvement and increase academic achievement for vocational and technical education students.

If a local recipient fails to meet its local adjusted levels of performance, section 123(b)(2) of the bill requires the eligible agency to enter into an improvement plan agreement with the recipient that demonstrates how its performance will be improved through professional development and other strategies. The agreement must be made for the "first program year succeeding the program year in which the eligible recipient failed to meet the local adjusted levels of performance."

The Committee recognizes that, because funding and reporting cycles are not aligned, an eligible agency generally will not know at the time it awards subgrants whether a local recipient has met its local adjusted levels of performance for the prior year. The state generally will award subgrants for the next school year before eligible recipients have reported performance data on the preceding school year. For example, an eligible agency will award subgrants for the 2005–06 school year during the summer of 2005, but will not receive local performance reports for the 2004–05 school year until the fall of 2005. For this reason, there will be a one-year lag in implementing improvement plans. If an eligible recipient did not meets its local adjusted levels of performance during the 2004–05 school year, for example, the state would begin working with local officials to develop an improvement plan during early 2006 and a plan must be agreed upon at the time the state awards subgrants during the summer of 2006. The plan would be implemented during the 2006–07 school year.

Section 123(b)(4) authorizes an eligible agency to withhold, after notice and an opportunity for a hearing, all or a portion of an eligible recipient's allotment under certain circumstances: (1) if the recipient has not implemented an agreed-upon improvement plan; or (2) if the recipient has failed to meet its adjusted levels of performance for two or more consecutive years. The Committee expects that eligible agencies will follow the example of the Department in implementing this program by considering the performance of local recipients on all the performance indicators and in meeting the purposes of the Act. Again, because the funding and reporting cycles are different, there will be a one-year lag in implementing any sanctions. If, for example, a local recipient failed to meet its local adjusted levels of performance for the 2004–05 and 2005–06 school years, the eligible agency would have the discretion to withhold all or a portion of the subgrant that would be awarded to the recipient for 2007–08 school year. Local recipients are thus provided considerable time to improve their performance before the state may apply any sanctions and sanctions should reflect the degree of inadequate performance.

Dr. Bob Sommers, CEO of the Butler Technology and Career Development Schools in Fairfield Township, Ohio, succinctly summarized the benefit of strengthened accountability for local programs and vocational and technical education in general. He testified at a hearing on June 15, that,

> [t]he establishment of consequences for poor performance at the state and local level are critical to moving career-technical education quality forward. It is not a popular issue among educators, but it must occur if we are to

disinvest in poor quality programming and support high quality programming. It further refines the legislation's already solid focus on student performance. Establishing annual performance targets at the local level are a positive and useful part of this provision. Local education providers must learn to set clear performance improvement targets annually. This provision in the bill will support this process and is consistent with major continuous improvement concepts.

Reporting

To help ensure local accountability, H.R. 4496 requires each eligible recipient that receives federal vocational and technical education funding to submit a report to the eligible state agency that specifies the progress of the recipient in achieving its local adjusted levels of performance on the core indicators. In addition, any recipient that receives funding from the state specifically for tech-prep activities must report to the state the progress that tech prep program participants are making in achieving the local adjusted levels of performance on the core indicators.

Local recipients must disaggregate the data for the report by the same categories for which data is disaggregated in the Elementary and Secondary Education Act (ESEA), as amended by the No Child Left Behind Act (NCLB). These categories include disadvantaged individuals, race and ethnicity, disability, and limited English proficiency. Data is not reported for individual students. Such recipients then must identify any disparities or gaps in performance between any categories of students and the performance of all students served by the eligible recipient. Because states and local educational agencies already disaggregate data for these categories under the ESEA, this requirement should place no new burden on eligible recipients. Disaggregation shall not be required if the number of students in a category is insufficient to yield statistically reliable information or which the results would reveal personally identifiable information about an individual student. Local recipients shall make the report available through a variety of formats, including the Internet.

Similarly, current law requires each state to report to the Secretary on the progress of the state in achieving the state adjusted levels of performance on the core indicators. The bill requires states to disaggregate this data in the same way local eligible recipients must, also using the categories specified in the ESEA.

Current law also requires that the annual report each state submits to the Secretary shall include a quantifiable description of the progress special populations participating in vocational and technical education have made in meeting the state adjusted levels of performance. H.R. 4496 builds upon this report by requiring that the state report include the progress that each of the special populations and the populations for which states report data on their annual state report card under the ESEA has made on the performance indicators. This reporting requirement should help states identify successes or weaknesses in serving the needs of special populations through vocational and technical education, just as the state report cards created through the NCLB help states identify

academic challenges faced by such populations, so that performance gaps can be recognized and addressed.

Tech-Prep and Basic State Grant merger

The most recent National Assessment for Vocational Education (NAVE) reported that the Tech-Prep program has yet to produce a seamless vocational and technical education program that coordinates both secondary and postsecondary educational activities. Research indicates that the program has experienced a haphazard implementation and that few programs can be identified in the field as "Tech-Prep" as defined in current law. The Committee believes that Tech-Prep funding has been used at times more for loosely held articulation agreements rather then non-duplicative, secondary and postsecondary education linked programs for students. According to the research, funds are rarely focused on developing the well-defined programs that link secondary school with at least two years of postsecondary education, commonly called 2+2 or 2+4 programs. One of the Key Findings of the NAVE states:

> Tech-Prep is rarely implemented as comprehensive program of study; implementation focuses on individual components of Tech-Prep, some of which are becoming more common in vocational education in general.
>
> Few consortia or schools implement Tech-Prep as a structured program with at least two years of clearly linked high school course work and at least two years of related postsecondary course work (the "two-plus-two" design). More typically schools implement components of the Tech-Prep model—maintaining articulation agreements, providing professional development on integration to academic or vocational teachers, and improving career guidance and planning. Many of these activities are becoming part of secondary vocational education more broadly, and little change has occurred at the postsecondary level to accommodate Tech-Prep students. As a result, Tech-Prep efforts have become less distinct from those of regular vocational education. (NAVE Page 172)

While articulation agreements exist on paper, there is a dearth of coherent, integrated programs of study. Programs are often defined by articulation agreements; however, they are rarely used by participating students to gain advanced standing, if and when they enter postsecondary institutions. According to the NAVE report, estimates have shown that only 15 percent of Tech-Prep students earn articulated credit at postsecondary institutions (NAVE Page 185). As a result, students repeat instruction they already received in high school. Secondary and postsecondary "partners" are often connected by only a funding stream and, sometimes, a Tech-Prep coordinator. In some states, the federal Tech-Prep funds are allocated separately to secondary and postsecondary institutions, creating very little incentive for cross-level collaboration. Based on this research, the Committee believes that the Tech-Prep program can be improved by combining it with the Basic State Grant program, revising the definition, and requiring greater accountability within the program.

H.R. 4496 maintains the Tech-Prep concept and offers several improvements. Under the bill, funding for the Perkins state grant and Tech-Prep programs are combined into one program, incorporating the activities of Tech-Prep, which was not intended to be a permanent program, into the Basic State Grant program. Local recipients must use these funds for tech-prep activities as outlined in the bill. As in current law, Tech-Prep programs must establish articulation agreements that outline the purpose and activities of the program. The revised definition of "Articulation Agreement" in the bill requires that the agreement must be "facilitated by the lead administrators of the secondary and postsecondary consortia members". It is the Committee's intention that states use the development of articulation agreements to facilitate improved coordination and communication between secondary and postsecondary vocational and technical education programs. By improving coordination between secondary and postsecondary programs, students who participate in tech-prep activities can move seamlessly from secondary to postsecondary vocational and technical education programs and be assured that these programs lead to postsecondary academic and employment opportunities.

H.R. 4496 also requires that tech-prep activities include credit transfer agreements, through identified progressions of courses that culminate in a postsecondary degree, credential or certificate, and allow for the co-location of secondary programs on postsecondary campuses. In addition, the bill includes enhanced professional development for Tech-Prep teachers, and requires the use of performance indicator data to inform program quality.

The authorization of appropriations for the bill retains the combined basic state grant and Tech-Prep FY04 funding level. States must spend the same amount of money on Tech-Prep activities as was done in FY04. States will distribute these funds to eligible recipients before distributing the remainder of the local portion of the basic state grants.

Professional development

The Vocational and Technical Education for the Future Act continues the effort started in the 1998 reauthorization of the Perkins Act to promote greater integration of rigorous and challenging academics into vocational and technical education programs. Vocational and technical education teachers and academic teachers are critical to this effort. The Committee believes that vocational and technical education teachers should not only teach their students industry content and skills, but they should also increase student knowledge of the underlying academic disciplines that are a part of each field. However, it is clear that most professional development activities are not focused on how to achieve integration and do not promote collaboration between academic and vocational and technical education teachers.

H.R. 4496 amends the professional development requirements in sections 122, 124, and 134 of current law, providing a stronger focus on the integration of academic and vocational and technical education. The Committee believes that integration can be achieved when collaborative opportunities exist for academic and vocational and technical education teachers in professional development activities. Additionally, the Committee strongly encourages states

through state leadership activities to direct attention to increasing the percentage of vocational and technical education teachers that meet teacher certification or licensing requirements and increasing teachers' knowledge of the effective use of applied learning that contributes to the academic and vocational and technical knowledge of students.

Program improvements

H.R. 4496 makes various other improvements to current law. One such improvement is removing the requirement in current law that maintains an eligible recipient must expend all its Perkins funding within the fiscal year the grant has been allocated. States will have one additional year in which to expend their funds. The Committee believes this change will give locals more flexibility to use Perkins funds in a manner that best responds to their needs.

Additionally, the bill clarifies that nothing in the law shall authorize the federal government to mandate or control a state, local educational agency, or school's instructional content, and curriculum. This language mirrors provisions found in the NCLB Act. H.R. 4496 also specifies that states are not required to have academic content or student academic achievement standards approved or certified by the federal government in order to receive funds under the law. Thirdly, the bill ensures a state's refusal to apply for funds under the Perkins Act does not prevent that state from receiving funds from other federal education programs.

The Committee is committed to improving the participation of special populations, including single parents and displaced homemakers, in vocational and technical education programs that lead to high skill, high wage occupations. H.R. 4496 contains provisions to improve the success of special populations in vocational and technical education. The bill requires local recipients to use funds for activities that prepare single parents, including pregnant and parenting teens, and displaced homemakers for high skill, high wage occupations that will lead to self sufficiency, and to describe these activities in their local plan. The Committee believes examples of such activities include outreach, recruitment, counseling, life skills development, vocational assessment and testing, supportive services, financial literacy training, and job readiness preparation.

The bill includes a new section that provides for the equitable participation of private school students in federally funded vocational education programs. This section includes proportional funding, equitable participation, consultation requirements and bypass procedures. The addition of this language brings the Perkins program in line with the other major federal education laws which also ensure equitable participation. Currently the No Child Left Behind Act, including programs under Title I, Reading First, Even Start, Migrant Children, Teacher and Principal Training and Recruitment Fund, Math and Science Partnerships, Enhancing Education through Technology grants, Title III programs for limited English proficient and immigrant students, Safe and Drug Free Schools, 21st Century Learning Centers, Title V Innovative Programs, and the Gifted and Talented Program, as well as the Individuals with Disabilities Education Act, ensure that eligible stu-

dents and teachers in private schools are allowed to participate on an equitable basis.

National activities

The Vocational and Technical Education for the Future Act focuses and streamlines the scientifically based research, dissemination, evaluation, and assessment required by the Act. Under the bill, the independent evaluation must include an evaluation and assessment of the implementation of vocational and technical education programs under the Act. The evaluation also must include a review of the effect of integrated rigorous and challenging academic and vocational and technical education on the achievement of students participating in vocational and technical education programs. The assessment must also include a description of the extent to which vocational and technical education programs prepare students for employment in high-wage, high-skill fields, with an emphasis on math and science skills. These changes have been made in response to the 2004 National Assessment for Vocational Education (NAVE). The report was sent to Congress nearly two years late and the Committee believes that it is necessary to streamline expectations and send a clear message of what information is to be gathered and researched. Therefore, the breadth of what is to be researched and reported on has been significantly reduced in the bill. The Committee expects that future NAVE reports will be submitted in a timely manner so that future reviews of the Perkins Act authorization can be fully informed of the current status of vocational and technical education.

H.R. 4496 creates new national incentive grants to encourage and reward exemplary state performance under this Act. Under current law, incentive grants are awarded through section 503 of the Workforce Investment Act. The pending reauthorization of that Act creates a stand-alone incentive system for the WIA programs only. Consequently, the Committee has created in H.R. 4496 a separate incentive structure for vocational and technical education.

Using the 0.54 percent of federal funding set-aside for this purpose, the Secretary may award grants to eligible agencies. The Secretary shall base the awards on an eligible agency exceeding the state adjusted levels of performance established for both secondary and postsecondary vocational and technical education students and showing sustained or significant improvement. While the Committee believes that states' attainment of its performance measures is most critical, the Committee also encourages specific programmatic efforts that can help drive program achievement. Therefore, the Secretary, when awarding incentive grants, also may consider an eligible agency's success in effectively developing connections between secondary education and postsecondary education and training, integration of rigorous and challenging academic and technical coursework, and progress in having special populations participating in vocational and technical education meet state adjusted levels of performance. (Similarly, states may provide incentive grants to local eligible recipients, based on similar criteria.)

To reflect the desire to improve outcomes for special populations, including through the promotion of nontraditional fields, H.R. 4496 includes the progress of special populations in meeting the per-

formance indicators as a factor in awarding both the state and local incentive grants.

Guidance and counseling

Under current law, the Perkins law authorizes federal funding to support state career guidance and academic counseling programs. The Committee believes these activities should be tied directly to and support the provision of vocational and technical education activities of the Act. Therefore, H.R. 4496 requires the Governor and the eligible agency in a state to designate an entity responsible for the provision of occupational and employment information. The jointly designated entity shall submit an application to the Secretary at the same time the state submits its state plan for vocational and technical education. At a minimum, the application shall describe how the jointly designated agency will assist the eligible agency in meeting its adjusted levels of performance for the performance indicators established for secondary and postsecondary vocational and technical education students. The Committee anticipates that the activities provided through these grants can and should impact state program performance under the basic state grant. For instance, career guidance and academic counseling can help educate students, and their parents, about education and training options available to them. When students, assisted by their parents, make choices regarding secondary and postsecondary education options with the full knowledge of the kinds of academic and technical coursework necessary for completion, and the postsecondary options and occupations available to them upon completion, the Committee believes that more students will complete secondary and appropriate postsecondary education.

Updated terminology

H.R. 4496 ensures that the academic education for vocational and technical education students will be rigorous and challenging, and emphasizes student achievement in core academic subjects, as defined by the No Child Left Behind Act (NCLB). The Committee believes that the emphasis on rigorous and challenging academics will help to better serve students enrolled in vocational and technical education programs. Additionally, the bill requires that research be "scientifically based research," also as defined in NCLB.

The Committee updated the definition of "vocational and technical education" with new language that emphasizes that vocational and technical education courses should provide students with the rigorous and challenging academic and technical knowledge and skills they need in preparation for further education or the workplace. The Committee believes that this preparation can certainly be for fields that require a baccalaureate degree. The definition therefore permits vocational and technical education to include programs that culminate in a baccalaureate degree and not just those which have an associate's degree as the highest degree attainable. The definition is further updated to clarify that vocational and technical education may "include the provision of skills or courses necessary to enroll in a sequence of courses." This language was added to ensure that students, particularly adult learners, can receive instruction in basic skills and refresher courses that they might need in order to take a sequence of courses that "provides,

at the postsecondary level, for a 1-year certificate, an associate degree, or industry recognized credential."

The bill replaces the term "nontraditional training and employment" with "nontraditional fields." While the definition remains largely unchanged from current law, the Committee has included the phrase "current high skill occupations." Current law only specifies "emerging high skill occupations."

The Committee added "supportive services" as a defined term in the law. Supportive services include such services as transportation, child care, dependent care, and needs-based payments that are necessary to enable an individual to participate in vocational and technical education activities. The Committee recognizes that special populations, including single parents and displaced homemakers, may need supportive services, such as child care and transportation, to be able to participate successfully in vocational and technical education. The Committee does not believe that Perkins money should pay for these services, since numerous other federal, state, and local programs provide supportive services. However, H.R. 4496 allows the provision of information relating to supportive services, and referral to providers of these types of services, as a permissive use of local funds in order to reduce the barriers faced by special populations.

Conclusion

The Committee believes that vocational and technical education plays a critical role in America's secondary and postsecondary education systems. It is a fundamental part of the Committee's efforts to improve education at all levels. The Vocational and Technical Education for the Future Act bolsters the focus on rigorous and challenging academics coupled with vocational and technical education. The Committee believes that all vocational and technical education should also provide clear connections with the options beyond high school that most Americans need for continued success. H.R. 4496 fulfills those high standards.

SECTION-BY-SECTION ANALYSIS

Section 1—Short Title. Cites the short title as the Vocational and Technical Education for the Future Act.

Section 2—References. States that any amendment in this Act to repeal or amend a section or a provision repeals or amends a section or provision of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

Section 3—Purposes and Definitions. Amends Section 2(2) and Section 3 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301(2) and 2302). Inserts "rigorous and challenging" to strengthen the academic, vocational, and technical instruction. Removes the separate definition of the term "Tech-Prep Program," and defines or modifies the current definition of the following terms: "Articulation Agreement," "Career Guidance and Academic Counseling," "Cooperative Education," "Eligible Institution," "Scientifically Based Research," "Special Populations," "Supportive Services," and "Vocational and Technical Education." Replaces "Nontraditional Training and Employment" with "Nontraditional Fields." Adds language making technical corrections to current law.

Section 4—Transition Provisions. Amends Section 4 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2303). Changes outdated reference language referring to past and current law, and allows 1 full fiscal year for planning and implementation.

Section 5—Authorization of Appropriations. Amends Section 8 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2307). Authorizes $1,307,000,000 for fiscal year 2005 and such sums for fiscal years 2006 through 2010. This authorization does not pertain to Sections 114, 117, and 118.

Section 6—Prohibitions. Amends the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.). Adds a new section prohibiting the following: unfunded federal mandates, preclusion of States from other available services provided by the Secretary of Education, the requirement of federal standards of academic content or student academic achievement for assistance under this Act (precluding any other provision of federal law), and language stating that this section does not affect requirements under Section 113.

Section 7—Allotment and Allocation to States. Amends Section 111(a) and Section 112 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2321 and 2322). Requires the Secretary to reserve certain percentages of appropriated funds under Section 8 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.) for carrying out National Activities, Assistance for the Outlying Areas, and Native American Programs. Adds language updating a hold harmless for certain State allotments and providing a technical correction. Updates the funding allocation formula.

Section 8—Accountability. Amends Section 113 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2323). Adds language including a local performance accountability system. Adds language focusing the core indicators of performance for secondary students and tying them to the standards established by the State under Section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1). Includes allowances for individuals with disabilities and special characteristics, and adds student graduation rates as described in Section 1111(b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(vi) as an indicator of performance. Adds a new subparagraph establishing core indicators of performance for postsecondary students. Adds language that requires States to make "continuous and substantial improvement," and that outlines specific State and local levels of performance for subsequent years, to be included in the State and local plans. Requires eligible agencies to submit an annual report, in which the data is disaggregated and according to categories enumerated under Section 1111(b)(2)(C)(v)(II) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(v)(II)), except when the data would not be useful due to sample size or would reveal personally identifiable information. Requires the State report to disaggregate the data in the same manner, and modifies "special populations" to include populations described in Section 3(25) of this Act and in Section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(i)). Requires

States and locals to identify and quantify any disparities or gaps in performance between any of the categories of students and the remainder of students served by the eligible recipient. Adds language updating antiquated terms and making technical corrections.

Section 9—National Activities. Amends Section 114 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2324). Continues to allow the National Center for Education Statistics to internationally compare its collected data, but now in the aggregate. Adds language modifying the Independent Advisory Panel and the Evaluation and Assessment, eliminating the Demonstration Partnership but continuing the Demonstration Program, as well as making clarifying and technical changes. Authorizes appropriations for subsections a, b, and c of this section at such sums for fiscal years 2005 through 2010. Adds a new subsection instituting incentive grants for eligible agencies that demonstrate exemplary performance in carrying out programs under this Act.

Section 10—Outlying Areas, Native American Programs, and Tribally Controlled Institutions. Amends Section 115, Section 116, Section 117, and Section 118 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2325, 2326, 2327, and 2328). Specifies dollar amounts for grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau. Redistributes excess funds in equal proportion to Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for the purposes of providing direct vocational and technical education services. Restricts the Republic of Palau from receiving funds under this section upon entering into agreement for extension of United States educational assistance under the Compact of Free Association. Requires the Secretary to confer and allow participation of representatives of Indian tribes, tribal organizations, and individual tribe members. Directs assistance to students enrolled in postsecondary vocational and technical education programs. Requires the Governor of the State and the eligible entity to designate an entity in the State responsible for conducting the State Level Activities, and requires that agency to submit an application to the Secretary. Specifies the activities that agency will conduct. Removes an outdated provision and makes clarifying and technical changes.

Section 11—State Administration. Amends Section 121 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2341). Specifies the duties and responsibilities of an Eligible Agency, and allows for the delegation of responsibilities that involve administration operation and supervision of activities to one or more appropriate State agencies.

Section 12—State Plan. Amends Section 122 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2342). Extends the plan from covering a 5 year period to a 6 year period. Expands the groups involved in the Hearing Process and Plan Development, as well as in vocational and technical education programs. Adds to the plan contents language regarding the development of model sequences of courses, how information is distributed, how integration quality is reported, and the criteria that will be used to evaluate and approve eligible recipients. Requires for the destruction of personal information during equipment disposal process. Modifies existing language to strengthen the plan, to clar-

ify the role of the eligible recipients and the use of funds, to specify results of comprehensive professional development, to define "core academic subjects" as they are described in Section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)), and to focus student improvement. Removes outdated language from the plan and replaces it with language describing how eligible agencies will award grants for local activities, and how eligible agencies will carry out measurable, sustainable, and coordinated tech-prep activities. Updates antiquated terms.

Section 13—Improvement Plans. Amends Section 123 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2343). Modifies existing State Program Improvement subsection to allow for technical assistance to eligible agencies failing to meet adjusted levels of performance, to allow the sanction of eligible agencies that need to but have not implemented an improvement plan, to create a waiver for special circumstances, and to direct the funds withheld due to sanctions. Modifies the existing Local Program Improvement subsection to provide for the annual evaluation of the adjusted levels of performance, to create an improvement plan if performance gaps exist, to allow for technical assistance and sanctions, to create a waiver for special circumstances, and to direct funds resulting from reduced allotments.

Section 14—State Leadership Activities. Amends Section 124 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2344). Adds language to the required use of funds that does the following: places an emphasis on learning, math and science education, scientifically based research, and improving student achievement; enhances professional development; enhances academic integration; supports partnerships and completion of model sequences of courses; supports entrepreneurship education and training; and changes technical assistance from a permissible use of funds to a required use of funds. Adds language to the permissible use of funds subsection that focuses education courses on current and emerging occupations in demand and allows for the awarding of incentive grants to eligible recipients for exemplary performance. Updates antiquated language.

Section 15—Distribution of Funds to Secondary School Programs. Amends Section 131 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2351). Removes outdated language, and updates existing language.

Section 16—Elimination of Redistribution Rule. Amends Section 133 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2353). Removes the subsection requiring eligible recipients to return funds that were not able to be spent within one academic year.

Section 17—Local Plan for Vocational and Technical Education Programs. Amends Section 134(b) of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2354(b)). Adds to or modifies the contents of the local plan to do the following: update and strengthen it, include model sequences of courses, describe how comprehensive professional development will be provided, integrate rigorous and challenging academics and vocational and technical education, and provide opportunities to special populations, including single parents and displaced homemakers, for high skill, high wage occupations that will lead to self-sufficiency.

Section 18—Local Use of Funds. Amends Section 135 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2355). Updates Requirements for Uses of Funds to specify that funds are to be used to support vocational and technical education programs that link secondary and postsecondary vocational and technical education and that reflect the inclusion of model sequences of courses, the implementation of tech prep programs, and the integration of core academic subjects as they are described in Section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)). Programs are also to develop, improve, or expand the use of technology and math and science knowledge and education in vocational and technical education. Other required uses of funds include strengthening teacher training and the provision of activities for special populations and displaced homemakers. Language in this section adds the following as activities under permissive use of funds: career guidance and academic counseling regarding postsecondary options (including for some adults), local education and business partnerships (including special arrangements allowing qualified industry professionals to serve as faculty in postsecondary programs), the support of entrepreneurship education and training, the expansion of postsecondary options (including distance education), the development of new model sequences of courses, and the provision of information regarding supportive services. Also makes clarifying and technical changes and updates antiquated terms.

Section 19—Repeal of Tech-Prep Education Act. Repeals Title II of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2071 et seq.).

Section 20—General Provisions. Repeals Title II of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2071 et seq.). Redesignates Title III of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2391 et seq.) as Title II and redesignates sections accordingly. Amends Sections 211(b) and 217 (20 U.S.C. 2391) (as so redesignated) of the Carl D. Perkins Vocational and Technical Education Act of 1998. Adds a new subsection defining the term "the preceding fiscal year." Adds language to provide for the equal participation of students enrolled in private, non-profit elementary and secondary schools in the general and concentrated services and programs funded under the Act. Requires that the provision of services be carried out by employees of a public agency or contracted entities of a public agency, acting separately from any private school or religious organization, and outlines actions to be taken when the eligible agency does not or cannot provide these services. Makes clarifying and technical changes.

EXPLANATION OF AMENDMENTS

The Amendment in the Nature of a Substitute is explained in the body of this report.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch. This bill, H.R. 4496, the "Vocational and Technical Education for the Future Act,"

strengthens and improves the Carl D. Perkins Vocational and Technical Education Act by enhancing local accountability, introducing model sequences of courses that incorporate both secondary and postsecondary elements in a non-duplicative progression of courses, and merging the stand-alone Tech-Prep program with the Basic State Grant program. This bill does not prevent legislative branch employees from receiving the benefits of this legislation.

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement of whether the provisions of the reported bill include unfunded mandates. H.R. 4496 strengthens and improves the Carl D. Perkins Vocational and Technical Education Act by enhancing local accountability, introducing model sequences of courses that incorporate both secondary and postsecondary elements in a non-duplicative progression of courses, and merging the stand-alone Tech-Prep program with the Basic State Grant program. As such, the bill does not contain any unfunded mandates.

ROLLCALL VOTES

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 1 **BILL** H.R. 4496 **DATE** July 21, 2004

AMENDMENT NUMBER 10 **Adopted** 46 - 0

SPONSOR/AMENDMENT Mr. Boehner / amendment to permit advanced manufacturing activities under the Tech-Prep Program

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman	X			
Mr. PETRI, Vice Chairman	X			
Mr. BALLENGER	X			
Mr. HOEKSTRA	X			
Mr. McKEON	X			
Mr. CASTLE	X			
Mr. JOHNSON	X			
Mr. GREENWOOD	X			
Mr. NORWOOD				X
Mr. UPTON	X			
Mr. EHLERS	X			
Mr. DeMINT	X			
Mr. ISAKSON				X
Mrs. BIGGERT	X			
Mr. PLATTS	X			
Mr. TIBERI	X			
Mr. KELLER	X			
Mr. OSBORNE	X			
Mr. WILSON	X			
Mr. COLE	X			
Mr. PORTER	X			
Mr. KLINE	X			
Mr. CARTER	X			
Mrs. MUSGRAVE	X			
Mrs. BLACKBURN	X			
Mr. GINGREY	X			
Mr. BURNS	X			
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	46	0		3

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 2 BILL H.R. 4496 DATE July 21, 2004

AMENDMENT NUMBER 2 Defeated 22 – 23

SPONSOR/AMENDMENT Ms. Woolsey / amendment to raise the funds for State administrative costs and cut the funds going to local activities

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman				X
Mr. BALLENGER		X		
Mr. HOEKSTRA		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. GREENWOOD		X		
Mr. NORWOOD				X
Mr. UPTON		X		
Mr. EHLERS		X		
Mr. DeMINT		X		
Mr. ISAKSON				X
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE	X			
Mr. WILSON		X		
Mr. COLE		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mr. CARTER		X		
Mrs. MUSGRAVE		X		
Mrs. BLACKBURN		X		
Mr. GINGREY		X		
Mr. BURNS		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY	X			
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	22	23		4

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 3 BILL H.R. 4496 DATE July 21, 2004

AMENDMENT NUMBER 5 Defeated 20 - 24

SPONSOR/AMENDMENT Mr. Holt / amendment to create a new $1.25 billion program related to advanced manufacturing

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman				X
Mr. BALLENGER		X		
Mr. HOEKSTRA		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. GREENWOOD		X		
Mr. NORWOOD				X
Mr. UPTON		X		
Mr. EHLERS		X		
Mr. DeMINT		X		
Mr. ISAKSON				X
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. COLE		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mr. CARTER		X		
Mrs. MUSGRAVE		X		
Mrs. BLACKBURN		X		
Mr. GINGREY		X		
Mr. BURNS		X		
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY				X
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	20	24		5

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 4 BILL H.R. 4496 DATE July 21, 2004

AMENDMENT NUMBER 6 Defeated 20 - 23

SPONSOR/AMENDMENT Mr. Davis / amendment to take from other "State Leadership Activities" and fund programs for prisoners with 3 percent of the funds

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman				X
Mr. BALLENGER		X		
Mr. HOEKSTRA		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. GREENWOOD		X		
Mr. NORWOOD				X
Mr. UPTON		X		
Mr. EHLERS		X		
Mr. DeMINT		X		
Mr. ISAKSON				X
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. COLE		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mr. CARTER		X		
Mrs. MUSGRAVE		X		
Mrs. BLACKBURN		X		
Mr. GINGREY		X		
Mr. BURNS				X
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY				X
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	20	23		6

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 5 BILL H.R. 4496 DATE July 21, 2004

AMENDMENT NUMBER 8 Defeated 21 - 23

SPONSOR/AMENDMENT Mr. Tierney / amendment to authorize Tech-Prep as a separate program under Title II of the Act

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. BALLENGER		X		
Mr. HOEKSTRA		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. GREENWOOD		X		
Mr. NORWOOD				X
Mr. UPTON		X		
Mr. EHLERS		X		
Mr. DeMINT		X		
Mr. ISAKSON				X
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. COLE		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mr. CARTER		X		
Mrs. MUSGRAVE		X		
Mrs. BLACKBURN		X		
Mr. GINGREY	X			
Mr. BURNS				X
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY				X
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	21	23		5

COMMITTEE ON EDUCATION AND THE WORKFORCE

ROLL CALL 6 BILL H.R. 4496 DATE July 21, 2004
AMENDMENT NUMBER 9 Defeated 20 - 24
SPONSOR/AMENDMENT Mr. Kind / amendment to create a new $1.5 billion training program for community colleges

MEMBER	AYE	NO	PRESENT	NOT VOTING
Mr. BOEHNER, Chairman		X		
Mr. PETRI, Vice Chairman		X		
Mr. BALLENGER		X		
Mr. HOEKSTRA		X		
Mr. McKEON		X		
Mr. CASTLE		X		
Mr. JOHNSON		X		
Mr. GREENWOOD		X		
Mr. NORWOOD				X
Mr. UPTON		X		
Mr. EHLERS		X		
Mr. DeMINT		X		
Mr. ISAKSON				X
Mrs. BIGGERT		X		
Mr. PLATTS		X		
Mr. TIBERI		X		
Mr. KELLER		X		
Mr. OSBORNE		X		
Mr. WILSON		X		
Mr. COLE		X		
Mr. PORTER		X		
Mr. KLINE		X		
Mr. CARTER		X		
Mrs. MUSGRAVE		X		
Mrs. BLACKBURN		X		
Mr. GINGREY		X		
Mr. BURNS				X
Mr. MILLER	X			
Mr. KILDEE	X			
Mr. OWENS	X			
Mr. PAYNE	X			
Mr. ANDREWS	X			
Ms. WOOLSEY	X			
Mr. HINOJOSA	X			
Mrs. McCARTHY				X
Mr. TIERNEY	X			
Mr. KIND	X			
Mr. KUCINICH	X			
Mr. WU	X			
Mr. HOLT	X			
Mrs. DAVIS	X			
Ms. McCOLLUM	X			
Mr. DAVIS	X			
Mr. CASE	X			
Mr. GRIJALVA	X			
Ms. MAJETTE				X
Mr. VAN HOLLEN	X			
Mr. RYAN	X			
Mr. BISHOP	X			
TOTALS	20	24		5

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the body of this report.

NEW BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of 3(c)(3) of rule XIII of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 4496 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 12, 2004.

Hon. JOHN A. BOEHNER,
Chairman, Committee on Education and the Workforce,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4496, the Vocational and Technical Education for the Future Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Justin Humphrey.

Sincerely,

ELIZABETH ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

H.R. 4496—Vocational and Technical Education for the Future Act

Summary: H.R. 4496 would amend the Carl D. Perkins Vocational and Technical Education Act of 1998 and reauthorize secondary and postsecondary vocational education programs through fiscal year 2011. These programs are currently authorized through 2004 by the General Education Provisions Act (GEPA). The bill would authorize appropriations of $1.3 billion for these purposes for fiscal year 2005 and an estimated $10 billion for fiscal years 2005 through 2011, assuming adjustments for inflation. Assuming the appropriation of the necessary funds, the resulting outlays would total $67 million of for 2005 and $7.4 billion for the seven-year period. The bill would not affect direct spending or revenues.

H.R. 4496 would repeal Title II, the Tech-Prep Education Act, of the Carl D. Perkins Vocational and Technical Education Act of 1998, and merge funding for Tech Prep programs with the state grant program. A "hold harmless" provision would ensure that states receive the same amount of funding for Tech-Prep programs in fiscal year 2005 as they did in the previous year, and Tech-Prep would be added to the list of local uses for the reserve fund.

H.R. 4496 contains no private-sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA),

and any costs to state, local, or tribal governments would result from complying with conditions of federal assistance.

Estimated cost to the Federal Government: The estimated federal budgetary impact of H.R. 4496 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By fiscal year, in millions of dollars—							
	2004	2005	2006	2007	2008	2009	2010	2011
SPENDING SUBJECT TO APPROPRIATION								
Spending Under Current Law for Vocational Education:								
Budget Authority [1]	1,335	0	0	0	0	0	0	0
Estimated Outlays	1,326	1,294	334	67	0	0	0	0
Proposed Changes:								
Section 5—State Grants:								
Estimated Authorization Level	0	1,307	1,333	1,361	1,389	1,420	1,451	1,483
Estimated Outlays	0	39	981	1,262	1,354	1,382	1,412	1,443
Section 9—National Activities:								
Estimated Authorization Level	0	12	12	12	13	13	13	14
Estimated Outlays	0	*	9	12	12	13	13	13
Section 10—Tribally Controlled Postsecondary Vocational Institutions:								
Estimated Authorization Level	0	7	7	7	7	8	8	8
Estimated Outlays	0	*	5	7	7	7	8	8
Section 10—Occupational and Employment Information:								
Estimated Authorization Level	0	9	9	9	10	10	10	10
Estimated Outlays	0	*	7	9	9	10	10	10
Total Changes:								
Estimated Authorization Level	0	1,335	1,361	1,390	1,419	1,451	1,482	1,515
Estimated Outlays	0	40	1,002	1,289	1,383	1,411	1,442	1,474
Spending under H.R. 4496 for Vocational Education:								
Estimated Authorization Level [1]	1,335	1,335	1,361	1,390	1,419	1,451	1,482	1,515
Estimated Outlays	1,326	1,334	1,336	1,356	1,383	1,411	1,442	1,474

[1] The 2004 amount is the total appropriated that year for vocational and technical education.

Notes.—Components may not sum to totals because of rounding. *=Less than $500,000.

Basis of estimate: For this estimate, CBO assumes that H.R. 4496 will be enacted this fall and that the necessary amounts will be appropriated for each year. Estimated outlays are based on the historical spending of programs authorized by the Carl D. Perkins Vocational Education Act.

State grants

Section 5 of H.R. 4496 would authorize $1.3 billiion for state grants for fiscal year 2005 and such sums as may be necessary for fiscal years 2006 through 2011. CBO estimates that this provision would authorize $9.7 billion for fiscal years 2005 through 2011. Appropriations for state grants totaled $1.2 billion in 2004.

These formula grants would be used for vocational programs in high schools, technical schools, and community colleges. The 2005 authorization level would include funding for Tech-Prep Education, which is currently authorized under Title II of the Carl D. Perkins Vocational and Technical Education Act of 1998. (Section 19 of H.R. 4496 would repeal that title of the Carl D. Perkins Vocational and Technical Education Act of 1998.) Under H.R. 4496, states would still receive the same level of appropriations for Tech-Prep programs in fiscal year 2005 that they received in 2004.

The bill also would alter the formula for allotment of the state reserve fund established with funding from the state grants. H.R. 4496 would reduce state reserve funds for vocational education assistance for outlying areas such as Guam and American Samoa (from 0.2 percent of appropriations of state grants to 0.12 percent). It would allot 0.54 percent of appropriations to incentive grants for agencies that exceed state performance measures on vocational education. Previously, these reserve funds had been used for incentive grants under the Workforce Investment Act of 1998.

In addition, H.R. 4496 would increase from 85 percent to 88 percent the minimum amount of the State grant funds to be distributed to localities and would reduce from 5 percent to 2 percent the funds provided to states to administer the program.

National activities

Section 9 would authorize such sums as may be necessary for fiscal years 2005 through 2011 to collect data on vocational education performance and to support research on the effectiveness of vocational and technical education. CBO estimates that this section would authorize $12 million in fiscal year 2005 and $89 million over the seven-year period. This estimate is based on previous appropriations for National Activities, which received $12 million in 2004. This section of H.R. 4496 also would eliminate the Demonstration Partnership, which has never received funding.

Tribally controlled postsecondary vocational and technical institutions

Section 10 of H.R. 4496 would authorize the appropriation of such sums as may be necessary for fiscal years 2005 through 2011 to fund tribally controlled postsecondary vocational and technical institutions. Based on historical funding levels for these activities, CBO estimates this section would authorize $7 million in funding for fiscal year 2005 and an additional $45 million for fiscal years 2006 through 2011. Tribally controlled postsecondary vocational and technical institutions received $7 million in fiscal year 2004.

Occupational and employment information

Section 10 also would authorize the appropriation of such sums as may be necessary for fiscal years 2005 through 2011 to improve vocational education counseling services and career guidance. CBO estimates an authorization level of $9 million for fiscal year 2005, similar to the funding provided in 2004, and a total of $67 million for the entire seven-year period.

Intergovernmental and private-sector impact: H.R. 4496 contains no private-sector or intergovernmental mandates as defined in UMRA, and any costs to state, local, or tribal governments would result from complying with conditions of federal assistance.

Estimate prepared by: Federal Costs: Justin Humphrey; Impact on State, Local, and Tribal Governments: Sarah Puro; and Impact on the Private Sector: Meena Fernandes.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with Clause (3)(c) of House Rule XIII, the goal of H.R. 4496 is to strengthen and improve the Carl D. Perkins Vocational and Technical Education Act by enhancing local accountability, introducing model sequences of courses that incorporate both secondary and postsecondary elements in a non-duplicative progression of courses, and merging the stand-alone Tech-Prep program with the Basic State Grant program. The Committee expects the Department of Education to comply with H.R. 4496 and implement the changes to the law in accordance with the changes.

CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by H.R. 4496. The Committee believes that the amendments made by this bill, which authorize appropriations for vocational education, are within Congress' authority under Article I, section 8, clause 1 of the Constitution.

COMMITTEE ESTIMATE

Clauses 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 4496. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CARL D. PERKINS VOCATIONAL AND TECHNICAL EDUCATION ACT OF 1998

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) * * *

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

Sec. 1. Short title; table of contents.

* * * * * * *

Sec. 9. Prohibitions.

* * * * * * *

[TITLE II—TECH-PREP EDUCATION

[Sec. 201. Short title.
[Sec. 202. Definitions.
[Sec. 203. State allotment and application.
[Sec. 204. Tech-prep education.
[Sec. 205. Consortium applications.

[Sec. 206. Report.
[Sec. 207. Demonstration program.
[Sec. 208. Authorization of appropriations.

[TITLE III—GENERAL PROVISIONS

[PART A—FEDERAL ADMINISTRATIVE PROVISIONS

[Sec. 311. Fiscal requirements.
[Sec. 312. Authority to make payments.
[Sec. 313. Construction.
[Sec. 314. Voluntary selection and participation.
[Sec. 315. Limitation for certain students.
[Sec. 316. Federal laws guaranteeing civil rights.
[Sec. 317. Authorization of Secretary.
[Sec. 318. Participation of private school personnel.

[PART B—STATE ADMINISTRATIVE PROVISIONS

[Sec. 321. Joint funding.
[Sec. 322. Prohibition on use of funds to induce out-of-State relocation of businesses.
[Sec. 323. State administrative costs.
[Sec. 324. Limitation on Federal regulations.
[Sec. 325. Student assistance and other Federal programs.]

TITLE II—GENERAL PROVISIONS

PART A—FEDERAL ADMINISTRATIVE PROVISIONS

Sec. 211. Fiscal requirements.
Sec. 212. Authority to make payments.
Sec. 213. Construction.
Sec. 214. Voluntary selection and participation.
Sec. 215. Limitation for certain students.
Sec. 216. Federal laws guaranteeing civil rights.
Sec. 217. Participation of private school children.
Sec. 218. Participation of private school personnel.

PART B—STATE ADMINISTRATIVE PROVISIONS

Sec. 221. Joint funding.
Sec. 222. Prohibition on use of funds to induce out-of-State relocation of businesses.
Sec. 223. State administrative costs.
Sec. 224. Limitation on Federal regulations.
Sec. 225. Student assistance and other Federal programs.

* * * * * * *

SEC. 2. PURPOSE.

The purpose of this Act is to develop more fully the academic, vocational, and technical skills of secondary students and postsecondary students who elect to enroll in vocational and technical education programs, by—

(1) * * *

(2) promoting the development of services and activities that integrate *rigorous and challenging* academic, vocational, and technical instruction, and that link secondary and postsecondary education for participating vocational and technical education students;

* * * * * * *

SEC. 3. DEFINITIONS.

In this Act:

(1) * * *

* * * * * * *

(4) ARTICULATION AGREEMENT.—The term "articulation agreement" means a written commitment, agreed upon at the State

level or approved annually and facilitated by the lead administrators of the secondary and postsecondary consortia members as described in section 135(b)(3)(A), to a program designed to provide students with a nonduplicative sequence of progressive achievements leading to degrees, certificates, or credentials in a tech-prep education program linked through credit transfer agreements.

[(4)**]** *(5)* CAREER GUIDANCE AND ACADEMIC COUNSELING.—The term "career guidance and academic counseling" means providing access *to students (and parents, as appropriate)* to information regarding career awareness and planning with respect to an individual's occupational and academic future that shall involve guidance and counseling with respect to career options, financial aid, and postsecondary options.

[(5)**]** *(6)* CHARTER SCHOOL.—The term "charter school" has the meaning given the term in section **[**5206**]** *5210* of the Elementary and Secondary Education Act of 1965.

[(6)**]** *(7)* COOPERATIVE EDUCATION.—The term "cooperative education" means a method **[**of instruction**]** of education for individuals who, through written cooperative arrangements between a school and employers, receive instruction, including required *rigorous and challenging* academic courses and related vocational and technical education instruction, by alternation of study in school with a job in any occupational field, which alternation shall be planned and supervised by the school and employer so that each contributes to the education and employability of the individual, and may include an arrangement in which work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

[(7)**]** *(8)* DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who—

(A)(i) * * *

* * * * * * *

[(8)**]** *(9)* EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

[(9)**]** *(10)* ELIGIBLE AGENCY.—The term "eligible agency" means a State board designated or created consistent with State law as the sole State agency responsible for the administration of vocational and technical education or for supervision of the administration of vocational and technical education in the State.

[(10)**]** *(11)* ELIGIBLE INSTITUTION.—The term "eligible institution" means—

(A) **[**an**]** *a public or nonprofit private* institution of higher education;

* * * * * * *

[(11)**]** *(12)* ELIGIBLE RECIPIENT.—The term "eligible recipient" means—

(A) * * *

* * * * * * *

[(12)] *(13)* GOVERNOR.—The term "Governor" means the chief executive officer of a State or an outlying area.

[(13)] *(14)* INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term "individual with limited English proficiency" means a secondary school student, an adult, or an out-of-school youth, who has limited ability in speaking, reading, writing, or understanding the English language, and—

(A) * * *

* * * * * * *

[(14)] *(15)* INDIVIDUAL WITH A DISABILITY.—

(A) * * *

* * * * * * *

[(15)] *(16)* INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965.

[(16)] *(17)* LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

[(17)] *(18)* NONTRADITIONAL [TRAINING AND EMPLOYMENT] *FIELDS*.—The term "nontraditional [training and employment] *fields*" means occupations or fields of work, including careers in computer science, technology, and other *current and* emerging high skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

[(18)] *(19)* OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, [the Republic of the Marshall Islands, the Federated States of Micronesia,] and the Republic of Palau.

[(19)] *(20)* POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means—

(A) * * *

* * * * * * *

[(20)] *(21)* SCHOOL DROPOUT.—The term "school dropout" means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent.

(22) SCIENTIFICALLY BASED RESEARCH.—The term "scientifically based research" has the meaning given that term in section 9101(37) of the Elementary and Secondary education Act of 1965 (20 U.S.C. 780137)).

[(21)] *(23)* SECONDARY SCHOOL.—The term "secondary school" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965.

[(22)] *(24)* SECRETARY.—The term "Secretary" means the Secretary of Education.

[(23)] *(25)* SPECIAL POPULATIONS.—The term "special populations" means—

(A) * * *

* * * * * * *

(C) individuals preparing for nontraditional [training and employment] *fields*;

* * * * * * *

(E) displaced homemakers; [and]

(F) [individuals with other barriers to educational achievement, including] individuals with limited English proficiency[.]*; and*

(G) individuals with other barriers to educational achievement, as determined by the State.

[(24)] *(26)* STATE.—The term "State", unless otherwise specified, means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and each outlying area.

[(25)] *(27)* SUPPORT SERVICES.—The term "support services" means services related to curriculum modification, equipment modification, classroom modification, supportive personnel, and instructional aids and devices.

[(26) TECH-PREP PROGRAM.—The term "tech-prep program" means a program of study that—

[(A) combines at least 2 years of secondary education (as determined under State law) and 2 years of postsecondary education in a nonduplicative sequential course of study;

[(B) strengthens the applied academic component of vocational and technical education through the integration of academic, and vocational and technical, instruction;

[(C) provides technical preparation in an area such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, a health occupation, business, or applied economics;

[(D) builds student competence in mathematics, science, and communications (including through applied academics) in a coherent sequence of courses; and

[(E) leads to an associate degree or a certificate in a specific career field, and to high skill, high wage employment, or further education.]

(28) SUPPORTIVE SERVICES.—The term "supportive services" means services such as transportation, child care, dependent care, and needs-based payments, that are necessary to enable an individual to participate in activities authorized under this Act.

[(27)] *(29)* TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY.—The term "tribally controlled college or university" has the meaning given such term in section [2] *2(a)(4)* of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

[(28)] *(30)* TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL AND TECHNICAL INSTITUTION.—The term "tribally controlled postsecondary vocational and technical institution" means an institution of higher education (as defined in section 101 of the Higher Education Act of 1965, except that paragraph (2) *of subsection (a)* of such section shall not be applicable and the reference to Secretary in paragraph (5)(A) of such [section] *subsection* shall be deemed to refer to the Secretary of the Interior) that—

(A) * * *

* * * * * * *

[(29)] *(31)* VOCATIONAL AND TECHNICAL EDUCATION.—The term "vocational and technical education" means organized educational activities that—

[(A) offer a sequence of courses that provides individuals with the academic and technical knowledge and skills the individuals need to prepare for further education and for careers (other than careers requiring a baccalaureate, master's, or doctoral degree) in current or emerging employment sectors; and]

(A) offer a sequence of courses that—

(i) provides individuals with the rigorous and challenging academic and technical knowledge and skills the individuals need to prepare for further education and for careers (other than careers requiring a master's or doctoral degree) in current or emerging employment sectors;

(ii) may include the provision of skills or courses necessary to enroll in a sequence of courses that meet the requirements of this subparagraph; and

(iii) provides, at the postsecondary level, for a 1-year certificate, an associate degree, or industry recognized credential; and

* * * * * * *

[(30)] *(32)* VOCATIONAL AND TECHNICAL STUDENT ORGANIZATION.—

(A) * * *

* * * * * * *

SEC. 4. TRANSITION PROVISIONS.

The Secretary shall take such steps as the Secretary determines to be appropriate to provide for the orderly transition to the authority of this Act from any authority under provisions of [the Carl D. Perkins Vocational and Applied Technology Education Act] *"the Carl D. Perkins Vocational and Technical Education Act of 1998"*, as such Act was in effect on the day before the date of enactment of [the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998] *the Vocational and Technical Education for the Future Act. Each eligible agency shall be assured 1 full fiscal year for transition, to plan for and implement the requirements of this Act*.

* * * * * * *

[SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

[There is authorized to be appropriated to carry out this Act (other than sections 114, 117, and 118, and title II) such sums as may be necessary for each of the fiscal years 1999 through 2003.]

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act (other than subsection (a), (b), and (c) of section 114, and sections 117 and 118) $1,307,000,000 for fiscal year 2005 and such sums as may be necessary for each of fiscal years 2006 through 2010.

SEC. 9. PROHIBITIONS.

(a) LOCAL CONTROL.—Nothing in this Act shall be construed to authorize an officer or employee of the Federal government to mandate, direct, or control a State, local educational agency, or school's curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this Act.

(b) NO PRECLUSION OF OTHER ASSISTANCE.—Any State that declines to submit an application to the Secretary for assistance under this Act shall not be precluded from applying for assistance under any other program administered by the Secretary.

(c) PROHIBITION ON REQUIRING FEDERAL APPROVAL OR CERTIFICATION OF STANDARDS.—Notwithstanding any other provision of Federal law, no State shall be required to have academic and vocational and technical content or student academic and vocational and technical achievement standards approved or certified by the Federal government, in order to receive assistance under this Act.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect requirements under section 113.

TITLE I—VOCATIONAL AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

PART A—ALLOTMENT AND ALLOCATION

SEC. 111. RESERVATIONS AND STATE ALLOTMENT.

(a) RESERVATIONS AND STATE ALLOTMENT.—

[(1) RESERVATIONS.—From the sum appropriated under section 8 for each fiscal year, the Secretary shall reserve—

[(A) 0.2 percent to carry out section 115;

[(B) 1.50 percent to carry out section 116, of which—

[(i) 1.25 percent of the sum shall be available to carry out section 116(b); and

[(ii) 0.25 percent of the sum shall be available to carry out section 116(h); and

[(C) in the case of each of the fiscal years 2001 through 2003, 0.54 percent to carry out section 503 of Public Law 105–220.]

(1) RESERVATIONS.—From the sum appropriated under section 8 for each fiscal year, the Secretary shall reserve—

(A) 0.12 percent to carry out section 115;

(B) 1.50 percent to carry out section 116, of which—

(i) 1.25 percent of the sum shall be available to carry out section 116(b); and

(ii) 0.25 percent of the sum shall be available to carry out section 116(h); and

(C) 0.54 percent to carry out section 114(d).

* * * * * * *

(3) MINIMUM ALLOTMENT.—

(A) * * *

(B) REQUIREMENT.—No State, by reason of the application of subparagraph (A), shall receive for a fiscal year

more than 150 percent of the amount the State received under this subsection for the preceding fiscal year [(or in the case of fiscal year 1999 only, under section 101 of the Carl D. Perkins Vocational and Applied Technology Education Act, as such section was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998)] *(or in the case of fiscal year 2005 only, under this section and under title II of this Act, as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act)*.

(C) SPECIAL RULE.—

(i) IN GENERAL.—Subject to paragraph (4), no State, by reason of the application of subparagraph (A), shall be allotted for a fiscal year more than the lesser of—

(I) 150 percent of the amount that the State received in the preceding fiscal year [(or in the case of fiscal year 1999 only, under section 101 of the Carl D. Perkins Vocational and Applied Technology Education Act, as such section was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998)] *(or in the case of fiscal year 2005 only, under this section and under title II of this Act, as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act)*; and

(II) the amount calculated under clause (ii).

(ii) AMOUNT.—The amount calculated under this clause shall be determined by multiplying—

(I) the number of individuals in the State counted under paragraph (2) in the preceding fiscal year; by

(II) 150 percent of the national average per pupil payment made with funds available under this section for that year [(or in the case of fiscal year 1999, only, under section 101 of the Carl D. Perkins Vocational and Applied Technology Education Act, as such section was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998)] *(or in the case of fiscal year 2005 only, under this section and under title II of this Act, as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act)*.

(4) HOLD HARMLESS.—

[(A) IN GENERAL.—No State shall receive an allotment under this section for a fiscal year that is less than the allotment the State received under part A of title I of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2311 et seq.) (as such part was in effect on the day before the date of enactment of the Carl

D. Perkins Vocational and Applied Technology Education Amendments of 1998) for fiscal year 1998.]

(A) IN GENERAL.—No State shall receive an allotment under this section for a fiscal year that is less than the allotment the State received for fiscal year 2004 under this section and under title II of this Act (as such section and title were in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act).

* * * * * * *

SEC. 112. WITHIN STATE ALLOCATION.

[(a) IN GENERAL.—From the amount allotted to each State under section 111 for a fiscal year, the State board (hereinafter referred to as the "eligible agency") shall make available—

[(1) not less than 85 percent for distribution under section 131 or 132, of which not more than 10 percent of the 85 percent may be used in accordance with subsection (c);

[(2) not more than 10 percent to carry out State leadership activities described in section 124, of which—

[(A) an amount equal to not more than 1 percent of the amount allotted to the State under section 111 for the fiscal year shall be available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

[(B) not less than $60,000 and not more than $150,000 shall be available for services that prepare individuals for nontraditional training and employment; and

[(3) an amount equal to not more than 5 percent, or $250,000, whichever is greater, for administration of the State plan, which may be used for the costs of—

[(A) developing the State plan;

[(B) reviewing the local plans;

[(C) monitoring and evaluating program effectiveness;

[(D) assuring compliance with all applicable Federal laws; and

[(E) providing technical assistance.]

(a) ALLOCATION FORMULA.—From the amount allotted to each State under section 111 for a fiscal year, the State board (hereinafter referred to as the "eligible agency") shall allocate such amount as follows:

(1) Subject to paragraph (4), not less than 88 percent shall be made available for distribution under section 131 or 132, of which the eligible agency shall first make available for the activities described in section 135(b)(3) not less than the amount allotted in fiscal year 2004 to such eligible agency under title II of this Act (as such title was in effect on the day before the date of enactment of the Vocational and Technical Education for the Future Act), reduced by the percentage by which the amount allotted to the State under section 111 for the fiscal year is less than the amount allotted under such section to such State for fiscal year 2004. Of the remainder of the 88 percent, not more than 10 percent may be used in accordance with subsection (c).

(2) Subject to paragraph (4), not more than 10 percent shall be made available to carry out State leadership activities described in section 124, of which—

(A) an amount equal to not more than 1 percent of the amount allotted to the State under section 111 for the fiscal year shall be made available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

(B) not less than $60,000 and not more than $150,000 shall be available for services that prepare individuals for nontraditional fields.

(3) An amount equal to not more than 2 percent, or $250,000, whichever is greater, shall be made available for administration of the State plan, which may be used for the costs of—

(A) developing the State plan;

(B) reviewing the local plan;

(C) monitoring and evaluating program effectiveness;

(D) assuring compliance with all applicable Federal laws; and

(E) providing technical assistance.

(4) If the amount allocated for any fiscal year under paragraph (2) shall be less than the amount allocated under such paragraph for fiscal year 2004, additional amounts may be made available from the amount allocated under paragraph (1) for the purposes described in paragraph (2). If such additional amounts are made available under this paragraph, the percentage of the total amount allotted under section 111 that is allocated for the purposes described in paragraph (2) shall not exceed the percentage of the total amount allotted under section 111 for fiscal year 2004 that was allocated under paragraph (2) for fiscal year 2004.

* * * * * * *

(c) RESERVE.—

(1) IN GENERAL.—From amounts made available under subsection (a)(1) to carry out this subsection, an eligible agency may award grants to eligible recipients for vocational and technical education activities described in section 135 in—

(A) rural areas;

(B) areas with high percentages of vocational and technical education students; *and*

(C) areas with high numbers of vocational and technical students**[**; and**]**.

[(D) communities negatively impacted by changes resulting from the amendments made by the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998 to the within State allocation under section 231 of the Carl D. Perkins Vocational and Applied Technology Education Act (as such section 231 was in effect on the day before the date of enactment of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998).**]**

(2) SPECIAL RULE.—Each eligible agency awarding a grant under this subsection shall use the grant funds to serve at least 2 of the categories described in subparagraphs (A) through **[**(D)**]** *(C)* of paragraph (1).

SEC. 113. ACCOUNTABILITY.

(a) PURPOSE.—The purpose of this section is to [establish a State] *support a State and local* performance accountability system, comprised of the activities described in this section, to assess the effectiveness of the State *and its eligible recipients* in achieving statewide progress in vocational and technical education, and to optimize the return of investment of Federal funds in vocational and technical education activities.

(b) STATE PERFORMANCE MEASURES.—

(1) * * *

(2) INDICATORS OF PERFORMANCE.—

(A) CORE INDICATORS OF PERFORMANCE *FOR SECONDARY STUDENTS*.—Each eligible agency shall identify in the State plan core indicators of performance *of secondary students that are, to the extent practicable, valid and reliable and* that include, at a minimum, measures of each of the following:

(i) Student attainment of challenging [State established academic,] *academic content and achievement standards, as established by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(1)),* and vocational and technical, skill proficiencies.

(ii) Student attainment of a secondary school diploma [or its recognized equivalent] *or the General Educational Development credential (including recognized alternative standards for individuals with disabilities)*, a proficiency credential in conjunction with a secondary school diploma[, or a postsecondary degree or credential].

[(iii) Placement in, retention in, and completion of, postsecondary education or advanced training, placement in military service, or placement or retention in employment.]

(iii) Student graduation rates (as described in section 111(b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(vi))), placement in postsecondary education or advanced training, placement in military service, or placement in employment.

(iv) Student participation in and completion of vocational and technical education programs that lead to nontraditional [training and employment] *fields*.

(B) CORE INDICATORS OF PERFORMANCE FOR POSTSECONDARY STUDENTS.—Each eligible agency shall identify in the State plan core indicators of performance of postsecondary students that are, to the extent practicable, valid and reliable, and that include, at a minimum, measures of each of the following:

(i) Student attainment of challenging academic and vocational and technical skill proficiencies.

(ii) Student retention in postsecondary education, attainment of an associate degree or postsecondary credential, or transfer to a baccalaureate degree program.

(iii) Placement in military service or placement or retention in employment.

(iv) Student participation in and completion of vocational and technical education programs in nontraditional fields.

[(B)] *(C)* ADDITIONAL INDICATORS OF PERFORMANCE.—An eligible agency, with input from eligible recipients, may identify in the State plan additional indicators of performance for vocational and technical education activities authorized under [the] *this* title.

[(C)] *(D)* EXISTING INDICATORS.—If a State previously has developed State *vocational and technical education* performance measures that meet the requirements of this section, the State may use such performance measures to measure the progress of vocational and technical education students.

[(D)] *(E)* STATE ROLE.—Indicators of performance described in this paragraph shall be established solely by each eligible agency with input from eligible recipients.

[(3) LEVELS OF PERFORMANCE.—]

(3) STATE LEVELS OF PERFORMANCE.—

(A) STATE ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—Each eligible agency, with input from eligible recipients, shall establish in the State plan submitted under section 122, levels of performance for each of the core indicators of performance described in [paragraph (2)(A)] *subparagraphs (A) and (B) of paragraph (2)* for vocational and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

(II) require the State [to continually make progress toward improving the performance] *to make continuous and substantial improvement in the academic and vocational and technical achievement* of vocational and technical education students.

* * * * * * *

[(v) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR 3RD, 4TH, AND 5TH YEARS.—Prior to the third program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the third, fourth, and fifth program years covered by the State plan, taking into account the factors described in clause (vi). The State adjusted levels of performance agreed to under this clause shall be considered to be the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan.]

(iv) AGREEMENT ON STATE ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—

(I) 3RD AND 4TH PROGRAM YEARS.—Prior to the third program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the third and fourth programs years covered by the State plan, taking into account the factors described in clause (vi).

(II) 5TH AND 6TH PROGRAM YEARS.—Prior to the fifth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on the State adjusted levels of performance for each of the core indicators of performance for the fifth and sixth programs years covered by the State plan, taking into account the factors described in clause (vi).

(III) AGREEMENTS INCORPORATED INTO STATE PLAN.—The State adjusted levels of performance agreed to under this clause shall be considered the State adjusted levels of performance for the State for such years and shall be incorporated into the State plan.

* * * * * * *

(vi) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

(I) * * *

(II) the extent to which such levels of performance promote continuous *and substantial* improvement on the indicators of performance by such State.

(vii) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (vi)(II), the eligible agency may request that the State adjusted levels of performance agreed to under clause (iii) or ❚(vi)❚ *(v)* be revised. The Secretary shall issue objective criteria and methods for making such revisions.

(4) LOCAL LEVELS OF PERFORMANCE.—

(A) LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

(i) IN GENERAL.—Each eligible recipient shall establish in the local plan submitted under section 134, levels of performance for each of the core indicators of performance described in paragraph (2)(A) and (B), as appropriate for the eligible recipient, for vocational and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

(II) require the eligible recipient to make continuous and substantial improvement in the academic

and vocational and technical achievement of vocational and technical education students.

(ii) IDENTIFICATION IN THE LOCAL PLAN.—Each eligible recipient shall identify, in the local plan submitted under section 134, levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan.

(iii) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 2 YEARS.—The eligible agency and each eligible recipient shall reach agreement on the levels of performance for each of the core indicators of performance, for the first 2 program years covered by the local plan, taking into account the levels identified in the local plan under clause (ii) and the factors described in clause (v). The levels of performance agreed to under this clause shall be considered to be the local adjusted level of performance for the eligible recipient for such years and shall be incorporated into the local plan prior to the approval of such plan.

(iv) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—

(I) 3RD AND 4TH PROGRAM YEARS.—Prior to the third program year covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the third and fourth program years covered by the local plan, taking into account the factors described in clause (v).

(II) 5TH AND 6TH PROGRAM YEARS.—Prior to the fifth program year covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the fifth and sixth program years covered by the local plan, taking into account the factors described in clause (v).

(III) AGREEMENTS INCORPORATED INTO LOCAL PLAN.—The local adjusted levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan.

(v) FACTORS.—The agreement described in clause (iii) or (iv) shall take into account—

(I) how the levels of performance involved compare with the local adjusted levels of performance established for other eligible recipients taking into account factors including the characteristics of participants when the participants entered the program and the services or instruction to be provided; and

(II) the extent to which such levels of performance promote continuous and substantial improve-

ment on the indicators of performance by such eligible recipient.

(vi) REVISIONS.—If unanticipated circumstances arise with respect to an eligible recipient resulting in a significant change in the factors described in clause (v)(II), the eligible recipient may request that the local adjusted levels of performance agreed to under clause (iii) or (iv) be revised. The eligible agency shall issue objective criteria and methods for making such revisions.

(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible recipient may identify in the local plan, local levels of performance for any additional indicators of performance. Such levels shall be considered to be the local levels of performance for purposes of this title.

(C) LOCAL REPORT.—

(i) CONTENT OF REPORT.—Each eligible recipient that receives an allotment under section 111 shall annually prepare and submit to the eligible agency a report, regarding—

(I) the progress of such recipient in achieving the local adjusted levels of performance on the core indicators of performance; and

(II) in the case of an eligible recipient that receives funds described in section 112(a) for activities described in section 135(b)(3), the progress in achieving the local adjusted levels of performance on the core indicators with respect to tech prep program participants.

(ii) DISAGGREGATION OF DATA.—Each eligible recipient shall—

(I) disaggregate data for each of the indicators of performance under section 113(b)(2) for the categories of students enumerated under section 1111(b)(2)(C)(v)(II) of the Elementary and Secondary Education Act of 1965 that are served under this Act; and

(II) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible recipient under the Act.

(iii) RULES FOR REPORTING OF DATA.—The disaggregation of data under clause (ii) shall be required except in a case in which the number of students in a category is insufficient to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

(iv) AVAILABILITY.—The report described in clause (i) shall be made available to the public through a variety of formats, including electronically or through the Internet.

(c) REPORT.—

(1) * * *

(2) DISAGGREGATION OF DATA.—Each eligible agency under this subsection shall—

(A) disaggregate data for each of the indicators of performance under section 113(b)(2) for the categories of students enumerated under section 1111(b)(2)(C)(v)(II) of the Elementary and Secondary Education Act of 1965 that are served under this Act; and

(B) identify and quantify any disparities or gaps in performance between any such category of students and the performance of all students served by the eligible agency under the Act.

(3) RULES FOR REPORTING OF DATA.—The disaggregation of data under paragraph (2) shall be required except in a case in which the number of students in a category is insufficient to yield statistically reliable information or in which the results would reveal personally identifiable information about an individual student.

[(2)] *(4)* SPECIAL POPULATIONS.—The report submitted by the eligible agency in accordance with paragraph (1) shall include a quantifiable description of the progress [special populations] *each of the populations described in section 3(25) and the populations described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(i))* participating in vocational and technical education programs [have] *has* made in meeting the State adjusted levels of performance established by the eligible agency.

[(3)] *(5)* INFORMATION DISSEMINATION.—The Secretary—

(A) * * *

* * * * * * *

SEC. 114. NATIONAL ACTIVITIES.

(a) PROGRAM PERFORMANCE INFORMATION.—

(1) * * *

* * * * * * *

(3) ASSESSMENTS.—As a regular part of its assessments, the National Center for Education Statistics shall collect and report information on vocational and technical education for a nationally representative sample of students. Such assessment may include international comparisons *in the aggregate*.

* * * * * * *

(c) RESEARCH, DEVELOPMENT, DISSEMINATION, EVALUATION AND ASSESSMENT.—

(1) * * *

[(2) INDEPENDENT ADVISORY PANEL.—The Secretary shall appoint an independent advisory panel, consisting of vocational and technical education administrators, educators, researchers, and representatives of labor organizations, businesses, parents, guidance and counseling professionals, and other relevant groups, to advise the Secretary on the implementation of the assessment described in paragraph (3), including the issues to be addressed, the methodology of the studies involved, and the findings and recommendations resulting from the assessment. The panel shall submit to the Committee on Education and the Workforce of the House of Representatives, the Committee on

Labor and Human Resources of the Senate, and the Secretary an independent analysis of the findings and recommendations resulting from the assessment described in paragraph (3). The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.]

(2) INDEPENDENT ADVISORY PANEL.—The Secretary shall appoint an independent advisory panel, consisting of academic and vocational and technical education educators, administrators, experts in evaluation, research, and assessment, representatives of labor organizations, businesses, parents, guidance and counseling professionals, and other individuals with relevant expertise, to advise the Secretary on the implementation of the assessment described in paragraph (3), including the issues to be addressed and the methodology of the studies involved to ensure the assessment adheres to the highest standards of quality. The advisory panel shall transmit to the Secretary and to Congress an independent analysis of the findings and recommendations resulting from such assessment. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this subsection.

(3) EVALUATION AND ASSESSMENT.—

(A) IN GENERAL.—From amounts made available under paragraph (8), the Secretary shall provide for the conduct of an independent evaluation and assessment of *the implementation of the* vocational and technical education programs under this Act through studies and analyses conducted independently through grants, contracts, and cooperative agreements that are awarded on a competitive basis.

(B) CONTENTS.—The assessment required under paragraph (1) shall include *but shall not be limited to* descriptions and evaluations of—

[(i) the extent to which State, local, and tribal entities have developed, implemented, or improved State and local vocational and technical education programs and the effect of programs assisted under this Act on that development, implementation, or improvement, including the capacity of State, tribal, and local vocational and technical education systems to achieve the purpose of this Act;

[(ii) the extent to which expenditures at the Federal, State, tribal, and local levels address program improvement in vocational and technical education, including the impact of Federal allocation requirements (such as within-State allocation formulas) on the delivery of services;]

[(iii)] *(i)* the preparation and qualifications of teachers of vocational and technical[, and academic, curricula in vocational and technical education programs,] *education (such as meeting State established teacher certification or licensing requirements)* as well as shortages of such teachers;

[(iv) participation of students in vocational and technical education programs;]

[(v)] *(ii)* academic [and employment outcomes of vocational and technical education, including analyses of] *and vocational and technical education achievement and employment outcomes of vocational and technical education students, including analyses of—*

(I) the number of vocational and technical education students [and tech-prep students] *and students participating in the activities described in section 135(b)(3)* who meet State adjusted levels of performance;

(II) the extent and success of integration of [academic, and vocational and technical, education] *rigorous and challenging academic and vocational and technical education, including a review of the effect of integrated rigorous and challenging academic and vocational and technical education on the achievement of students* for students participating in vocational and technical education programs; and

(III) the extent to which vocational and technical education programs prepare students for subsequent employment in high-wage, high-skill careers*, particularly those in which math and science skills are critical,* or participation in post-secondary education;

[(vi)] *(iii)* employer involvement in, and satisfaction with, vocational and technical education programs;

[(vii) the use and impact of educational technology and distance learning with respect to vocational and technical education and tech-prep programs; and]

[(viii)] *(iv)* the effect of State adjusted levels of performance and State levels of performance on the delivery of vocational and technical education services.

(C) REPORTS.—

(i) IN GENERAL.—The Secretary shall submit to [the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate] *Congress—*

(I) an interim report regarding the assessment on or before January 1, [2002] *2008*; and

(II) a final report, summarizing all studies and analyses that relate to the assessment and that are completed after the assessment, on or before July 1, [2002] *2008*.

(ii) PROHIBITION.—Notwithstanding any other provision of law, the reports required by this subsection shall not be subject to any review outside the Department of Education before their transmittal to [the Committee on Education and the Workforce of the House of Representatives, the Committee on Labor and Human Resources of the Senate,] *Congress* and the Secretary, but the President, the Secretary, and the independent advisory panel established under paragraph (2) may make such additional recommendations to Congress with respect to the assessment as

the President, the Secretary, or the panel determine to be appropriate.

* * * * * * *

(5) RESEARCH.—

(A) IN GENERAL.—The Secretary, after consulting with the States, shall award grants, contracts, or cooperative agreements on a competitive basis to an institution of higher education, a public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies to establish a national research center or centers—

(i) [to carry out research] *to carry out scientifically based research* for the purpose of developing, improving, and identifying the most successful methods for successfully addressing the education, employment, and training needs of participants in vocational and technical education programs, including *scientifically based* research and evaluation in such activities as—

(I) * * *

* * * * * * *

(ii) [to carry out research] *to carry out scientifically based research* to increase the effectiveness and improve the implementation of vocational and technical education programs *that are integrated with rigorous and challenging academic education*, including conducting research and development, and studies, providing longitudinal information or formative evaluation with respect to vocational and technical education programs and student achievement;

(iii) [to carry out research] *to carry out scientifically based research* that can be used to improve teacher training and learning in the vocational and technical education classroom, including—

(I) effective inservice and preservice teacher education that assists vocational and technical education systems *and the integration of those systems with the academic education system*; and

* * * * * * *

[(6) DEMONSTRATIONS AND DISSEMINATION.—

[(A) DEMONSTRATION PROGRAM.—The]

(6) DEMONSTRATIONS AND DISSEMINATION.—The Secretary is authorized to carry out demonstration vocational and technical education programs, to replicate model vocational and technical education programs, to disseminate best practices information, and to provide technical assistance upon request of a State, for the purposes of developing, improving, and identifying the most successful methods and techniques for providing vocational and technical education programs assisted under this Act.

[(B) DEMONSTRATION PARTNERSHIP.—

[(i) IN GENERAL.—The Secretary shall carry out a demonstration partnership project involving a 4-year, accredited postsecondary institution, in cooperation

with local public education organizations, volunteer groups, and private sector business participants to provide program support, and facilities for education, training, tutoring, counseling, employment preparation, specific skills training in emerging and established professions, and for retraining of military medical personnel, individuals displaced by corporate or military restructuring, migrant workers, as well as other individuals who otherwise do not have access to such services, through multisite, multistate distance learning technologies.

[(ii) PROGRAM.—Such program may be carried out directly or through grants, contracts, cooperative agreements, or through the national center or centers established under paragraph (5).]

* * * * * * *

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out [this section such sums as may be necessary for fiscal year 1999 and each of the 4 succeeding fiscal years.] *subsections (a), (b), and (c) of this section, such sums as may be necessary for each of fiscal years 2005 through 2010.*

(d) INCENTIVE GRANTS FOR ELIGIBLE AGENCIES.—

(1) IN GENERAL.—From funds reserved under section 111(a)(1)(C), the Secretary may award grants to eligible agencies for exemplary performance in carrying out programs under this Act. Such awards shall be based on an eligible agency exceeding State adjusted levels of performance established under section 113(b) and showing sustained or significant improvement.

(2) SPECIAL CONSIDERATION.—In awarding these grants, the Secretary may consider—

(A) an eligible agency's success in effectively developing connections between secondary education and postsecondary education and training;

(B) an eligible agency's integration of rigorous and challenging academic and technical coursework; and

(C) an eligible agency's progress in having special populations participating in vocational and technical education meet State adjusted levels of performance.

(3) USE OF FUNDS.—The funds awarded to an eligible agency under this subsection may be used to carry out any activities authorized under section 124, including demonstrations of innovative programs.

[SEC. 115. ASSISTANCE FOR THE OUTLYING AREAS.

[(a) OUTLYING AREAS.—From funds reserved pursuant to section 111(a)(1)(A), the Secretary shall—

[(1) make a grant in the amount of $500,000 to Guam; and

[(2) make a grant in the amount of $190,000 to each of American Samoa and the Commonwealth of the Northern Mariana Islands.

[(b) REMAINDER.—Subject to the provisions of subsection (a), the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A) to the Pacific Region Educational

Laboratory in Honolulu, Hawaii, to make grants for vocational and technical education and training in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, for the purpose of providing direct vocational and technical educational services, including—

[(1) teacher and counselor training and retraining;

[(2) curriculum development; and

[(3) the improvement of vocational and technical education and training programs in secondary schools and institutions of higher education, or improving cooperative education programs involving both secondary schools and institutions of higher education.

[(c) LIMITATION.—The Pacific Region Educational Laboratory may use not more than 5 percent of the funds received under subsection (b) for administrative costs.

[(d) RESTRICTION.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this title for any fiscal year that begins after September 30, 2001.]

SEC. 115. ASSISTANCE FOR THE OUTLYING AREAS.

(a) OUTLYING AREAS.—From funds reserved pursuant to section 111(a)(1)(A), the Secretary shall—

(1) make a grant in the amount of $660,000 to Guam;

(2) make a grant in the amount of $350,000 to each of American Samoa and the Commonwealth of the Northern Mariana Islands; and

(3) make a grant in the amount of $160,000 to the Republic of Palau.

(b) REMAINDER.—Subject to the provisions of subsection (a), the Secretary shall make a grant of the remainder of funds reserved pursuant to section 111(a)(1)(A), in equal proportion, to each of Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for the purpose of providing direct vocational and technical educational services, including—

(1) teacher and counselor training and retraining;

(2) curriculum development; and

(3) the improvement of vocational and technical education and training programs in secondary schools and institutions of higher education, or improving cooperative education programs involving both secondary schools and institutions of higher education.

(c) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this section upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association after the date of enactment of the Vocational and Technical Education for the Future Act.

SEC. 116. NATIVE AMERICAN PROGRAM.

(a) DEFINITIONS.—In this section:

(1) * * *

* * * * * * *

(5) NATIVE HAWAIIAN ORGANIZATION.—The term "Native Hawaiian organization" has the meaning given the term in section 7207 of the Native Hawaiian Education Act.

(b) PROGRAM AUTHORIZED.—

(1) AUTHORITY.—From funds reserved under section 111(a)(1)(B)(i), the Secretary shall make grants to and enter into contracts with Indian tribes, tribal organizations, and Alaska Native entities to carry out the authorized programs described in [subsection (d)] *subsection (c)*, except that such grants or contracts shall not be awarded to secondary school programs in Bureau funded schools.

(2) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—The grants or contracts described in this section [(other than in subsection (i))] that are awarded to any Indian tribe or tribal organization shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with the provisions of sections 4, 5, and 6 of the Act of April 16, 1934, which are relevant to the programs administered under this subsection.

* * * * * * *

SEC. 117. TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL AND TECHNICAL INSTITUTIONS.

(a) * * *

[(b) USE OF GRANTS.—Amounts made available pursuant to this section shall be used for institutional support of vocational and technical education programs.]

(b) USES OF GRANTS.—Amounts made available under this section shall be used for vocational and technical education programs for Indian students and for instructional support costs of the grant, including the expenses described in subsection (e).

(c) AMOUNT OF GRANTS.—

(1) * * *

* * * * * * *

(3) INDIRECT COSTS.—Notwithstanding any other provision of law or regulation, the Secretary shall not require the use of a restricted indirect cost rate for grants issued under this section.

* * * * * * *

[(g) NEEDS ESTIMATE AND REPORT ON FACILITIES AND FACILITIES IMPROVEMENT.—

[(1) NEEDS ESTIMATE.—The Secretary shall, based on the most accurate data available from the institutions and Indian tribes whose Indian students are served under this section, and in consideration of employment needs, economic development needs, population training needs, and facilities needs, prepare an actual budget needs estimate for each institution eligible under this section for each subsequent program year, and submit such budget needs estimate to Congress in such a timely manner as will enable the appropriate committees of Congress to consider such needs data for purposes of the uninterrupted flow of adequate appropriations to such institutions. Such data shall take into account the purposes and requirements of part A of title IV of the Social Security Act.

[(2) STUDY OF TRAINING AND HOUSING NEEDS.—

[(A) IN GENERAL.—The Secretary shall conduct a detailed study of the training, housing, and immediate facilities needs of each institution eligible under this section. The study shall include an examination of—

[(i) training equipment needs;

[(ii) housing needs of families whose heads of households are students and whose dependents have no alternate source of support while such heads of households are students; and

[(iii) immediate facilities needs.

[(B) REPORT.—The Secretary shall report to Congress not later than July 1, 2000, on the results of the study required by subparagraph (A).

[(C) CONTENTS.—The report required by subparagraph (B) shall include the number, type, and cost of meeting the needs described in subparagraph (A), and rank each institution by relative need.

[(D) PRIORITY.—In conducting the study required by subparagraph (A), the Secretary shall give priority to institutions that are receiving assistance under this section.

[(3) LONG-TERM STUDY OF FACILITIES.—

[(A) IN GENERAL.—The Secretary shall provide for the conduct of a long-term study of the facilities of each institution eligible for assistance under this section.

[(B) CONTENTS.—The study required by subparagraph (A) shall include a 5-year projection of training facilities, equipment, and housing needs and shall consider such factors as projected service population, employment, and economic development forecasting, based on the most current and accurate data available from the institutions and Indian tribes affected.

[(C) SUBMISSION.—The Secretary shall submit to Congress a detailed report on the results of such study not later than the end of the 18-month period beginning on the date of enactment of this Act.]

[(h)] *(g)* DEFINITIONS.—In this section:

(1) INDIAN.—The terms "Indian" and "Indian tribe" have the meanings given the terms in section 2 of the Tribally Controlled College or University Assistance Act of 1978.

(2) INDIAN STUDENT COUNT.—The term "Indian student count" means a number equal to the total number of Indian students enrolled in each tribally controlled postsecondary vocational and technical institution, determined as follows:

(A) REGISTRATIONS.—The registrations of Indian students as in effect on October 1 of each year.

(B) SUMMER TERM.—Credits or clock hours toward a certificate earned in classes offered during a summer term shall be counted toward the computation of the Indian student count in the succeeding fall term.

(C) ADMISSION CRITERIA.—Credits or clock hours toward a certificate earned in classes during a summer term shall be counted toward the computation of the Indian student count if the institution at which the student is in attendance has established criteria for the admission of such student on the basis of the student's ability to benefit from

the education or training offered. The institution shall be presumed to have established such criteria if the admission procedures for such studies include counseling or testing that measures the student's aptitude to successfully complete the course in which the student has enrolled. No credit earned by such student for purposes of obtaining a secondary school degree or its recognized equivalent shall be counted toward the computation of the Indian student count.

(D) DETERMINATION OF HOURS.—Indian students earning credits in any continuing education program of a tribally controlled postsecondary vocational and technical institution shall be included in determining the sum of all credit or clock hours.

(E) CONTINUING EDUCATION.—Credits or clock hours earned in a continuing education program shall be converted to the basis that is in accordance with the institution's system for providing credit for participation in such programs.

[(i)] *(h)* AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section [$4,000,000 for fiscal year 1999 and] such sums as may be necessary for each of [the 4 succeeding fiscal years] *fiscal years 2005 through 2010*.

SEC. 118. OCCUPATIONAL AND EMPLOYMENT INFORMATION.

(a) * * *

[(b) STATE LEVEL ACTIVITIES.—In order for a State to receive a grant under this section, the eligible agency and the Governor of the State shall jointly designate an entity in the State—

[(1) to provide support for a career guidance and academic counseling program designed to promote improved career and education decisionmaking by individuals (especially in areas of career information delivery and use);

[(2) to make available to students, parents, teachers, administrators, and counselors, and to improve accessibility with respect to, information and planning resources that relate educational preparation to career goals and expectations;

[(3) to equip teachers, administrators, and counselors with the knowledge and skills needed to assist students and parents with career exploration, educational opportunities, and education financing.

[(4) to assist appropriate State entities in tailoring career-related educational resources and training for use by such entities;

[(5) to improve coordination and communication among administrators and planners of programs authorized by this Act and by section 15 of the Wagner-Peyser Act at the Federal, State, and local levels to ensure nonduplication of efforts and the appropriate use of shared information and data; and

[(6) to provide ongoing means for customers, such as students and parents, to provide comments and feedback on products and services and to update resources, as appropriate, to better meet customer requirements.]

(b) STATE LEVEL ACTIVITIES.—

(1) DESIGNATED ENTITY.—In order for a State to receive a grant under this section, the eligible agency and the Governor

of the State shall jointly designate an entity in the State responsible for conducting the activities in this subsection.

(2) APPLICATION.—The jointly designated agency shall submit an application to the Secretary at the same time the State submits its state plan under section 122. The application shall be in such a manner and be accompanied by such information as the Secretary may reasonably require. At a minimum, the application shall describe how the jointly designated agency will assist the eligible agency in meeting its adjusted levels of performance under section 113(b).

(3) ACTIVITIES.—The jointly designated agency shall conduct activities—

(A) to provide support for a career guidance and academic counseling programs designed to promote improved career and education decision making by students (and parents, as appropriate) regarding education and training options and preparations for high skill, high wage occupations;

(B) to make available to students, parents, teachers, administrators, and counselors, and to improve accessibility with respect to, information and planning resources that relate academic and vocational and technical educational preparation to career goals and expectations;

(C) to equip teachers, administrators, and counselors with the knowledge, skills, and occupational information needed to assist students and parents with educational and other postsecondary opportunities and education financing;

(D) to assist appropriate State entities in tailoring resources and training for use by such entities;

(E) to improve coordination and communication among administrators and planners of programs authorized by this Act and by section 15 of the Wagner-Peyser Act (29 U.S.C. 49l–2) at the Federal, State, and local levels to ensure nonduplication of efforts and the appropriate use of shared information and data; and

(F) to provide ongoing means for customers, such as students and parents, to provide comments and feedback on products and services and to update resources, as appropriate, to better meet customer requirements.

* * * * * * *

(e) REPORT.—The Secretary, in consultation with appropriate Federal agencies, shall prepare and submit to the appropriate committees of Congress, an annual report that includes—

(1) [an identification] *a description* of activities assisted under this section during the prior program year;

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years [1999 through 2003] *2005 through 2010*.

PART B—STATE PROVISIONS

[SEC. 121. STATE ADMINISTRATION.

[(a) ELIGIBLE AGENCY RESPONSIBILITIES.—

[(1) IN GENERAL.—The responsibilities of an eligible agency under this title shall include—

[(A) coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for nontraditional training and employment;

[(B) consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, representatives of businesses, labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title;

[(C) convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than four times annually; and

[(D) the adoption of such procedures as the eligible agency considers necessary to—

[(i) implement State level coordination with the activities undertaken by the State boards under section 111 of Public Law 105–220; and

[(ii) make available to the service delivery system under section 121 of Public Law 105–220 within the State a listing of all school dropout, postsecondary, and adult programs assisted under this title.

[(2) EXCEPTION.—Except with respect to the responsibilities set forth in paragraph (1), the eligible agency may delegate any of the other responsibilities of the eligible agency that involve the administration, operation, supervision of activities assisted under this title, in whole or in part, to one or more appropriate State agencies.]

SEC. 121. STATE ADMINISTRATION.

(a) ELIGIBLE AGENCY RESPONSIBILITIES.—The responsibilities of an eligible agency under this title shall include—

(1) coordination of the development, submission, and implementation of the State plan, and the evaluation of the program, services, and activities assisted under this title, including preparation for nontraditional fields;

(2) consultation with the Governor and appropriate agencies, groups, and individuals including parents, students, teachers, representatives of businesses, labor organizations, eligible recipients, State and local officials, and local program administrators, involved in the planning, administration, evaluation, and coordination of programs funded under this title;

(3) convening and meeting as an eligible agency (consistent with State law and procedure for the conduct of such meetings) at such time as the eligible agency determines necessary to carry out the eligible agency's responsibilities under this title, but not less than four times annually; and

(4) the adoption of such procedures as the eligible agency considers necessary to—

(A) implement State level coordination with the activities undertaken by the State boards under section 111 of Public Law 105–220; and

(B) make available to the service delivery system under section 121 of Public Law 105–220 within the State a listing of all school dropout, postsecondary, and adult programs assisted under this title.

(b) EXCEPTION.—Except with respect to the responsibilities set forth in subsection (a), the eligible agency may delegate any of the other responsibilities of the eligible agency that involve the administration, operation, supervision of activities assisted under this title, in whole or in part, to one or more appropriate State agencies.

* * * * * * *

SEC. 122. STATE PLAN.

(a) STATE PLAN.—

(1) IN GENERAL.—Each eligible agency desiring assistance under this title for any fiscal year shall prepare and submit to the Secretary a State plan for a ⟦5-year⟧ *6-year* period, together with such annual revisions as the eligible agency determines to be necessary.

(2) REVISIONS.—Each eligible agency—

(A) * * *

(B) shall, after the second year of the ⟦5 year State plan⟧ *6-year period*, conduct a review of activities assisted under this title and submit any revisions of the State plan that the eligible agency determines necessary to the Secretary.

(3) HEARING PROCESS.—The eligible agency shall conduct public hearings in the State, after appropriate and sufficient notice, for the purpose of affording all segments of the public and interested organizations and groups ⟦(including employers, labor organizations, and parents)⟧ *(including charter school authorizers and organizers, employers, labor organizations, parents, students, and community organizations)*, an opportunity to present their views and make recommendations regarding the State plan. A summary of such recommendations and the eligible agency's response to such recommendations shall be included in the State plan.

(b) PLAN DEVELOPMENT.—

(1) IN GENERAL.—The eligible agency shall develop the State plan in consultation with ⟦teachers, eligible recipients, parents, students, interested community members⟧ *academic and vocational and technical education teachers, eligible recipients, charter school authorizers and organizers, parents, students, interested community members (including parent and community organizations), institutions of higher education*, representatives of special populations, representatives of business and industry, and representatives of labor organizations in the State, and shall consult the Governor of the State with respect to such development.

* * * * * * *

(c) PLAN CONTENTS.—The State plan shall include information that—

(1) describes the vocational and technical education activities to be assisted that are designed to meet or exceed the State adjusted levels of performance, including a description of—

(A) the development of model sequences of courses for vocational and technical content areas that—

(i) incorporate both secondary and postsecondary education elements;

(ii) include rigorous and challenging academic content and vocational and technical content in a coordinated, nonduplicative progression of courses;

(iii) lead to a postsecondary 1-year certificate, associate or baccalaureate degree, or a proficiency credential in conjunction with a secondary school diploma; and

(iv) may be adopted by local educational agencies and postsecondary institutions to be offered as an option to students (and their parents as appropriate), when choosing future coursework;

[(A)**]** *(B)* the secondary and postsecondary vocational and technical education programs to be carried out, including programs that will be carried out by the eligible agency to develop, improve, and expand access to quality, state-of-the-art technology in vocational and technical education programs *and how the eligible agency will distribute information identifying eligible recipients that offer elements of the model sequences of courses*;

[(B) the criteria that will be used by the eligible agency in approving applications by eligible recipients for funds under this title;**]**

(C) the criteria that will be used by the eligible agency to evaluate and approve eligible recipients for funds under this title, including criteria to assess the extent to which the local plan will promote continuous and substantial improvement in academic achievement and technical skill attainment;

[(C)**]** *(D)* how such programs will prepare vocational and technical education students*, both academically and technically,* for opportunities in postsecondary education or entry into high skill, high wage jobs in current and emerging occupations**[**; and**]***, and how participating students will be made aware of such opportunities;*

[(D)**]** *(E)* how funds will be used to improve or develop new vocational and technical education courses *aligned with rigorous and challenging academic content*;

[(2) describes how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided;**]**

(F) the process by which, for vocational and technical education programs carried out under this Act, the eligible agency will develop the secondary or postsecondary elements of the model sequences of courses identified by the eligible agency, with an emphasis on rigorous and challenging academic and technical content that, through a progression of courses, leads to a postsecondary 1-year cer-

tificate, associate's or baccalaureate degree, or a proficiency credential in conjunction with a secondary school diploma;

(G) the role that any eligible recipients successfully implementing the activities described in section 135(b)(3) will play in assisting other eligible recipients in establishing agreements and plans for coordinating the offering of model sequences of courses to students at both the secondary and postsecondary levels; and

(H) how funds will be used effectively to link secondary and postsecondary academic and vocational and technical education in a manner that increases student academic and vocational and technical achievement;

(I) how the eligible agency will report the integration of rigorous and challenging academics in vocational and technical education programs in order to adequately evaluate the quality of such integration;

(2) describes how comprehensive professional development (including initial teacher preparation and activities that support recruitment) for vocational and technical, academic, guidance, and administrative personnel will be provided, especially professional development that—

(A) promotes the integration of rigorous and challenging academic and vocational and technical education curriculum development;

(B) increases the percentage of teachers that meet teacher certification or licensing requirements;

(C) increases the academic and industry knowledge of vocational and technical education teachers; and

(D) encourages applied learning that contributes to the academic and vocational and technical knowledge of the student;

(3) describes how the eligible agency will actively involve parents, *academic and vocational and technical* teachers, local businesses (including small- and medium-sized businesses), and labor organizations in the planning, development, implementation, and evaluation of such vocational and technical education programs;

* * * * * * *

(5) describes how the eligible agency will—

(A) improve the academic and technical skills *(especially as pertaining to math, science, and technology)* of students participating in vocational and technical education programs, including strengthening the academic, and vocational and technical, components of vocational and technical education programs through the integration of academics with vocational and technical education to ensure learning in the ❚core academic, and vocational and technical, subjects❚ *core academic subjects (as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11))), and vocational and technical subjects*, and provide students with strong experience in, and understanding of, all aspects of an industry; and

* * * * * * *

(11) provides assurances that none of the funds expended under this title will be used to acquire equipment *and technology* (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the purchasing entity, the employees of the purchasing entity, or any affiliate of such an organization;

(12) provides an assurance that when disposing of equipment acquired with funds under this Act, any personally identifiable information contained in such equipment will be totally destroyed prior to or as part of the disposition;

[(12)**]** *(13)* describes how the eligible agency will report data relating to students participating in vocational and technical education in order to adequately measure the progress of the students, including special populations;

[(13)**]** *(14)* describes how the eligible agency will adequately address the needs of students in alternative education programs, if appropriate;

[(14)**]** *(15)* describes how the eligible agency will provide local educational agencies, area vocational and technical education schools, and eligible institutions in the State with technical assistance;

[(15)**]** *(16)* describes how vocational and technical education relates to State and regional occupational opportunities;

[(16)**]** *(17)* describes the methods proposed for the joint planning and coordination of programs carried out under this title with other Federal education programs;

[(17)**]** *(18)* describes how funds will be used to promote preparation for nontraditional **[**training and employment**]** *fields*;

[(18)**]** *(19)* describes how funds will be used to serve individuals in State correctional institutions;

[(19) describes how funds will be used effectively to link secondary and postsecondary education;**]**

(20) describes how the eligible agency will award grants, on a competitive basis or on the basis of a formula determined by the eligible agency, using funds described in section 112 (a) (1) for activities described in section 135(b)(3);

(21) describes how the eligible agency will carry out measurable, sustainable, and coordinated tech-prep activities in the State (as described in section 135(b)(3)), with funds allocated under section 112(a), that are developed in consultation with the entities described in subsection (b)(1) and that effectively prepare students for post-secondary education or employment in high demand occupations through a seamless program of study consisting of appropriate advanced academic and technical courses that include a minimum of 2 years of secondary school preceding graduation and a minimum of 2 years of higher education or an apprenticeship program of at least 2 years following secondary instruction;

[(20)**]** *(22)* describes how the eligible agency will ensure that the data reported to the eligible agency from local educational agencies and eligible institutions under this title and the data the eligible agency reports to the Secretary are complete, accurate, and reliable; and

[(21)] *(23)* contains the description and information specified in sections 112(b)(8) and 121(c) of Public Law 105–220 concerning the provision of services only for postsecondary students and school dropouts.

[(d) PLAN OPTION.—The eligible agency may fulfill the requirements of subsection (a) by submitting a plan under section 501 of Public Law 105–220.]

[(e)] *(d)* PLAN APPROVAL.—

(1) IN GENERAL.—The Secretary shall approve a State plan, or a revision to an approved State plan, unless the Secretary determines that—

(A) * * *

* * * * * * *

[(f) TRANSITION.—This section shall be subject to section 4 for fiscal year 1999 only, with respect to activities under this section.]

[SEC. 123. IMPROVEMENT PLANS.

[(a) STATE PROGRAM IMPROVEMENT PLAN.—If a State fails to meet the State adjusted levels of performance described in the report submitted under section 113(c), the eligible agency shall develop and implement a program improvement plan in consultation with appropriate agencies, individuals, and organizations for the first program year succeeding the program year in which the eligible agency failed to meet the State adjusted levels of performance, in order to avoid a sanction under subsection (d).

[(b) LOCAL EVALUATION.—Each eligible agency shall evaluate annually, using the State adjusted levels of performance, the vocational and technical education activities of each eligible recipient receiving funds under this title.

[(c) LOCAL IMPROVEMENT PLAN.—

[(1) IN GENERAL.—If, after reviewing the evaluation, the eligible agency determines that an eligible recipient is not making substantial progress in achieving the State adjusted levels of performance, the eligible agency shall—

[(A) conduct an assessment of the educational needs that the eligible recipient shall address to overcome local performance deficiencies;

[(B) enter into an improvement plan based on the results of the assessment, which plan shall include instructional and other programmatic innovations of demonstrated effectiveness, and where necessary, strategies for appropriate staffing and staff development; and

[(C) conduct regular evaluations of the progress being made toward reaching the State adjusted levels of performance.

[(2) CONSULTATION.—The eligible agency shall conduct the activities described in paragraph (1) in consultation with teachers, parents, other school staff, appropriate agencies, and other appropriate individuals and organizations.

[(d) SANCTIONS.—

[(1) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purpose of this Act, based on the State adjusted levels of performance, the Sec-

retary shall work with the eligible agency to implement improvement activities consistent with the requirements of this Act.

[(2) FAILURE.—If an eligible agency fails to meet the State adjusted levels of performance, has not implemented an improvement plan as described in paragraph (1), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (1), or has failed to meet the State adjusted levels of performance for 2 or more consecutive years, the Secretary may, after notice and opportunity for a hearing, withhold from the eligible agency all, or a portion of, the eligible agency's allotment under this title. The Secretary may waive the sanction under this paragraph due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

[(3) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—

[(A) IN GENERAL.—The Secretary shall use funds withheld under paragraph (2), for a State served by an eligible agency, to provide (through alternative arrangements) services and activities within the State to meet the purpose of this Act.

[(B) REDISTRIBUTION.—If the Secretary cannot satisfactorily use funds withheld under paragraph (2), then the amount of funds retained by the Secretary as a result of a reduction in an allotment made under paragraph (2) shall be redistributed to other eligible agencies in accordance with section 111.]

SEC. 123. IMPROVEMENT PLANS.

(a) STATE PROGRAM IMPROVEMENT.—

(1) PLAN.—If a State fails to meet the agreed upon State adjusted levels of performance required under section 113(b)(3), the eligible agency shall develop and implement a program improvement plan (with special consideration to performance gaps identified under section 113(c)(2)) in consultation with the appropriate agencies, individuals, and organizations for the first program year succeeding the program year in which the eligible agency failed to meet the State adjusted levels of performance, in order to avoid a sanction under paragraph (3).

(2) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purpose of this Act, based on the State's adjusted levels of performance, the Secretary shall work with the eligible agency to implement improvement activities consistent with the requirements of this Act.

(3) SUBSEQUENT ACTION.—

(A) IN GENERAL.—If an eligible agency fails to meet the State adjusted levels of performance and the purposes of this Act, has not implemented an improvement plan as described in paragraph (1), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (1), or has failed to meet the State adjusted levels of performance for 2 or more consecutive years, the Secretary may, after notice and opportunity for a hear-

ing, withhold from the eligible agency all, or a portion of, the eligible agency's allotment under this title.

(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The Secretary may waive the sanction in subparagraph (A) due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(4) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—

(A) IN GENERAL.—The Secretary shall use funds withheld under paragraph (3) for a State served by an eligible agency, to provide (through alternative arrangements) services and activities within the State to meet the purposes of this Act.

(B) REDISTRIBUTION.—If the Secretary cannot satisfactorily use funds withheld under paragraph (3), then the amount of funds retained by the Secretary as a result of a reduction in an allotment made under paragraph (3) shall be redistributed to other eligible agencies in accordance with section 111.

(b) LOCAL PROGRAM IMPROVEMENT.—

(1) LOCAL EVALUATION.—Each eligible agency shall evaluate annually, using the local adjusted levels of performance described in section 113(b)(4), the vocational and technical education activities of each eligible recipient receiving funds under this title.

(2) PLAN.—

(A) IN GENERAL.—If, after reviewing the evaluation, the eligible agency determines that an eligible recipient is not making substantial progress in achieving the local adjusted levels of performance, or that an eligible recipient demonstrates under section 113(b)(4)(C) a widening of performance gaps between multiple categories of students served by the eligible recipient in comparison to all students in the State served under the Act, the eligible agency shall—

(i) conduct an assessment of the educational needs that the eligible recipient shall address to overcome local performance deficiencies;

(ii) enter into an improvement plan agreement with an eligible recipient based on the results of the assessment, for the first program year succeeding the program year in which the eligible recipient failed to meet the local adjusted levels of performance, which plan shall demonstrate how the local performance deficiencies will be corrected and include strategies for professional development and instructional and other programmatic innovations of demonstrated effectiveness, giving special consideration to performance gaps identified under section 113(b)(4)(C); and

(iii) conduct regular evaluations of the progress being made toward reaching the local adjusted levels of performance as described in section 113(b)(4) and progress on implementing the improvement plan.

(B) CONSULTATION.—The eligible agency shall conduct the activities described in paragraph (2) in consultation

with teachers, parents, other school staff, appropriate agencies, and other appropriate individuals and organizations.

(3) TECHNICAL ASSISTANCE.—If the eligible agency determines that an eligible recipient is not properly implementing the eligible recipient's responsibilities under section 134, or is not making substantial progress in meeting the purpose of this Act, based on the local adjusted levels of performance, the eligible agency shall provide technical assistance to the eligible recipient to assist such recipient in carrying out the improvement activities consistent with the requirements of this Act.

(4) SUBSEQUENT ACTION.—

(A) IN GENERAL.—If an eligible recipient fails to meet the local adjusted levels of performance as described in section 113(b)(4) and the purposes of this Act, has not implemented an improvement plan as described in paragraph (2), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (2), or has failed to meet the local adjusted levels of performance for 2 or more consecutive years, the eligible agency may, after notice and opportunity for a hearing, withhold from the eligible recipient all, or a portion of, the eligible recipient's allotment under this title.

(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The eligible agency may waive the sanction under this paragraph due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(5) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The eligible agency shall use funds withheld under paragraph (4) to continue to provide (through alternative arrangements) services and activities in the area served by such recipient to meet the purpose of this Act.

SEC. 124. STATE LEADERSHIP ACTIVITIES.

(a) * * *

(b) REQUIRED USES OF FUNDS.—The State leadership activities described in subsection (a) shall include—

(1) an assessment of the vocational and technical education programs carried out with funds under this title that includes an assessment of how the needs of special populations are being met and how such programs are designed to enable special populations to meet State adjusted levels of performance and prepare the special populations for further [learning] *education* or for high skill, high wage careers;

(2) developing, improving, or expanding the use of technology in vocational and technical education*, and the required math and science education,* that may include—

(A) * * *

(B) providing vocational and technical education students with the academic, and vocational and technical skills *(including the math and science knowledge that provides a strong basis for such skills)* that lead to entry into the high technology [and telecommunications field] *fields, including nontraditional fields*; or

* * * * * * *

(3) professional development programs, including providing comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel *at the secondary and postsecondary levels*, that—

(A) will provide inservice and preservice training for vocational and technical education teachers in the integration and use of rigorous and challenging academics with vocational and technical subjects;

(B) are high quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher's performance in the classroom, and are not 1 day or short-term workshops or conferences;

[(A)] *(C)* will provide inservice and preservice training in state-of-the-art vocational and technical education programs and techniques, effective teaching skills based on *scientifically based* research, and effective practices to improve parental and community involvement; [and]

[(B)] *(D)* will help teachers and personnel to [assist students in meeting] *improve student achievement in order to meet* the State adjusted levels of performance established under section 113;

[(C) will support education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to vocational and technical education students to ensure that such teachers stay current with the needs, expectations, and methods of industry; and]

(E) will support education programs for teachers of vocational and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to vocational and technical education students to ensure that teachers and personnel—

(i) stay current with the needs, expectations, and methods of industry;

(ii) meet teacher certification or licensing requirements, especially in core academic subjects as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11));

(iii) effectively develop integrated rigorous and challenging academic and vocational and technical education curriculum;

(iv) develop a high level of academic and industry knowledge and skills of vocational and technical education; and

(v) effectively use applied learning that contributes to the academic and vocational and technical knowledge of the student;

[(D)] *(F)* is integrated with the professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6001 et seq.) and title II of the Higher Education Act of 1965;

(4) support for vocational and technical education programs that improve the academic, and vocational and technical skills of students participating in vocational and technical education programs by strengthening the academic, and vocational and technical components of such vocational and technical education programs through the [integration of academics with vocational and technical education to ensure learning in the core academic,] *provision of rigorous and challenging academics that are integrated with vocational and technical education to ensure achievement in the core academic subjects (as defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11))),* and vocational and technical subjects;

(5) providing preparation for nontraditional [training and employment] *fields*;

(6) supporting partnerships among local educational agencies, institutions of higher education, adult education providers, and, as appropriate, other entities, such as employers, labor organizations, parents, and local partnerships, to enable students to achieve State academic standards, and vocational and technical skills *and complete a model sequence of courses, as described in section 122(c)(1)(A)*;

(7) serving individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; [and]

(8) support for programs for special populations that lead to high skill, high wage careers[.]*; and*

(9) technical assistance for eligible recipients.

(c) PERMISSIBLE USES OF FUNDS.—The leadership activities described in subsection (a) may include—

[(1) technical assistance for eligible recipients;]

[(2)] *(1)* improvement of career guidance and academic counseling programs that assist students in making informed academic, and vocational and technical education decisions;

[(3)] *(2)* establishment of agreements between secondary and postsecondary vocational and technical education programs in order to provide postsecondary education and training opportunities for students participating in such vocational and technical education programs, such as tech-prep programs;

[(4)] *(3)* support for cooperative education;

[(5)] *(4)* support for vocational and technical student organizations, especially with respect to efforts to increase the participation of students who are members of special populations;

[(6)] *(5)* support for public charter schools operating secondary vocational and technical education programs;

[(7)] *(6)* support for vocational and technical education programs that offer experience in, and understanding of, all aspects of an industry for which students are preparing to enter;

[(8)] *(7)* support for family and consumer sciences programs;

[(9)] *(8)* support for education and business partnerships;

[(10)] *(9)* support to improve or develop new vocational and technical education courses *that prepare individuals academically and technically for current and emerging occupations in demand*;

(10) awarding incentive grants to eligible recipients for exemplary performance in carrying out programs under this Act, which awards shall be based on—

(A) eligible recipients exceeding challenging performance measures established under section 113(b) that reflect sustained or significant improvement;

(B) eligible recipients effectively developing connections between secondary education and postsecondary education and training;

(C) the adoption and integration of rigorous and challenging academic and technical coursework;

(D) an eligible recipient's progress in having special populations participating in vocational and technical education programs meet local adjusted levels of performance; or

(E) other factors relating to the performance of the eligible recipient under this Act as the eligible agency determines are appropriate.

(11) providing for activities to support entrepreneurship education and training;

[(11)**]** *(12)* providing vocational and technical education programs for adults and school dropouts to complete their secondary school education; and

[(12)**]** *(13)* providing assistance to students, who have participated in services and activities under this title, in finding an appropriate job and continuing their education.

* * * * * * *

PART C—LOCAL PROVISIONS

SEC. 131. DISTRIBUTION OF FUNDS TO SECONDARY SCHOOL PROGRAMS.

[(a) DISTRIBUTION FOR FISCAL YEAR 1999.—Except as provided in section 133 and as otherwise provided in this section, each eligible agency shall distribute the portion of the funds made available under section 112(a)(1) to carry out this section for fiscal year 1999 to local educational agencies within the State as follows:

[(1) SEVENTY PERCENT.—From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the amount such local educational agency was allocated under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the preceding fiscal year bears to the total amount received under such section by all local educational agencies in the State for such preceding fiscal year.

[(2) TWENTY PERCENT.—From 20 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 20 percent as the number of students with disabilities who have individualized education programs under section 614(d) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)) served by such local educational agency for the preceding fiscal year bears to the total number of such students served by all local educational agencies in the State for such preceding fiscal year.

[(3) TEN PERCENT.—From 10 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 10 percent as the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of all local educational agencies in the State for such preceding fiscal year.]

[(b) SPECIAL] *(a)* DISTRIBUTION RULES [FOR SUCCEEDING FISCAL YEARS].—Except as provided in section 133 and as otherwise provided in this section, each eligible agency shall distribute the portion of funds made available under section 112(a)(1) to carry out this section [for fiscal year 2000 and succeeding fiscal years] to local educational agencies within the State as follows:

(1) * * *

* * * * * * *

[(c)] *(b)* WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Secretary may waive the application of subsection [(b)] *(a)* in the case of any eligible agency that submits to the Secretary an application for such a waiver that—

(1) demonstrates that a proposed alternative formula more effectively targets funds on the basis of poverty (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act [(42 U.S.C. 9902(2))] *(42 U.S.C. 9902(2)))* to local educational agencies within the State than the formula described in subsection (b); and

(2) includes a proposal for such an alternative formula.

[(d)] *(c)* MINIMUM ALLOCATION.—

(1) * * *

* * * * * * *

[(e)] *(d)* LIMITED JURISDICTION AGENCIES.—

(1) * * *

* * * * * * *

[(f)] *(e)* ALLOCATIONS TO AREA VOCATIONAL AND TECHNICAL EDUCATION SCHOOLS AND EDUCATIONAL SERVICE AGENCIES.—

(1) * * *

* * * * * * *

[(g)] *(f)* CONSORTIUM REQUIREMENTS.—

(1) * * *

* * * * * * *

[(h)] *(g)* DATA.—The Secretary shall collect information from eligible agencies regarding the specific dollar allocations made available by the eligible agency for vocational and technical education programs under subsections (a), (b), (c), and (d) and how these allocations are distributed to local educational agencies, area vocational and technical education schools, and educational service agencies, within the State in accordance with this section.

[(i)] *(h)* SPECIAL RULE.—Each eligible agency distributing funds under this section shall treat a secondary school funded by the Bureau of Indian Affairs within the State as if such school were a

local educational agency within the State for the purpose of receiving a distribution under this section.

* * * * * * *

SEC. 133. SPECIAL RULES FOR VOCATIONAL AND TECHNICAL EDUCATION.

(a) * * *

[(b) REDISTRIBUTION.—

[(1) IN GENERAL.—In any academic year that an eligible recipient does not expend all of the amounts the eligible recipient is allocated for such year under section 131 or 132, such eligible recipient shall return any unexpended amounts to the eligible agency to be reallocated under section 131 or 132, as appropriate.

[(2) REDISTRIBUTION OF AMOUNTS RETURNED LATE IN AN ACADEMIC YEAR.—In any academic year in which amounts are returned to the eligible agency under section 131 or 132 and the eligible agency is unable to reallocate such amounts according to such sections in time for such amounts to be expended in such academic year, the eligible agency shall retain such amounts for distribution in combination with amounts provided under section 112(a)(1) for the following academic year.]

[(c)] *(b)* CONSTRUCTION.—Nothing in section 131 or 132 shall be construed—

(1) * * *

* * * * * * *

[(d)] *(c)* CONSISTENT APPLICATION.—For purposes of this section, the eligible agency shall provide funds to charter schools offering vocational and technical education programs in the same manner as the eligible agency provides those funds to other schools. Such vocational and technical education programs within a charter school shall be of sufficient size, scope, and quality to be effective.

SEC. 134. LOCAL PLAN FOR VOCATIONAL AND TECHNICAL EDUCATION PROGRAMS.

(a) * * *

(b) CONTENTS.—The eligible agency shall determine requirements for local plans, except that each local plan shall—

(1) * * *

(2) describe how the vocational and technical education activities will be carried out with respect to meeting State *and local* adjusted levels of performance established under section 113;

(3) describe how the eligible recipient will—

(A) offer the appropriate courses of at least one of the model sequences of courses described in section 124(c)(1), as appropriate to the eligible recipient responsible for that element of the sequence;

[(A)] *(B)* improve the academic and technical skills of students participating in vocational and technical education programs by strengthening the academic, and vocational and technical components of such programs through the integration of *rigorous and challenging* academics with vocational and technical education programs through a coherent sequence of courses to ensure learning in the core academic *subjects (as defined by section 9101(11) of the El-*

ementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11))), and vocational and technical subjects;

[(B)**]** *(C)* provide students with strong experience in and understanding of all aspects of an industry; and

[(C)**]** *(D)* ensure that students who participate in such vocational and technical education programs are taught to the same *rigorous and* challenging academic proficiencies as are taught for all other students;

(4) describe how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided that promotes the integration of rigorous and challenging academic and technical education (including curriculum development);

[(4)**]** *(5)* describe how parents, students, *academic and vocational and technical* teachers, representatives of business and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of vocational and technical education programs assisted under this title, and how such individuals and entities are effectively informed about, and assisted in understanding, the requirements of this title*, including the eligible recipients that offer elements of the model sequence of courses*;

[(5)**]** *(6)* provide assurances that the eligible recipient will provide a vocational and technical education program that is of such size, scope, and quality to bring about improvement in the quality of vocational and technical education programs;

[(6)**]** *(7)* describe the process that will be used to independently evaluate and continuously improve the performance of the eligible recipient;

[(7)**]** *(8)* describe how the eligible recipient—

(A) will review vocational and technical education programs, and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs, for special populations**[**; and**]***;*

(B) will provide programs that are designed to enable the special populations to meet the State adjusted levels of performance; *and*

(C) will provide activities to prepare special populations, including single parents and displaced homemakers, for high skill, high wage occupations that will lead to self-sufficiency;

[(8)**]** *(9)* describe how individuals who are members of the special populations will not be discriminated against on the basis of their status as members of the special populations;

[(9)**]** *(10)* describe how funds will be used to promote preparation for nontraditional training and employment; and

[(10)**]** *(11)* describe how comprehensive professional development (including initial teacher preparation) for vocational and technical, academic, guidance, and administrative personnel will be provided.

SEC. 135. LOCAL USES OF FUNDS.

(a) * * *

(b) REQUIREMENTS FOR USES OF FUNDS.—Funds made available to eligible recipients under this part shall be used to support vocational and technical education programs that—

(1) strengthen the academic, and vocational and technical skills of students participating in vocational and technical education programs by strengthening the academic, and vocational and technical components of such programs through the integration of academics with vocational and technical education programs through a coherent sequence of courses [to ensure learning in the core academic] *as established in the State-developed model sequences of courses described in section 122(c)(1)(A) to ensure learning in the core academic subjects (as defined by section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)))*, and vocational and technical subjects;

(2) link secondary vocational and technical education and postsecondary vocational and technical education, including offering model sequences of courses and implementing tech-prep programs consistent with the activities described in paragraph (3);

(3) support tech-prep programs (if the eligible recipient receives the funds from the eligible agency under section 112(a)(1)) that—

(A) are carried out under an articulation agreement between the participants in a consortium, which shall include—

(i) a local educational agency, an intermediate educational agency or area vocational and technical education school serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

(ii)(I) a nonprofit institution of higher education that offers—

(aa) a 2 or 4-year degree program, or a 2-year certificate program, and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) (except those institutions described in section 102(a)(1)(C) of such Act), including an institution receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) and a tribally controlled postsecondary vocational and technical institution; or

(bb) a 2-year apprenticeship program that follows secondary instruction, if such nonprofit institution of higher education is not prohibited from receiving assistance under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) pursuant to the provisions of section 435(a)(3) of such Act (20 U.S.C. 1083(a)); or

(II) a proprietary institution of higher education that offers a 2-year associate degree program and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002), if such proprietary

institution of higher education is not subject to a default management plan required by the Secretary,

and may include nonprofit organizations that provide eligible recipients with technology and programs to enhance math and science skills, employers, and labor organizations;

(B) consist of a minimum of 2 years of secondary school preceding graduation and a minimum of 2 years of higher education, or an apprenticeship program of at least 2 years following secondary instruction;

(C) meet academic standards developed by the State, including standards developed under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311) for secondary students, and support proficiency in mathematics, science, reading, writing, communications, and technologies;

(D) are comprised of model sequences of courses that integrate rigorous and challenging academics and vocational and technical education;

(E) provide technical preparation in a career field such as engineering technology; applied science; a mechanical, industrial, or practical art or trade; agriculture; health occupations; business; applied economics; advanced manufacturing; or other high-demand occupations as determined by the State;

(F) use, if appropriate and available, work-based or worksite learning in conjunction with academic and vocational and technical education;

(G) use educational technology and distance learning, as appropriate, to involve all the consortium partners more fully in the development and operation of programs;

(H) facilitate and promote close working relationships among eligible recipients to ensure that programs within a geographic area are closely integrated with tech-prep program activities;

(I) are sustainable and use performance indicator data, described in section 113, to inform program quality;

(J) include academic and career counseling for participants that provide information to students (and parents, as appropriate) regarding tech-prep programs and support student progress in completing tech-prep programs;

(K) include in-service training for teachers that—

(i) provides for joint training for teachers in tech-prep programs; and

(ii) is designed to ensure that teachers and administrators stay current with the needs, expectations, and methods of business and all aspects of an industry; and

(L) provide students with transferable credit between the consortium members, as described in subparagraph (A), including through programs that allow secondary programs to be co-located on postsecondary campuses;

[(2)**]** *(4)* provide students with strong experience in and understanding of all aspects of an industry;

[(3)] *(5)* develop, improve, or expand the use of technology in vocational and technical education*, and the related math and science education, which may include—*

(A) * * *

(B) providing vocational and technical education students with the academic, and vocational and technical skills *(including the math and science knowledge that provides a strong basis for such skills)* that lead to entry into the high technology [and telecommunications field] *fields*; or

(C) encouraging schools to [work] *collaborate* with high technology industries to offer voluntary internships and mentoring programs *that improve the math and science knowledge of students*;

[(4)] *(6)* provide professional development programs to [teachers,] *secondary and postsecondary teachers, instructors,* counselors, and administrators, including—

(A) inservice and preservice training in state-of-the-art vocational and technical education programs and techniques, [in effective teaching skills based on research] *in effective integration of rigorous and challenging academic and vocational and technical education, in effective teaching skills based on scientifically based research*, and in effective practices to improve parental and community involvement;

* * * * * * *

[(5)] *(7)* develop and implement evaluations of the vocational and technical education programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;

[(6)] *(8)* initiate, improve, expand, and modernize quality vocational and technical education programs;

[(7)] *(9)* provide services and activities that are of sufficient size, scope, and quality to be effective; and

[(8) link secondary vocational and technical education and postsecondary vocational and technical education, including implementing tech-prep programs.]

(10) provide activities to prepare special populations, including single parents and displaced homemakers, for high skill, high wage occupations that will lead to self sufficiency.

(c) PERMISSIVE.—Funds made available to an eligible recipient under this title may be used—

(1) * * *

(2) to provide career guidance and academic counseling for students participating in vocational and technical education programs*, regarding the range of postsecondary options available, including for adult students who are changing careers or updating skills*;

* * * * * * *

(5) for local education and business partnerships*, including the establishment and operation of special arrangements with*

industry partners that allow qualified industry professionals to serve as faculty in postsecondary programs;

* * * * * * *

(8) for leasing, purchasing, upgrading or adapting equipment, including instructional [aides] *aids*;

(9) for teacher preparation programs *that address the integration of academic and vocational and technical education and* that assist individuals who are interested in becoming vocational and technical education instructors, including individuals with experience in business and industry;

(10) to develop and expand postsecondary program offerings that are accessible by students, including the use of distance education;

(11) to provide activities to support entrepreneurship education and training;

[(10)] *(12)* for improving or developing new vocational and technical education courses*, including development of new proposed model sequences of courses for consideration by the eligible agency and courses that prepare individuals academically and technically for current and emerging occupations that are in demand*;

[(11)] *(13)* to provide support for family and consumer sciences programs;

[(12)] *(14)* to provide vocational and technical education programs for adults and school dropouts to complete their secondary school education;

[(13)] *(15)* to provide assistance to students who have participated in services and activities under this title in finding an appropriate job and continuing their education;

[(14)] *(16)* to support nontraditional training and employment activities; [and]

(17) to provide accurate information relating to the availability of supportive services available in an area served by the eligible recipient , and referral to such services, as appropriate;

(18) to support the activities described in subsection (b)(3); and

[(15)] *(19)* to support other vocational and technical education activities that are consistent with the purpose of this Act.

* * * * * * *

[TITLE II—TECH-PREP EDUCATION

[SEC. 201. SHORT TITLE.

[This title may be cited as the "Tech-Prep Education Act".

[SEC. 202. DEFINITIONS.

[(a) In this title:

[(1) ARTICULATION AGREEMENT.—The term "articulation agreement" means a written commitment to a program designed to provide students with a nonduplicative sequence of progressive achievement leading to degrees or certificates in a tech-prep education program.

[(2) COMMUNITY COLLEGE.—The term "community college"—

[(A) means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965, that provides not less than a 2-year program that is acceptable for full credit toward a bachelor's degree; and

[(B) includes tribally controlled colleges or universities.

[(3) TECH-PREP PROGRAM.—The term "tech-prep program" means a program of study that—

[(A) combines at a minimum 2 years of secondary education (as determined under State law) with a minimum of 2 years of postsecondary education in a nonduplicative, sequential course of study;

[(B) integrates academic, and vocational and technical, instruction, and utilizes work-based and worksite learning where appropriate and available;

[(C) provides technical preparation in a career field such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, health occupations, business, or applied economics;

[(D) builds student competence in mathematics, science, reading, writing, communications, economics, and workplace skills through applied, contextual academics, and integrated instruction, in a coherent sequence of courses;

[(E) leads to an associate or a baccalaureate degree or a postsecondary certificate in a specific career field; and

[(F) leads to placement in appropriate employment or to further education.

[SEC. 203. STATE ALLOTMENT AND APPLICATION.

[(a) IN GENERAL.—For any fiscal year, the Secretary shall allot the amount made available under section 206 among the States in the same manner as funds are allotted to States under paragraph (2) of section 111(a).

[(b) PAYMENTS TO ELIGIBLE AGENCIES.—The Secretary shall make a payment in the amount of a State's allotment under subsection (a) to the eligible agency that serves the State and has an application approved under subsection (c).

[(c) STATE APPLICATION.—Each eligible agency desiring assistance under this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

[SEC. 204. TECH-PREP EDUCATION.

[(a) GRANT PROGRAM AUTHORIZED.—

[(1) IN GENERAL.—From amounts made available to each eligible agency under section 203, the eligible agency, in accordance with the provisions of this title, shall award grants, on a competitive basis or on the basis of a formula determined by the eligible agency, for tech-prep education programs described in subsection (c). The grants shall be awarded to consortia between or among—

[(A) a local educational agency, an intermediate educational agency or area vocational and technical education school serving secondary school students, or a secondary school funded by the Bureau of Indian Affairs; and

[(B)(i) a nonprofit institution of higher education that offers—

[(I) a 2-year associate degree program, or a 2-year certificate program, and is qualified as institutions of higher education pursuant to section 102 of the Higher Education Act of 1965, including an institution receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) and a tribally controlled postsecondary vocational and technical institution; or

[(II) a 2-year apprenticeship program that follows secondary instruction,

if such nonprofit institution of higher education is not prohibited from receiving assistance under part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) pursuant to the provisions of section 435(a)(3) of such Act (20 U.S.C. 1083(a)); or

[(ii) a proprietary institution of higher education that offers a 2-year associate degree program and is qualified as an institution of higher education pursuant to section 102 of the Higher Education Act of 1965, if such proprietary institution of higher education is not subject to a default management plan required by the Secretary.

[(2) SPECIAL RULE.—In addition, a consortium described in paragraph (1) may include 1 or more—

[(A) institutions of higher education that award a baccalaureate degree; and

[(B) employer or labor organizations.

[(b) DURATION.—Each grant recipient shall use amounts provided under the grant to develop and operate a 4- or 6-year tech-prep education program described in subsection (c).

[(c) CONTENTS OF TECH-PREP PROGRAM.—Each tech-prep program shall—

[(1) be carried out under an articulation agreement between the participants in the consortium;

[(2) consist of at least 2 years of secondary school preceding graduation and 2 years or more of higher education, or an apprenticeship program of at least 2 years following secondary instruction, with a common core of required proficiency in mathematics, science, reading, writing, communications, and technologies designed to lead to an associate's degree or a postsecondary certificate in a specific career field;

[(3) include the development of tech-prep programs for both secondary and postsecondary, including consortium, participants in the consortium that—

[(A) meets academic standards developed by the State;

[(B) links secondary schools and 2-year postsecondary institutions, and if possible and practicable, 4-year institutions of higher education through nonduplicative sequences of courses in career fields, including the investigation of opportunities for tech-prep secondary students to enroll concurrently in secondary and postsecondary coursework;

[(C) uses, if appropriate and available, work-based or worksite learning in conjunction with business and all aspects of an industry; and

[(D) uses educational technology and distance learning, as appropriate, to involve all the consortium partners more fully in the development and operation of programs;

[(4) include in-service training for teachers that—

[(A) is designed to train vocational and technical teachers to effectively implement tech-prep programs;

[(B) provides for joint training for teachers in the tech-prep consortium;

[(C) is designed to ensure that teachers and administrators stay current with the needs, expectations, and methods of business and all aspects of an industry;

[(D) focuses on training postsecondary education faculty in the use of contextual and applied curricula and instruction; and

[(E) provides training in the use and application of technology;

[(5) include training programs for counselors designed to enable counselors to more effectively—

[(A) provide information to students regarding tech-prep education programs;

[(B) support student progress in completing tech-prep programs;

[(C) provide information on related employment opportunities;

[(D) ensure that such students are placed in appropriate employment; and

[(E) stay current with the needs, expectations, and methods of business and all aspects of an industry;

[(6) provide equal access, to the full range of technical preparation programs, to individuals who are members of special populations, including the development of tech-prep program services appropriate to the needs of special populations; and

[(7) provide for preparatory services that assist participants in tech-prep programs.

[(d) ADDITIONAL AUTHORIZED ACTIVITIES.—Each tech-prep program may—

[(1) provide for the acquisition of tech-prep program equipment;

[(2) acquire technical assistance from State or local entities that have designed, established, and operated tech-prep programs that have effectively used educational technology and distance learning in the delivery of curricula and services and in the articulation process; and

[(3) establish articulation agreements with institutions of higher education, labor organizations, or businesses located inside or outside the State and served by the consortium, especially with regard to using distance learning and educational technology to provide for the delivery of services and programs.

[SEC. 205. CONSORTIUM APPLICATIONS.

[(a) IN GENERAL.—Each consortium that desires to receive a grant under this title shall submit an application to the eligible agency at such time and in such manner as the eligible agency shall prescribe.

[(b) PLAN.—Each application submitted under this section shall contain a 5-year plan for the development and implementation of

tech-prep programs under this title, which plan shall be reviewed after the second year of the plan.

[(c) APPROVAL.—The eligible agency shall approve applications based on the potential of the activities described in the application to create an effective tech-prep program.

[(d) SPECIAL CONSIDERATION.—The eligible agency, as appropriate, shall give special consideration to applications that—

[(1) provide for effective employment placement activities or the transfer of students to baccalaureate degree programs;

[(2) are developed in consultation with business, industry, institutions of higher education, and labor organizations;

[(3) address effectively the issues of school dropout prevention and reentry and the needs of special populations;

[(4) provide education and training in areas or skills in which there are significant workforce shortages, including the information technology industry; and

[(5) demonstrate how tech-prep programs will help students meet high academic and employability competencies.

[(e) EQUITABLE DISTRIBUTION OF ASSISTANCE.—In awarding grants under this title, the eligible agency shall ensure an equitable distribution of assistance between urban and rural consortium participants.

[SEC. 206. REPORT.

[Each eligible agency that receives a grant under this title annually shall prepare and submit to the Secretary a report on the effectiveness of the tech-prep programs assisted under this title, including a description of how grants were awarded within the State.

[SEC. 207. DEMONSTRATION PROGRAM.

[(a) DEMONSTRATION PROGRAM AUTHORIZED.—From funds appropriated under subsection (e) for a fiscal year, the Secretary shall award grants to consortia described in section 204(a) to enable the consortia to carry out tech-prep education programs.

[(b) PROGRAM CONTENTS.—Each tech-prep program referred to in subsection (a)—

[(1) shall—

[(A) involve the location of a secondary school on the site of a community college;

[(B) involve a business as a member of the consortium; and

[(C) require the voluntary participation of secondary school students in the tech-prep education program; and

[(2) may provide summer internships at a business for students or teachers.

[(c) APPLICATION.—Each consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may require.

[(d) APPLICABILITY.—The provisions of sections 203, 204, 205, and 206 shall not apply to this section, except that—

[(1) the provisions of section 204(a) shall apply for purposes of describing consortia eligible to receive assistance under this section;

[(2) each tech-prep education program assisted under this section shall meet the requirements of paragraphs (1), (2),

(3)(A), (3)(B), (3)(C), (3)(D), (4), (5), (6), and (7) of section 204(c), except that such paragraph (3)(B) shall be applied by striking ", and if possible and practicable, 4-year institutions of higher education through nonduplicative sequences of courses in career fields"; and

[(3) in awarding grants under this section, the Secretary shall give special consideration to consortia submitting applications under subsection (c) that meet the requirements of paragraphs (1), (3), (4), and (5) of section 205(d), except that such paragraph (1) shall be applied by striking "or the transfer of students to baccalaureate degree programs".

[(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal year 1999 and each of the 4 succeeding fiscal years.

[SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

[There is authorized to be appropriated to carry out this title (other than section 207) such sums as may be necessary for fiscal year 1999 and each of the 4 succeeding fiscal years.]

TITLE [III] *II*—GENERAL PROVISIONS

PART A—FEDERAL ADMINISTRATIVE PROVISIONS

SEC. [311] *211*. FISCAL REQUIREMENTS.

(a) SUPPLEMENT NOT SUPPLANT.—Funds made available under this Act for vocational and technical education activities shall supplement, and shall not supplant, non-Federal funds expended to carry out vocational and technical education activities and tech-prep activities.

(b) MAINTENANCE OF EFFORT.—

(1) * * *

* * * * * * *

(3) DEFINITION.—For purposes of this subsection, the term "preceding fiscal year" means the Federal fiscal year or the 12-month fiscal period used by a State for official reporting purposes, prior to the beginning of the Federal fiscal year in which funds are available for obligation by the Secretary.

SEC. [312] *212*. AUTHORITY TO MAKE PAYMENTS.

Any authority to make payments or to enter into contracts under this Act shall be available only to such extent or in such amounts as are provided in advance in appropriation Acts.

SEC. [313] *213*. CONSTRUCTION.

Nothing in this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of a private, religious, or home school, regardless of whether a home school is treated as a private school or home school under State law. This section shall not be construed to bar students attending private, religious, or home schools from participation in programs or services under this Act.

SEC. [314] *214*. VOLUNTARY SELECTION AND PARTICIPATION.

No funds made available under this Act shall be used—

(1) to require any secondary school student to choose or pursue a specific career path or major; and

* * * * * * *

SEC. [315] *215*. LIMITATION FOR CERTAIN STUDENTS.

No funds received under this Act may be used to provide vocational and technical education programs to students prior to the seventh grade, except that equipment and facilities purchased with funds under this Act may be used by such students.

SEC. [316] *216*. FEDERAL LAWS GUARANTEEING CIVIL RIGHTS.

Nothing in this Act shall be construed to be inconsistent with applicable Federal law prohibiting discrimination on the basis of race, color, sex, national origin, age, or disability in the provision of Federal programs or services.

[SEC. 317. AUTHORIZATION OF SECRETARY.

[For the purposes of increasing and expanding the use of technology in vocational and technical education instruction, including the training of vocational and technical education personnel as provided in this Act, the Secretary is authorized to receive and use funds collected by the Federal Government from fees for the use of property, rights-of-way, and easements under the control of Federal departments and agencies for the placement of telecommunications services that are dependent, in whole or in part, upon the utilization of general spectrum rights for the transmission or reception of such services.**]**

SEC. 217. PARTICIPATION OF PRIVATE SCHOOL CHILDREN.

(a) PARTICIPATION ON EQUITABLE BASIS.—

(1) IN GENERAL.—To the extent consistent with the number of children in the school district of a local educational agency that is eligible to receive funds under this Act, or that serves the area in which a program assisted under this Act is located, who are enrolled in private nonprofit elementary schools and secondary schools, or, with respect to instructional or personnel training programs funded by an eligible agency, the local educational agency, after consultation with appropriate private school officials—

(A) shall provide, on an equitable basis and as may be necessary, for the benefit of such children in such schools, secular, neutral, and nonideological services (or other benefits), materials, and equipment, including the participation of the teachers of such children (and other educational personnel serving such children) in training programs; or

(B) if such services, materials, and equipment are not feasible or necessary in one or more such private schools (as determined by the local educational agency after consultation with the appropriate private school officials), shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this Act.

(2) APPLICATION OF REQUIREMENTS.—The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs carried out under this Act by an eligible agency or local educational agency, whether directly or through grants to, or

contracts with, other public or private agencies, institutions, or organizations.

(b) EQUAL EXPENDITURES.—

(1) IN GENERAL.—Expenditures for programs under subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this Act for children enrolled in the public schools of the local educational agency.

(2) CONCENTRATED PROGRAMS.—When funds available to a local educational agency under this Act are used to concentrate programs on a particular group, attendance area, or grade or age level, the local educational agency shall, after consultation with the appropriate private school officials, assure the equitable participation in both the purposes and benefits of such programs for children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, taking into account the needs of the individual children and other factors that relate to the expenditures referred to in paragraph (1).

(c) ADMINISTRATIVE REQUIREMENTS.—

(1) FUNDS, MATERIALS AND EQUIPMENT.—

(A) FUNDS.—The control of funds expended under this section shall be administered by a public agency.

(B) MATERIALS AND EQUIPMENT.—The title to materials and equipment provided under this section, shall remain with a public agency for the uses and purposes provided in this Act

(2) PROVISION OF SERVICES.—Services provided under this Act shall be provided by employees of a public agency or through contract by such a public agency with a person, association, agency, organization, institution or corporation that, in the provision of such services, is independent of the private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such a public agency. The funds utilized under this section shall not be commingled with State or local funds.

(3) TIMING AND CONTENT OF CONSULTATION.—The consultation required under this section shall include meetings of agency and private school officials and shall occur before the eligible agency and local educational agency makes any decision that affects the opportunities of eligible private school children to participate in programs under this Act. Such meetings shall include a discussion of service delivery mechanisms (including third party contractors) and shall continue throughout implementation and assessment of services under this Act.

(d) WAIVER AND BYPASS PROCEDURES.—

(1) STATE PROHIBITION.—If an eligible agency or local educational agency is prohibited, by reason of any provision of law, from providing for the participation in programs of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c), the Secretary shall waive such requirements for the agency involved and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

(2) FAILURE TO COMPLY.—If the Secretary determines that an eligible agency or a local educational agency has substantially failed, or is unwilling, to provide for the participation on an equitable basis of children enrolled in private elementary schools and secondary schools as required by subsections (a) through (c), the Secretary may waive such requirements and shall arrange for the provision of services to such children through arrangements that shall be subject to the requirements of this section.

(3) PAYMENT FROM STATE ALLOTMENT.—When the Secretary arranges for services under this subsection, the Secretary shall, after consultation with the appropriate public school and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the eligible agency under this Act.

(4) DURATION OF DETERMINATION.—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the Act of the eligible agency or local educational agency to meet the requirements of subsections (a) through (c).

(5) REVIEW OF DETERMINATION.—The Secretary shall not take any final action under this section until the eligible agency and the local educational agency affected by such action have had an opportunity, for not less than 45 days after receiving written notice thereof, to submit written objections and to appear before the Secretary or the Secretary's designee to show cause why that action should not be taken.

(e) WITHHOLDING OF ALLOTMENT OR ALLOCATION.—Pending final resolution of any investigation or complaint that could result in a waiver under subsection (d)(1) or (d)(2), the Secretary may withhold from the allotment or allocation of the affected eligible agency or local educational agency the amount estimated by the Secretary to be necessary to pay the cost of services to be provided by the Secretary under such subsection.

(f) PRIOR DETERMINATION.—Any bypass determination by the Secretary under Title I or Title IX of the Elementary and Secondary Education Act of 1965 shall, to the extent consistent with the purposes of this Act, apply to programs under this Act until such determinations terminate or expire.

SEC. [318] *218*. PARTICIPATION OF PRIVATE SCHOOL PERSONNEL.

An eligible agency or eligible recipient that uses funds under this Act for inservice and preservice vocational and technical education professional development programs for vocational and technical education teachers, administrators, and other personnel may, upon request, permit the participation in such programs of vocational and technical education teachers, administrators, and other personnel in nonprofit private schools offering vocational and technical education programs located in the geographical area served by such agency or recipient.

PART B—STATE ADMINISTRATIVE PROVISIONS

SEC. [321] *221.* JOINT FUNDING.

(a) GENERAL AUTHORITY.—Funds made available to eligible agencies under this Act may be used to provide additional funds under an applicable program if—

(1) such program otherwise meets the requirements of this Act and the requirements of the applicable program;

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SEC. [322] *222.* PROHIBITION ON USE OF FUNDS TO INDUCE OUT-OF-STATE RELOCATION OF BUSINESSES.

No funds provided under this Act shall be used for the purpose of directly providing incentives or inducements to an employer to relocate a business enterprise from one State to another State if such relocation will result in a reduction in the number of jobs available in the State where the business enterprise is located before such incentives or inducements are offered.

SEC. [323] *223.* STATE ADMINISTRATIVE COSTS.

(a) GENERAL RULE.—Except as provided in subsection (b), for each fiscal year for which an eligible agency receives assistance under this Act, the eligible agency shall provide, from non-Federal sources for the costs the eligible agency incurs for the administration of programs under this Act an amount that is not less than the amount provided by the eligible agency from non-Federal sources for such costs for the preceding fiscal year.

(b) EXCEPTION.—If the amount made available for administration of programs under this Act for a fiscal year is less than the amount made available for administration of programs under this Act for the preceding fiscal year, the amount the eligible agency is required to provide from non-Federal sources for costs the eligible agency incurs for administration of programs under this Act shall be the same percentage as the amount made available for administration of programs under this Act.

SEC. [324] *224.* LIMITATION ON FEDERAL REGULATIONS.

The Secretary may issue regulations under this Act only to the extent necessary to administer and ensure compliance with the specific requirements of this Act.

SEC. [325] *225.* STUDENT ASSISTANCE AND OTHER FEDERAL PROGRAMS.

(a) ATTENDANCE COSTS NOT TREATED AS INCOME OR RESOURCES.—The portion of any student financial assistance received under this Act that is made available for attendance costs described in subsection (b) shall not be considered as income or resources in determining eligibility for assistance under any other program funded in whole or in part with Federal funds.

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ADDITIONAL VIEWS

Committee Democrats view Federal support for vocational and technical education as a critical means of ensuring that our workforce is well trained for the jobs of the present and the future. Vocational and technical education programs funded under the Carl D. Perkins Vocational and Technical Education Act provide the training and skills for high school and community college students to prepare for post-secondary education and employment and to ensure their future financial success.

While we supported H.R. 4496, we believe it is unfortunate that President Bush has attempted to undermine this program through proposals for massive spending cuts totaling nearly $700 million since he took office. We have lost 1.7 million private sector jobs since the start of the Bush Administration. Hundreds of thousands of American jobs have been outsourced to other countries. The Bush Administration's response has been to cut funding for vocational and technical education. Rather than shortchange our students and workers, we need to invest in them.

Outsourcing has been one of the most persistent problems for the American worker. Representatives Holt and Wu offered an amendment intended to stem the tide of outsourcing American manufacturing jobs. Specifically, the amendment would establish a federal fund for local programs that seek to give American manufacturing workers additional skills and educational training. These funds would be used to provide competitive grants to states with high levels of unemployment in the manufacturing sector. States would then offer grants on a competitive basis to local consortiums of K–12 schools, institutions of higher education, advanced manufacturing industries, and employer and labor organizations. Each grant recipient would conduct a needs analysis of their local workforce, and provide training to individuals seeking to work in advanced manufacturing vocations. Unfortunately, the amendment was defeated in committee on a party line vote.

The amendment offered by Chairman Boehner will not provide any new funding or collaboration for advanced manufacturing education. Without properly addressing this issue American workers and their employers will not be prepared to compete in the global economy. The majority's amendment will do nothing to stop the outsourcing of jobs and stubbornly high unemployment rates. As jobs go overseas and plants close, American workers need the proper education and training to give them the skills to work in advanced manufacturing industries.

In addition, the Committee Republicans rejected Democratic attempts to authorize President Bush's new $250 million program to improve job training at community colleges. Representative Kind offered an amendment to establish the very program which President Bush proposed in his FY 2005 Budget last February. Rather

than use this as an opportunity to reinforce the leadership role that many of our community colleges provide, Republicans, on a party-line vote, rejected President Bush's proposal.

Also, the Committee bill does not adequately respond to the needs of those in correctional institutions, or ex-offenders. In 1998, this Committee voted along party lines to decrease the funds available to states for vocational and technical education in correctional institutions and institutions that serve individuals with disabilities. We still believe these cuts were unwise, especially considering that there has been a 10% increase in the number of individuals being released from correctional institutions and re-entering communities. This number will continue to rise. It is estimated that 600,000 individuals will be re-entering communities across the country each year. Representative Danny Davis (D–IL) offered an amendment to allow States to use up to 3% of their State Leadership funds, an increase of 2% over current law. This amendment was defeated along party lines.

The availability of vocational and technical education programs in correctional institutions has a direct impact on public safety. The Department of Justice reported that 62% of individuals released from state prisons will be re-arrested within three years and 40% will be re-incarcerated. Due to the low education level of the ex-offender population, additional teaching and job training is needed to ensure success rather than failure and to decrease the likelihood that an individual will re-offend. Correctional institutions should have the tools and the flexibility they need to prepare formerly incarcerated individuals for return to society. It is unfortunate that the Majority is unwilling to provide this flexibility as an investment in public safety.

Representative Hinojosa proposed an amendment allowing the use of Perkins funds for Graduation and Career Plans, but withdrew it after the Majority said it would not support the amendment.

The bill does not adequately address the increasing rate of high school dropouts. Roughly 30 percent of all students who should be earning high school diplomas are not and the rate for African American and Hispanic students is dire. The amendment would help ensure that high school students graduate prepared for post-secondary education and the workplace.

The record of the subcommittee hearing supports the Hinojosa amendment. For example, Roberta White, Ph.D., President and CEO, Great Oaks Institute of Technology and Career Development testified in support of career plans:

> Our third significant improvement is an individualized Academic Plan for each student. For a successful education, we are customizing each student's career path, constantly measuring student progress, and providing counseling and other support services. Perkins funding is extremely helpful in enabling us to meet students' needs for career counseling and other support services. Starting with the coming year, students, parents, teachers and counselors will agree on a plan that outlines what that student needs to graduate and continue on a specific career path.

> It is the optimum way to ensure that students receive the education they need to continue on to a productive career.

(Hearing on "Examining Success in Vocational Education," April 27, 2004).

During the June 23rd hearing on "No Child Left Behind: Raising Achievement in America's Big City Schools", Dr. Marcus Newsome, superintendent of Newport News County Public Schools, told the Committee that Newport News reduced the percentage of seniors at risk of not graduating from 30 percent to 1 percent by instituting individualized academic plans to lead to graduation.

National advocates who support including graduation and career plans in the Perkins reauthorization include, The Alliance for Excellent Education, America's Career Resource Network, Association for Career and Technical Education, Learning Disabilities Association of America, American School Counselor Association, National Association of State Directors of Career Technical, Education Consortium, National Association of State Directors of Special Education, National Education Association, Project Lead the Way, The Hispanic Education Coalition.

We urge the Majority to include the Hinojosa amendment.

Lastly, Democrats remain concerned about the consolidation of the Tech Prep program funding into the Basic State Grant. While we agree that the program faced challenges with implementation, we contend that the flaw in implementation throughout the country is due mainly to the inadequacy of the definition of Tech Prep in current law and the lack of program quality controls. H.R. 4496 requires each state to set-aside the same level of funding for Tech Prep as was allocated in FY 04 and requires local recipients to use those funds for Tech-Prep like activities. It is unclear whether the changes in H.R. 4496 will lead to any substantive improvements to the Tech Prep program. Representative Tierney offered an amendment to restore the Tech Prep program as a separate program. The amendment received bipartisan support but did not pass. Democrats support additional oversight of the Tech Prep program at the state and federal level upon reauthorization of the Perkins Act.

GEORGE MILLER.
TIMOTHY BISHOP.
RUSH HOLT.
RAUL M. GRIJALVA.
DENNIS J. KUCINICH.
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BETTY MCCOLLUM.
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DANNY K. DAVIS.
DENISE L. MAJETTE.
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ROBERT C. ANDREWS.
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JOHN F. TIERNEY.
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