

May 2, 1994

**MEMORANDUM**

TO: Governor Kunin

FR: Mike Cohen

RE: Political strategy for implementing Goals 2000

I am very glad that you have agreed to provide leadership for the development and implementation of a political strategy to support implementation of Goals 2000--our overall implementation effort won't succeed unless we get this aspect of it right, and we very much need your help in getting it right. We agreed on Friday that I would try to capture in writing some of the issues we discussed regarding the development of a political strategy to support the implementation of Goals 2000. This memo attempts to do that, and also captures some additional thoughts stimulated by our conversation. In this first cut, I have defined things as broadly as possible, recognizing that in subsequent conversations we will need to bring things into sharper focus.

Our conversation focused on three main themes:

- Challenges we face
- Organizing the right internal players
- Identifying the most critical external players

**Challenges**

It seems to me that the political challenges we face fall into several related categories:

- *What must we accomplish by 1996?* In some sense, this is the most basic and overarching question--what do we think we will be held accountable for by the end of this term? What must we do now to shape these expectations so they are as appropriate as possible? How do we make sure we get credit for what we accomplish?

We will need to work through a number of ways to approach this. Several of our conversations have implicitly focused in terms of the number of schools we reach

through Goals 2000 and other elementary and secondary programs--how many schools are in the midst of substantial reform as a result of our efforts? There are other ways we could approach this as well, each with a different set of tradeoffs to consider. For example, we could think in terms of performance--how much improvement has there been in student performance as a result of our efforts? This fits our overall view of accountability for results, though it is clear that we are unlikely to see much change over the next two years--and even less likely to be able to produce evidence of improvement even if it occurs, given the kinds of data that are available. We could also approach this in terms of "softer" indicators of impact--the extent to which public support for public education increases, the overall climate of support for education reform, the extent to which the public and educators believe we are on the right track and are confident we will eventually get someplace.

• *How do we help build broad understanding of and support for our reform agenda?* We know that we haven't come close to succeeding in explaining the idea of standards and systemic reform to educators and the public in a way that broadens and deepens either understanding or support. We've got to turn this around. This is especially true because our opponents (the fundamentalist far right and Republican opponents) do define our agenda in very clear and convincing (though wholly inaccurate) terms.

There will be a battle nationally and at the state and local level, to capture a large middle ground of parents and others who are: (1) concerned about ill-defined education reforms; (2) skeptical of anything the federal government or state governments try to do; (3) mildly populist in their orientation and see "systemic" efforts as little more than feeding the bureaucracy; (4) may not see the need for change--especially if they are upper middle class and see change as a threat to their children's educational and career paths; or (5) susceptible to silver bullet solutions such as vouchers, charter schools or contracting out (absent a broader policy context of standards and systemic reform).

This is where external allies such as the business groups, chiefs and governors who have been fighting the anti-obe forces, and others, can be quite helpful, by sharing what they've learned about what works and doesn't work, etc.

At the same time, there is still much work to be done to build support among the civil rights and advocacy communities, concerned about disadvantages and LEP students, students with disabilities or special needs, etc. These groups have

remained skeptical of our reform agenda, concerned that increased standards may further disadvantage those already most disadvantaged educationally, and that the resources required to help them meet the standards will never materialize.

- *How do we capitalize on the Goals 2000 community project to get our message out, mobilize support, and integrate community efforts with the implementation of the legislation?* We've known for the past year that the communities and communication mechanisms we inherited from the previous Administration are a potential resources to support our efforts. However, I'm not sure we have yet figured out how to best take advantage of this resource, or to clearly explain how it relates to the legislation we just passed. Mary Ann Schmidt has been hard at work on this. I have attached a copy of her draft plan, which gives us something to start with and build upon. As we think this one through, I hope we can figure out how to use this to deal directly with some of the issues I raised on the previous topic.

- *How do we transform the coalition of constituency groups that helped us get the bill passed into a coalition that continues to work together to support implementation at the local and state level?* I think there is a two-part challenge here, both of which seem relatively manageable. One is to develop a strategy with each of the constituency groups, to help provide their members with information about the bill, opportunities for their involvement, where they can get information and other resources to help them address implementation issues, etc.

The second is to see if we can get at least a core group of these organizations to overcome the natural tendencies to fight with each other at the local and state level, and instead work toward building coalitions that support each other. There are some obvious natural alliances here--the business groups and the governors, for example. There are some other natural allies who often are also natural opponents--governors and chiefs, for example--who may need help keeping their eyes on the big picture. And there may be some interesting alliance we might try to build--the chamber of commerce and the PTA, for example, both of which supported the bill but don't have much to do with each other, nationally or locally. I think if we can begin to knit some of these organizations together into an ongoing alliance, we can begin to identify grassroots supporters, and help them find each other.

There may be ways we can use some of our discretionary money to support these kinds of alliances, and use them to provide assistance to state and local efforts.

• *How do we build support in Congress for the appropriations we are requesting?* This is an annual issue, and one for the whole Department, not just Goals 2000? However, there are some unique challenges for this program, simply because it is new and doesn't have a natural, large constituency of people who are already getting funding under this program. However, if the appropriation remains closer to the FY 94 level rather than the significant increase the President requested, than we will have a very hard time accomplishing either our programmatic or our political purposes. In the short run, this means we need a strategy targeted on the subcommittee members, probably relying heavily on constituents in their home districts who understand and are already involved in Goals 2000-type reforms and who hope to get Goals 2000 funds. We also need to enlist as much support as we can from the constituency groups, and from our strongest supporters on the authorizing committees.

### Organizing the Internal Players

We are not yet well organized to address these issues in a serious fashion. We don't have a core of people with the necessary experience, perspective and status to provide the needed leadership on the issues described above. These are among the strengths you bring to the task. And while we do have some of the critical offices--such as OIA and OPA--involved in the implementation process, at present I believe they bring a greater capacity to implement parts of a political strategy than to fashion one on their own.

I'm still not sure how best to proceed to bring the right people into the process, or how to organize them most effectively. However, some things are clear.

First, I think we need some sort of very small and informal "working group" or "brain trust" to help guide the effort, keep it focused and on track, and provide the necessary leadership when the inevitable crises occur. Whatever mechanism we do set up should be informal, rather than involve the creation of a formal group with fixed membership. I propose that we start with you and I and whoever on your staff you think appropriate to involve, and Terry Peterson, Jennifer Davis, and Tom Payzant.<sup>1</sup> Once we get a better feel for how we will proceed I anticipate that this group will expand in size somewhat--and not have any fixed membership.

<sup>1</sup> Terry brings a combination of a good understanding of the substantive agenda, an understanding of state politics, and good ties to many of the external networks and constituencies we need to relate to. Jennifer also brings good political instincts, a history of working with all of the constituency groups that supported Goals 2000, and an important role in the implementation process. As our political discussions proceed, I see Jennifer playing a major role in overseeing and supporting the implementation of the strategies we develop. Tom will bring a good sense of the internal dynamics of the implementation process, and can help make sure we don't inadvertently step on the toes of other Senior Officers as we proceed.

This group should meet soon--Ideally sometime this week, to review the political challenges we've identified, and to help us figure out who we need to involve and how we might best accomplish this. To help get us started at this meeting, you and I should make whatever revisions are necessary to the list of issues described above, and decide on the people we must involve at the outset.<sup>2</sup>

Second, we need to make sure that we maintain the Goals 2000 Management Council's overall responsibility and accountability for implementation. This means regular communication with the Management Council; it also means that the group we are talking about must be in the business of providing guidance to the Management Council and, with the Council, to the various teams and offices with implementation responsibilities. It also means we need to proceed carefully in defining the relationship between what will be an ad hoc group and a more formally constituted though nonetheless fluid group. I haven't been able to figure out how best to do this.

### External Groups

There are a number of external groups and players who can be important allies in our effort. These include:

*Our core supporters in the legislative process.* The principal groups we worked closely with during the legislative process include the AFT, CCSSO, NGA (though not consistently) and the Business Coalition for Education Reform (led by NAB and including BRT, NAM, the Chamber of Commerce, and others.) We also relied heavily on the arts groups.

Other key supporters include the NEA, PTA, NCSL and NASBE, though these were generally less enthusiastic and committed than those listed above.

*State officials, and education reformers who have faced the same political challenges we do, and those who have been helping them.* I would include here chiefs, governors, legislators, business leaders and others in states who have

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<sup>2</sup>There are a number of people I know we need to involve in some fashion. Kay Kahler, Henry Smith and Mary Ann Schmidt will be critical to much of what we want to accomplish. Billy Webster and Andy Favin were often good political sounding boards throughout the legislative process, and I believe they can continue to be helpful. Kay Casstevens has an important role to play in Congressional strategy for appropriations, and for how our overall approach will play on the Hill. The other members of the Goals 2000 Management Council--Sharon Robinson, Gussie Kanner, Gene Garcia, and Judy Humann--all relate to important constituencies and have pivotal roles in the implementation of Goals 2000. Other Senior Officers, such as Norma Cantu, also have important contributions to make. Finally we need to determine if there is anyone at the White House we want to involve on a regular basis.

I simply can't figure out how to make the best use of most of these people--which is precisely why I think we need a small meeting first.

faced stiff opposition from the far right, as well as some of the reform networks (e.g., Ted Sizer's group, NASDC) who have also faced similar challenges. I would also include groups such as the Public Agenda Foundation, which have been working to develop strategies for building public understanding and support in selected states and communities.

### **Conclusion**

I hope this captures what we discussed on Friday, and helps us move forward a bit more. I look forward to working with you.



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE SECRETARY

MEMORANDUM FOR THE PRESIDENT

FROM: Richard W. Riley  
Secretary of Education

SUBJECT: Goals 2000 Legislation

Overview of Goals 2000: Educate America Act

The legislation does the following:

- o It codifies in federal law the National Education Goals and the objectives for each goal. With the exception of the addition of the arts and foreign languages into the student achievement goal, the language is exactly as adopted by the NGA.
- o It establishes the National Education Goals Panel. The legislation adds state legislators to the Panel, which is a provision that was included in last year's legislation and accepted by the Governors. Otherwise, the bill maintains the same composition and partisan balance of the panel as it currently operates.
- o It establishes a National Education Standards and Improvement Council. The Council is responsible for overseeing the development of voluntary national content standards and "opportunity-to-learn" standards, and for creating the criteria for certifying state assessment systems consistent with the content standards.
- o It provides a \$400 million grants program for states to develop and implement comprehensive education reform plans designed to help all students meet challenging content standards. The bill provides funds for states and local communities to build partnerships for sustained, ten year comprehensive efforts to overhaul the entire education system so that all students can be helped to meet challenging standards.
- o It provides for flexibility from a set of federal rules and regulations if waivers are needed in order to implement the plan.

*Worksheets*  
*File* →  
**Controversial Issues:**

In the development of the legislation, there were a number of controversial issues we had to address:

o The Composition of the Goals Panel: There is very strong feeling among House Democrats that there ought to be an overall majority of Democrats on the Panel, to be accomplished by having equal representation of Democratic and Republican Governors. They also feel strongly that the President ought to appoint the Panel chair, rather than the Governors.

The legislation as proposed maintains the Panel in its current form, which is revised from when initially established but fully supported by NGA on a bipartisan basis.

o The role of Governors in developing the state reform plan: The proposed legislation gives each Governor responsibility for appointing half of the members to a broad based panel within their state, with responsibility of developing the overall state reform plan. The other half are to be appointed by the chief, an arrangement negotiated with NGA and CCSSO. There are two issues here: (1) House Democrats want the Governor removed from any role in the state education reform process; (2) Legislatures and State Boards of Education want to ensure appropriate roles which recognize their responsibilities under state constitutions.

The House Democrats have agreed to keep the Governor in the process as currently conceived. We have provided for the participation of legislatures and state boards of education on the state reform planning panel.

o The uses of tests: The proposed legislation advances the development of assessments linked to voluntary national content standards in a number of ways: (1) it authorizes the Standards Council to develop criteria for certifying state assessment systems, where the tests are to be used for improving instruction, informing parents, students and teachers about student progress, school accountability, and public reporting; (2) provides funds to underwrite the development and field testing of new assessments; (3) encourages states to develop and use new assessments, linked to challenging state or national content standards, as part of their state plans.

It also contains several restrictions: (1) The Standards Council cannot certify tests to be used for "high stakes" (e.g., making promotion, retention or graduation decisions about individual students) during the five years for which this bill is authorized; (2) states may not use funds provided by this bill to undertake high stakes testing.

These restrictions leave states free to develop or use testing for high stakes purposes, so long as they use their own funds. In our judgment, the practical effects of these restrictions are minimal. As best as we can determine, there may be no states planning on using tests that reflect more challenging content for high stakes purposes in this time period.

o Length and level of authorization: The initial legislative proposal envisioned a ten year authorization, with \$420 million authorized in the first year. House Democrats strongly preferred either folding this bill into the reauthorization of ESEA or, if a separate bill, a two year, \$100 million authorization. The legislation as proposed is a five year authorization, with \$420 authorized in the first year.

o Funding for ESEA: The biggest concern of House Democrats has been that this legislation not divert funds from ESEA. Mr. Kildee asked for an Administration commitment for an additional \$2 billion for ESEA in FY 95. We have simply noted the request.

### Political Analysis

The initial draft of this bill met substantial opposition from Democrats on the House Elementary and Secondary Education subcommittee. In general, they would prefer to not have this bill at all, and instead substantially expand ESEA, with additional programs and funds. Alternatively, they would have preferred a much smaller, two-year bill. More specifically, they have been strongly opposed to any form of testing which has consequences for under students -- unless and until there is a completely level playing field.

The present version of the bill is one that Bill Ford and Dale Kildee can live with, and can bring others to support.

We have good support in the Senate, and can pick up Republican support as well. There will still be some rough spots along the way. With your help, though, I believe we can get this passed in the near future.

It is very important to have the bill introduced within the next week and acted upon quickly. Otherwise we will diminish the chance of Securing appropriations.



## UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

OESE - Briefing January 23, 1993

### BASIC FACTS

The Office of Elementary and Secondary Education oversees some 37 programs with a combined budget for Fiscal Year 1993 of just over \$9 billion. These programs represent the largest financial contribution this department makes to achieving the national goals for education. OESE consists of five program components which administer the programs:

|                                 |                |                 |
|---------------------------------|----------------|-----------------|
| Compensatory Education Programs | \$6367 million | (\$6.4 billion) |
| Impact Aid Programs             | \$ 750 million | (\$ .8 billion) |
| School Improvement Programs     | \$1506 million | (\$1.5 billion) |
| Migrant Education Programs      | \$ 313 million | (\$ .3 billion) |
| Office of Indian Education      | \$ 77 million  | (\$ .1 billion) |

### Problems and Opportunities

- o Reauthorization of all OESE programs. If ED wishes the 1994 budget to reflect new directions, reauthorization issues must be decided very soon.  
*As a constraint for reform / Quality of classroom then files in office*
- o Use of 1990 census for distribution of Chapter 1 funds reduces allocations to some States by \$416 million. These states may seek a supplemental appropriation.
- o \$20 million in unreleased supplemental funds for Hurricane Andrew relief remains. It is not clear if current plans by Dade County support release of these funds. (\$62 million distributed so far).
- o Contract for migrant record transfer system is required to be competed this year- now at Arkansas SEA. Migrant State Directors are seeking delay in the competition.
- o The position of Director, Indian Education, has been vacant since July. Selection is at impasse with the Indian Education Advisory Committee.
- o Shortage in S & E funds--short \$777,000 in projected payroll, and also adequate funds for field readers for competitive programs.

- o Several interagency and intraagency linkages should be reaffirmed. These include the continuing dialogue between Chapter 1 and Head Start; contacts with Bureau of Indian Affairs on Indian Education issues; contacts between OESE and OERI for math/science issues, and OESE and OSERS on Chapter 1 and Special Education Issues; and, memoranda of understanding between ED, Labor, and Agriculture.

#### Regulations, Meetings

- o Three major regulations pending. Proposed revisions to Drug Free Community schools; draft final regulations for drug free counselor training grants, and draft final regulations for territorial teaching program.

#### Administrative/Legal Actions

- o Church/State issues lawsuit over use of Federal funds to serve children in religiously affiliated schools - Chapter 1. (OGC will amplify.)
- o Impact Aid requires validation of state equalization plans for per pupil expenditure. Three States at issue--AZ, KS, ME. Failure to validate jeopardizes certification for award of Impact Aid funds to LEAs.
- o Selection of Presidential Scholars in April by a 35 member commission appointed by President Bush, and chaired by Gov. Engler of Michigan. The new administration may wish to appoint a new commission to make the selections, or provide some form of direction to the existing commission.

#### Grant Cycles

- o Earliest due date 1/22 for Indian Ed. others follow through out the year.

#### Personnel Issues

- o Lack of Director, Indian Education Program.
- o OESE is over its ceiling on number of staff. It is difficult to fill key posts with current staff.
- o A recent employee survey identified a number of opportunities to improve staff morale.
- o There is difficulty in filling staff positions in Indian Education. It is hard to recruit from outside Washington for lower level positions.

To: Tom Corwin  
As discussed.  
Thanks.

Barry

MEMORANDUM FOR THE ACTING DIRECTOR

Through: Belle Sawhill  
From: Barry White  
Subject: Status of the Elementary and Secondary Education Act (ESEA)  
Reauthorization - S. 1513/H.R. 6

This memorandum provides summary information on the ESEA reauthorization. More complete analysis will be provided after Senate action.

The House bill passed <sup>3/29/94</sup>. The Senate began floor action today but at this writing, Senator Helms has put a hold on, delaying action at least until Friday, 7/29. I understand the "hold" is off, that they are proceeding today.

Background to the reauthorization

- o ESEA is an omnibus statute covering dozens of programs funded at over \$10 billion annually (a third of Education's funding). The largest is Chapter 1 (aka Title I): FY 1994 BA: \$6.9 billion; 5 million children in 90 percent of school districts receive some form of remedial education through Title 1.
- o Evaluations for decades found no compelling evidence of significant Title I impact on educational achievement, but the program funnels billions to many (poor) districts and demonstrates concern for the education of poor and low performing students. General improvements in the basic skills of low-income children are attributed in part to Title I.
- o Large-scale outside and ED evaluations reporting in 1992 verified the lack of major impact and identified causes (e.g., narrow focus on remediation, diffuse funding, separation from mainstream education, low standards; minimal accountability); the findings informed the design of the Administration's proposal.

The Administration Proposal (The "Improving America's Schools Act" sent to Congress September 1993)

- o Its principles are tied to Goals 2000 and, in effect, its monies are intended to facilitate implementation of Goals. No current program is left unchanged.
- o Title I amendments shift from special programs for low-performing students to raising standards and achievement for all students. They establish meaningful

particularly by improving the schools that enroll large concentrations of low-income children.

accountability requirements tied to results rather than process, new assessments for children, corrective action for poor school and district performance, teacher training tied to school standards, and greater use of "schoolwide programs" option. The funding formula would shift more to the poorest districts. Accountability is emphasized with new forms of student assessment and school and district responsibility for improvement.

*which focuses on improving schools in low-income areas, rather than selecting individual students for special services.*

*focused on the core academic subjects*

- o Title II would create a teacher and administrator training authority to replace current math/science teacher training and a general block grant for school improvement. Dozens of current separate technical assistance centers are merged into one comprehensive system.
- o To secure consideration of major changes, especially the formula, the Administration committed in the summer of 1993 to a \$700 million increase for Title I in the FY 1995 Budget. This is an investment item.

*Also,*

*an almost*

House (H.R. 6) and Senate (S. 1513) compared to the Administration's bill; selected provisions.

- o Overt links to Goals 200. House: retains. Senate: deletes.
- \* o Title I formula. House: very different, extremely complex, but arguably as targeted as ours. Senate: more different and more complex still, attempts to target, designed to clear the committee and not likely to survive floor or Conference. *?? - I'm not hearing this. My guess is that 26 or more states benefit, or they wouldn't go with it.*
- o Standards requirement. House: present, but less stringent. Senate: weaker than the House.
- o Plans, accountability. House and Senate: generally consistent, but more process oriented. Both follow Administration scheme for school and district corrective actions, but House deletes option to withhold funds from poor performing school; Senate provides an escape for "extenuating circumstances."
- o Student assessment. House and Senate: generally consistent but more prescriptive on types and frequency of testing and reporting.
- o Professional development. Both similar but House deletes requirement to address use of new educational technology. (Both bills accept Administration language on a new Office of Educational Technology in ED.) *much more expansive in creating new ed technology programs.*
- o Technical assistance. Both accept the Administration's consolidation plan. *generally*
- o Program proliferation. House: *looks like 10 continued / 13 new ones.* Senate: retains funding for 17 programs proposed for termination and adds authorizations for ~~28~~ more.

*both retain (MAY) (STUD) (H.R.)*

\* If you have room, would add that House bill ~~is~~ would, for the first time, allocate funds directly to LEAs (instead of counties) - the data may not permit it, but they would introduce state fiscal effort and within-

## INDIAN EDUCATION AMENDMENTS

JULY 15 (legislative day, JULY 11), 1994.—Ordered to be printed

Mr. INOUYE, from the Committee on Indian Affairs,  
submitted the following

### REPORT

#### INTRODUCTION

The Indian education amendments to be proposed to S. 1513 (Calendar No. 495) would (1) reauthorize the Indian Education Act, an Act that authorizes the Department of Education to make grants to school districts to enable them to provide supplemental programs for Indian children and in other ways to enhance achievement among Indian learners, and (2) revise existing law governing the Department of Interior's Bureau of Indian Affairs education programs, largely to improve the administration of those programs. Amendments affecting both the Department of Education and the Department of Interior incorporate school reform legislation enacted in 1993, GOALS 2000, the Educate America Act (P.L. 103-227).

The amendments follow:

### "TITLE VI—INDIAN EDUCATION

#### "SEC. 6001. FINDINGS.

"The Congress finds that—

"(1) the Federal Government has a special responsibility to ensure that educational programs for all American Indian and Alaska Native children and adults—

"(A) are based on high-quality, internationally competitive content standards and student performance standards and build on Indian culture and the Indian community;

"(B) assist local educational agencies, Indian tribes, and other entities and individuals in pro-

viding Indian students the opportunity to achieve such standards; and

"(C) meet the special educational and culturally related academic needs of American Indian and Alaska Native students;

"(2) since the date of enactment of the initial Indian Education Act in 1972, the level of involvement of Indian parents in the planning, development, and implementation of educational programs that affect such parents and their children has increased significantly, and schools should continue to foster such involvement;

"(3) although the number of Indian teachers, administrators, and university professors has increased since 1972, teacher training programs are not recruiting, training, or retraining a sufficient number of Indian individuals as educators to meet the needs of a growing Indian student population in elementary, secondary, vocational, adult, and higher education;

"(4) the dropout rate for Indian students is unacceptably high, for example, nine percent of Indian students who were eighth graders in 1988 had already dropped out of school by 1990;

"(5) during the period from 1980 to 1990, the percentage of Indian individuals living at or below the poverty level increased from 24 percent to 31 percent, and the readiness of Indian children to learn is hampered by the high incidence of poverty, unemployment, and health problems among Indian children and their families; and

"(6) research related specifically to the education of Indian children and adults is very limited, and much of the research is of poor quality or is focused on limited local or regional issues.

**\*SEC. 6002. PURPOSE.**

"(a) **PURPOSE.**—It is the purpose of this title to support the efforts of local educational agencies, Indian tribes and organizations, postsecondary institutions, and other entities to meet the special educational and culturally related academic needs of American Indians and Alaska Natives, so that such students can achieve to the same challenging State performance standards expected of all students.

"(b) **PROGRAMS.**—This title carries out the purpose described in subsection (a) by authorizing programs of direct assistance for—

"(1) meeting the special educational and culturally related academic needs of American Indians and Alaska Natives;

"(2) the education of Indian children and adults;

"(3) the training of Indian persons as educators and counselors, and in other professions serving Indian people; and

"(4) research, evaluation, data collection, and technical assistance.

**"PART A—FORMULA GRANTS TO LOCAL EDUCATIONAL AGENCIES**

**\*SEC. 6101. PURPOSE.**

"It is the purpose of this part to support local educational agencies in their efforts to reform elementary and secondary school programs that serve Indian students in order to ensure that such programs—

"(1) are based on challenging State content standards and State student performance standards that are used for all students; and

"(2) are designed to assist Indian students meet those standards and assist the Nation in reaching the National Education Goals.

**\*SEC. 6102. GRANTS TO LOCAL EDUCATIONAL AGENCIES.**

"(a) **IN GENERAL.**—A local educational agency shall be eligible for a grant under this part for any fiscal year if the number of Indian children who are eligible under section 6106 and were enrolled in the schools of such agency and to whom the agency provided a free public education, during the preceding fiscal year—

"(1) was at least 10; or

"(2) constituted not less than 25 percent of the total number of individuals enrolled in the schools of such agency.

"(b) **INDIAN TRIBES.**—If a local educational agency that is eligible for a grant under this part does not apply for such grant, an Indian tribe that has children who are served by such local educational agency may apply for such grant.

**\*SEC. 6103. AMOUNT OF GRANTS.**

"(a) **AMOUNT OF GRANT AWARDS.**—

"(1) **IN GENERAL.**—Except as provided in subsection (b) and paragraph (2), the Secretary shall allocate to each local educational agency with respect to which the Secretary has approved an application under this part an amount equal to the product of—

"(A) the number of Indian children who are eligible under section 6106 and served by such agency; and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which such agency is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) **REDUCTION.**—The Secretary shall reduce the amount of each allocation determined under paragraph (1) in accordance with subsection (e).

"(b) **MINIMUM GRANT.**—A local educational agency or an Indian tribe (as authorized under section 6102(b)) that is eligible for a grant under section 6102, and a school that is operated or supported by the Bureau of Indian Affairs that is eligible for a grant under subsection (d), that submits an application that is approved by the Secretary,

shall, subject to appropriations, receive a grant under this part in an amount that is not less than \$4,000.

"(c) DEFINITION.—For the purpose of this section, the average per-pupil expenditure of a State shall be an amount equal to—

"(1) the sum of the aggregate current expenditures of all the local educational agencies in the State, plus any direct current expenditures by the State for the operation of such agencies, without regard to the sources of funds from which such local or State expenditures were made, during the second fiscal year preceding the fiscal year for which the computation is made; divided by

"(2) the aggregate number of children who were included in average daily attendance for whom such agencies provided free public education during such preceding fiscal year.

"(d) SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—

"(1) IN GENERAL.—In addition to the grants awarded under subsection (a), and subject to paragraph (2), the Secretary shall allocate to the Secretary of the Interior an amount equal to the product of—

"(A) the total number of Indian children enrolled in schools that are operated by—

"(i) the Bureau of Indian Affairs; or

"(ii) an Indian tribe, or an organization controlled or sanctioned by an Indian tribal government, for the children of such tribe under a contract with, or grant from, the Department of the Interior under the Indian Self-Determination Act or the Tribally Controlled Schools Act of 1988 (part B of title V of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988); and

"(B) the greater of—

"(i) the average per-pupil expenditure of the State in which the school is located; or

"(ii) 80 percent of the average per-pupil expenditure in the United States.

"(2) TRANSFER.—The Secretary shall transfer the amount determined under paragraph (1), subject to any reduction that may be necessary under subsection (e), to the Secretary of the Interior in accordance with, and subject to, section 10205.

"(e) RATABLE REDUCTIONS.—If the sums appropriated for any fiscal year under section 6502(a) are insufficient to pay in full the amounts determined for local educational agencies under subsection (a)(1) and for the Secretary of the Interior under subsection (d), each of those amounts shall be ratably reduced.

#### "SEC. 6104. APPLICATIONS.

"(a) APPLICATION REQUIRED.—Each local educational agency that desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(b) COMPREHENSIVE PROGRAM REQUIRED.—Each application submitted under subsection (a) shall include a comprehensive program for meeting the needs of Indian children served by the local educational agency, including the language and cultural needs of the children, that—

"(1) provides programs and activities to meet the culturally related academic needs of American Indian and Alaska Native students;

"(2)(A) is consistent with, and promotes the goals of each applicable State or local improvement plan that has been approved or is being developed, under title III of the Goals-2000: Educate America Act, or if such plans described are not approved or are not being developed, applicable State and local plans developed under sections 1111 and 1112; and

"(B) includes academic content and student performance goals for such children, and benchmarks for attaining such goals, that are based on the challenging State standards adopted under title III of the Goals 2000: Educate America Act or under title I for all children;

"(3) explains how Federal, State, and local programs, especially programs under title I, will meet the needs of such children;

"(4) demonstrates how funds made available under this part will be used for activities described in section 6105;

"(5) describes the professional development opportunities that will be provided, as needed, to ensure that—

"(A) teachers and other school professionals who are new to the Indian community are prepared to work with Indian children; and

"(B) all teachers who will be involved in the program assisted under this part have been properly trained to carry out such program; and

"(6) describes how the local educational agency—

"(A) will periodically assess the progress of all Indian children enrolled in the schools of the local educational agency, including Indian children who do not participate in programs assisted under this part, in meeting the goals described in paragraph (2);

"(B) will provide the results of each assessment referred to in subparagraph (A) to—

"(i) the committee of parents described in subsection (c)(4); and

"(7) the acquisition of equipment, but only if the acquisition of the equipment is essential to meet the purpose described in section 6101.

"(c) **SCHOOLWIDE PROGRAMS.**—Notwithstanding any other provision of law, a local educational agency may use funds made available to the agency under this part to support a schoolwide program under section 1114 if—

"(1) at least 50 percent of the enrollment of the school that is the subject of the schoolwide program is comprised of Indian children;

"(2) the committee composed of parents established pursuant to section 6104(c)(4) approves the use of the funds for the schoolwide program; and

"(3) the schoolwide program is consistent with the purpose described in section 6101.

**"SEC. 6103. STUDENT ELIGIBILITY AND FORMS.**

"(a) **IN GENERAL.**—The Secretary shall require that, as part of an application for a grant under this part, each applicant shall maintain a file, with respect to each Indian child for whom the local educational agency provides a free public education, that contains a form that sets forth information establishing the status of the child as an Indian child eligible for assistance under this part and that otherwise meets the requirements of subsection (b).

"(b) **FORMS.**—

"(1) **IN GENERAL.**—The form described in subsection (a) shall include—

"(A) either—

"(i)(I) the name of the tribe or band of Indians (as defined in section 6601(4)) with respect to which the child claims membership;

"(ii) the enrollment number establishing the membership of the child (if readily available); and

"(iii) the name and address of the organization that maintains updated and accurate membership data for such tribe or band of Indians; or

"(ii) if the child is not a member of a tribe or band of Indians, the name, the enrollment number (if readily available), and the organization (and address thereof) responsible for maintaining updated and accurate membership rolls of any parent or grandparent of the child from whom the child claims eligibility;

"(B) a statement of whether the tribe or band of Indians with respect to which the child, parent or grandparent of the child claims membership is federally recognized;

"(C) the name and address of the parent or legal guardian of the child;

"(D) a signature of the parent or legal guardian of the child that verifies the accuracy of the information supplied; and

"(E) any other information that the Secretary considers necessary to provide an accurate program profile.

"(2) **MINIMUM INFORMATION.**—In order for a child to be eligible to be counted for the purpose of computing the amount of a grant award made under section 6103, an eligibility form prepared pursuant to this section for a child shall include—

"(A) the name of the child;

"(B) the name of the tribe or band of Indians (as defined in section 6601(4)) with respect to which the child claims eligibility; and

"(C) the dated signature of the parent or guardian of the child.

"(3) **FAILURE.**—The failure of an applicant to furnish any information described in this subsection other than the information described in paragraph (2) with respect to any child shall have no bearing on the determination of whether the child is an eligible Indian child for the purposes of determining the amount of a grant award made under section 6103.

"(c) **STATUTORY CONSTRUCTION.**—Nothing in this subsection shall be construed to affect a definition contained in section 6601.

"(d) **FORMS AND STANDARDS OF PROOF.**—The forms and the standards of proof (including the standard of good faith compliance) that were in use during the 1985–1986 academic year to establish the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act shall be the forms and standards of proof used—

"(1) to establish such eligibility; and

"(2) to meet the requirements of subsection (a).

"(e) **DOCUMENTATION.**—For purposes of determining whether a child is eligible to be counted for the purpose of computing the amount of a grant under section 6103, the membership of the child, or any parent or grandparent of the child, in a tribe or band of Indians may be established by proof other than an enrollment number, notwithstanding the availability of an enrollment number for a member of such tribe, band, or group. Nothing in subsection (b) shall be construed to require the furnishing of an enrollment number.

"(f) **MONITORING AND EVALUATION REVIEW.**—

"(1) **IN GENERAL.**—(A) For each fiscal year, in order to provide such information as is necessary to carry out the responsibility of the Secretary to provide technical assistance under this part, the Secretary shall conduct a monitoring and evaluation review of a sampling of the recipients of grants under this part. The sampling conducted under this subparagraph shall take into account size of the local educational agency and the geographic location of such agency.

"(B) Notwithstanding any other provision of law, a local educational agency may not be held liable to the United States or be subject to any penalty, by reason of the findings of an audit that relates to the date of completion, or the date of submission, of any forms used to establish, before April 28, 1988, the eligibility of a child for entitlement under the Indian Elementary and Secondary School Assistance Act.

"(2) FALSE INFORMATION.—Any local educational agency that provides false information in an application for a grant under this subpart shall—

"(A) be ineligible to apply for any other grant under this part; and

"(B) be liable to the United States for any funds provided to the local educational agency that have not been expended.

"(3) EXCLUDED CHILDREN.—A student who provides false information for the form required under subsection (d) shall not be counted for the purpose of computing the amount of a grant under section 6103.

"(g) DISTRIBUTION.—For the purposes of the distribution of funds under this part to schools that receive funding from the Bureau of Indian Affairs pursuant to—

"(1) section 1130 of the Education Amendments of 1978; and

"(2) the Act of April 16, 1934 (48 Stat. 596, chapter 147),

the Secretary shall, in lieu of meeting the requirements of this section for counting Indian children, use a count of the number of students in such schools certified by the Bureau of Indian Affairs.

**\*SEC. 6107. PAYMENTS.**

"(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary shall pay to each local educational agency that submits an application that is approved by the Secretary under this part the amount determined under section 6103. The Secretary shall notify the local educational agency of the amount of the payment not later than June 1 of the year for which the Secretary makes the payment.

"(b) PAYMENTS TAKEN INTO ACCOUNT BY THE STATE.—The Secretary may not make a grant under this part to a local educational agency for a fiscal year if, for such fiscal year, the State in which the local educational agency is located takes into consideration payments made under this part (or under subpart 1 of the Indian Education Act of 1988) in determining the eligibility of the local educational agency for State aid, or the amount of the State aid, with respect to the free public education of children during such fiscal year or the preceding fiscal year.

"(c) REDUCTION OF PAYMENT FOR FAILURE TO MAINTAIN FISCAL EFFORT.—

"(1) IN GENERAL.—The Secretary may not pay a local educational agency the full amount of a grant award determined under section 6103 for any fiscal year un-

less the State educational agency notifies the Secretary, and the Secretary determines, that with respect to the provision of free public education by the local educational agency for the preceding fiscal year, the combined fiscal effort of the local educational agency, computed on either a per student or aggregate expenditure basis was not less than 90 percent of the amount of the combined fiscal effort, computed on the same basis, for the second preceding fiscal year.

"(2) FAILURE.—If, for any fiscal year, the Secretary determines that a local educational agency failed to maintain the fiscal effort of such agency at the level specified in paragraph (1), the Secretary shall—

"(A) reduce the amount of the grant that would otherwise be made to the agency under this part in the exact proportion of such agency's failure to maintain its fiscal effort at such level; and

"(B) not use the reduced amount of the agency's expenditures for the preceding year to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1).

"(3) WAIVER.—(A) The Secretary may waive the requirement of paragraph (1), for not more than one year at a time, if the Secretary determines that the failure to comply with such requirement is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the agency's financial resources.

"(B) The Secretary shall not use the reduced amount of such agency's expenditures for the fiscal year preceding the fiscal year for which a waiver is granted to determine compliance with paragraph (1) for any succeeding fiscal year, but shall use the amount of expenditures that would have been required to comply with paragraph (1) in the absence of the waiver.

"(d) REALLOCATIONS.—The Secretary may reallocate, in a manner that the Secretary determines will best carry out the purpose of this part, any amounts that—

"(1) based on estimates made by local educational agencies or other information, the Secretary determines will not be needed by such agencies to carry out approved programs under this part; or

"(2) otherwise become available for reallocation under this part.

**"PART B—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN**

**"SEC. 6201. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.**

**"(a) PURPOSE.—**

**"(1) IN GENERAL.—**It is the purpose of this section to support projects to develop, test, and demonstrate the effectiveness of services and programs to improve educational opportunities and achievement of Indian children.

**"(2) COORDINATION.—**The Secretary shall take such actions as are necessary to achieve the coordination of activities assisted under this part with—

**"(A)** other programs funded under this Act; and

**"(B)** other Federal programs operated for the benefit of American Indian and Alaska Native children.

**"(b) ELIGIBLE ENTITIES.—**For the purpose of this section, the term 'eligible entity' means a State educational agency, local educational agency, Indian tribe, Indian organization, federally supported elementary and secondary school for Indian students, Indian institution, including an Indian institution of higher education, or a consortium of such institutions.

**"(c) GRANTS AUTHORIZED.—**

**"(1) IN GENERAL.—**The Secretary shall award grants to eligible entities to enable such entities to carry out activities that meet the purpose specified in subsection (a)(1), including—

**"(A)** innovative programs related to the educational needs of educationally deprived children;

**"(B)** educational services that are not available to such children in sufficient quantity or quality, including remedial instruction, to raise the achievement of Indian children in one or more of the core academic subjects of English, mathematics, science, foreign languages, art, history, and geography;

**"(C)** bilingual and bicultural programs and projects;

**"(D)** special health and nutrition services, and other related activities, that address the special health, social, and psychological problems of Indian children;

**"(E)** special compensatory and other programs and projects designed to assist and encourage Indian children to enter, remain in, or reenter school, and to increase the rate of secondary school graduation;

**"(F)** comprehensive guidance, counseling, and testing services;

**"(G)** early childhood and kindergarten programs, including family-based preschool programs that emphasize school readiness and parental skills, and the provision of services to Indian children with disabilities;

**"(H)** partnership projects between local educational agencies and institutions of higher education that allow secondary school students to enroll in courses at the postsecondary level to aid such students in the transition from secondary school to postsecondary education;

**"(I)** partnership projects between schools and local businesses for school-to-work transition programs designed to provide Indian youth with the knowledge and skills the youth need to make an effective transition from school to a first job in a high-skill, high-wage career;

**"(J)** programs designed to encourage and assist Indian students to work toward, and gain entrance into, an institution of higher education; and

**"(K)** other services that meet the purpose described in subsection (a)(1).

**"(2) PRESERVICE OR INSERVICE TRAINING.—**Preservice or inservice training of professional and paraprofessional personnel may be a part of any program assisted under this section.

**"(d) GRANT REQUIREMENTS AND APPLICATIONS.—**

**"(1) GRANT REQUIREMENTS.—(A)** The Secretary may make multiyear grants under this section for the planning, development, pilot operation, or demonstration of any activity described in subsection (c) for a period not to exceed 5 years.

**"(B)** In making multiyear grants under this section, the Secretary shall give priority to applications that present a plan for combining two or more of the activities described in subsection (c) over a period of more than 1 year.

**"(C)** The Secretary shall make a grant payment to an eligible entity after the initial year of the multiyear grant only if the Secretary determines that the eligible entity has made substantial progress in carrying out the activities assisted under the grant in accordance with the application submitted under paragraph (2) and any subsequent modifications to such application.

**"(D)(i)** In addition to awarding the multiyear grants described in subparagraph (A), the Secretary may award grants to eligible entities for the dissemination of exemplary materials or programs assisted under this section.

**"(ii)** The Secretary may award a dissemination grant under this subparagraph if, prior to awarding the grant, the Secretary determines that the material or

program to be disseminated has been adequately reviewed and has a demonstrated—

"(I) educational merit; and

"(II) the ability to be replicated.

"(2) APPLICATION.—(A) Any eligible entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

"(B) Each application submitted to the Secretary under subparagraph (A) shall contain—

"(i) a description of how parents of Indian children and representatives of Indian tribes have been, and will be, involved in developing and implementing the activities for which assistance is sought;

"(ii) assurances that the applicant will participate, at the request of the Secretary, in any national evaluation of activities assisted under this section; and

"(iii) such other assurances and information as the Secretary may reasonably require.

#### \*SEC. 6202. PROFESSIONAL DEVELOPMENT.

"(a) PURPOSES.—The purposes of this section are—

"(1) to increase the number of qualified Indian individuals in professions that serve Indian people;

"(2) to provide training to qualified Indian individuals to enable such individuals to become teachers, administrators, teacher aides, social workers, and ancillary educational personnel; and

"(3) to improve the skills of qualified Indian individuals who serve in the capacities described in paragraph (2).

"(b) ELIGIBLE ENTITIES.—For the purpose of this section, the term 'eligible entity' means—

"(1) an institution of higher education, including an Indian institution of higher education;

"(2) a State or local educational agency, in consortium with an institution of higher education; and

"(3) an Indian tribe or organization, in consortium with an institution of higher education.

"(c) PROGRAM AUTHORIZED.—The Secretary is authorized to award grants to eligible entities having applications approved under this section to enable such entities to carry out the activities described in subsection (d).

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Grant funds under this section shall be used to provide support and training for Indian individuals in a manner consistent with the purposes of this section. Such activities may include continuing programs, symposia, workshops, conferences, and direct financial support.

"(2) SPECIAL RULES.—(A) For education personnel, the training received pursuant to a grant under this section may be inservice or preservice training.

"(B) For individuals who are being trained in any field other than education, the training received pursuant to a grant under this section shall be in a program that results in a graduate degree.

"(e) APPLICATION.—

"(1) IN GENERAL.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information, as the Secretary may reasonably require.

"(2) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to applications describing programs that train Indian individuals.

"(f) SPECIAL RULE.—In making grants under this section, the Secretary—

"(1) shall consider the prior performance of the eligible entity; and

"(2) may not limit eligibility to receive a grant under this section on the basis of—

"(A) the number of previous grants the Secretary has awarded such entity; or

"(B) the length of any period during which such entity received such grants.

"(g) GRANT PERIOD.—Each grant under this section shall be awarded for a program of not more than 5 years.

"(h) SERVICE OBLIGATION.—

"(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives training pursuant to a grant made under this section—

"(A) perform work—

"(i) related to the training received under this section; and

"(ii) that benefits Indian people; or

"(B) repay all or a prorated part of the assistance received.

"(2) REPORTING.—The Secretary shall establish, by regulation, a reporting procedure under which a grant recipient under this section shall, not later than 12 months after the date of completion of the training, and periodically thereafter, provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

#### \*SEC. 6203. FELLOWSHIPS FOR INDIAN STUDENTS.

"(a) FELLOWSHIPS.—

"(1) AUTHORITY.—The Secretary shall award fellowships to Indian students to enable such students to study in graduate and professional programs at institutions of higher education.

"(2) REQUIREMENTS.—The fellowships described in paragraph (1) shall be awarded to Indian students to enable such students to pursue a course of study—

"(A) of not more than 4 academic years; and

"(B) that leads—

"(i) toward a postbaccalaureate degree in medicine, clinical psychology, psychology, law, education, and related fields; or

"(ii) to an undergraduate or graduate degree in engineering, business administration, natural resources, and related fields.

"(b) STIPENDS.—The Secretary shall pay to Indian students awarded fellowships under subsection (a) such stipends (including allowances for subsistence of such students and dependents of such students) as the Secretary determines to be consistent with prevailing practices under comparable federally supported programs.

"(c) PAYMENTS TO INSTITUTIONS IN LIEU OF TUITION.—The Secretary shall pay to the institution of higher education at which the holder of a fellowship is pursuing a course of study, such amount as the Secretary determines to be necessary to cover the cost of education provided the fellowship recipient.

"(d) SPECIAL RULES.—

"(1) IN GENERAL.—If a fellowship awarded under subsection (a) is vacated prior to the end of the period for which the fellowship is awarded, the Secretary may award an additional fellowship for the unexpired portion of the period of the fellowship.

"(2) WRITTEN NOTICE.—Not later than 45 days before the commencement of an academic term, the Secretary shall provide to each individual who is awarded a fellowship under subsection (a) for such academic term written notice of—

"(A) the amount of the fellowship; and

"(B) any stipends or other payments that will be made under this section to, or for the benefit of, the individual for the academic term.

"(3) PRIORITY.—In awarding fellowships under subsection (a), the Secretary shall give priority to awarding not more than 10 percent of such fellowships to Indian students who are receiving training in guidance counseling with a specialty in the area of alcohol and substance abuse counseling and education.

"(e) SERVICE OBLIGATION.—

"(1) IN GENERAL.—The Secretary shall require, by regulation, that an individual who receives financial assistance under this section—

"(A) perform work—

"(i) related to the training for which the individual receives assistance under this section; and

"(ii) that benefits Indian people; or

"(B) repay all or a prorated portion of such assistance.

"(2) REPORTING PROCEDURE.—The Secretary shall establish, by regulation, a reporting procedure under which the recipient of training assistance under this section, not later than 12 months after the date of

completion of the training and periodically thereafter, shall provide information concerning the compliance of such recipient with the work requirement under paragraph (1).

"(f) ADMINISTRATION OF FELLOWSHIPS.—The Secretary may administer the fellowships authorized under this section through a grant to, or contract or cooperative agreement with, an Indian organization with demonstrated qualifications to administer all facets of the program assisted under this section.

"SEC. 6204. GIFTED AND TALENTED.

"(a) PROGRAM AUTHORIZED.—The Secretary shall—

"(1) establish two centers for gifted and talented Indian students at tribally controlled community colleges in accordance with this section; and

"(2) support demonstration projects described in subsection (c).

"(b) ELIGIBLE ENTITIES.—The Secretary shall make grants to, or enter into contracts, for the activities described in subsection (a), with—

"(1) two tribally controlled community colleges that—

"(A) are eligible for funding under the Tribally Controlled Community College Assistance Act of 1978; and

"(B) are accredited by a State or regional accrediting agency or organization; or

"(2) if the Secretary does not receive applications that the Secretary determines to be approvable from two colleges that meet the requirements of paragraph (1), the American Indian Higher Education Consortium.

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—The grants made, or contracts entered into, by the Secretary under subsection (a) shall be used for—

"(A) the establishment of centers described in subsection (a); and

"(B) carrying out demonstration projects designed to—

"(i) address the special needs of Indian students in elementary and secondary schools who are gifted and talented; and

"(ii) provide such support services to the families of the students described in clause (i) as are needed to enable such students to benefit from the projects.

"(2) SUBCONTRACTS.—Each recipient of a grant or contract under subsection (a) may enter into a contract with any other entity, including the Children's Television Workshop, to carry out the demonstration project under this subsection.

"(3) DEMONSTRATION PROJECTS.—Demonstration projects assisted under subsection (a) may include—

"(A) the identification of the special needs of gifted and talented Indian students, particularly at the elementary school level, giving attention to—

"(i) the emotional and psychosocial needs of such students; and

"(ii) providing such support services to the families of such students as are needed to enable such students to benefit from the project;

"(B) the conduct of educational, psychosocial, and developmental activities that the Secretary determines holds a reasonable promise of resulting in substantial progress toward meeting the educational needs of such gifted and talented children, including—

"(i) demonstrating and exploring the use of Indian languages and exposure to Indian cultural traditions; and

"(ii) mentoring and apprenticeship programs;

"(C) the provision of technical assistance and the coordination of activities at schools that receive grants under subsection (d) with respect to the activities assisted under such grants, the evaluation of programs assisted under such grants, or the dissemination of such evaluations;

"(D) the use of public television in meeting the special educational-needs of such gifted and talented children;

"(E) leadership programs designed to replicate programs for such children throughout the United States, including disseminating information derived from the demonstration projects conducted under subsection (a); and

"(F) appropriate research, evaluation, and related activities pertaining to the needs of such children and to the provision of such support services to the families of such children that are needed to enable such children to benefit from the project.

"(4) APPLICATION.—Each entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

"(d) ADDITIONAL GRANTS.—

"(1) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall award 5 grants to schools funded by the Bureau of Indian Affairs (hereafter in this section referred to as 'Bureau schools') for program research and development and the development and dissemination of curriculum and teacher training material, regarding—

"(A) gifted and talented students;

"(B) college preparatory studies (including programs for Indian students with an interest in pursuing teaching careers);

"(C) students with special culturally related academic needs, including students with social, lingual, and cultural needs; or

"(D) mathematics and science education.

"(2) APPLICATIONS.—Each Bureau school desiring a grant under this subsection shall submit an application to the Secretary in such form and at such time as the Secretary may prescribe.

"(3) SPECIAL RULE.—Each application described in paragraph (2) shall be developed, and each grant under this subsection shall be administered, jointly by the supervisor of the Bureau school and the local educational agency serving such school.

"(4) REQUIREMENTS.—(A) In awarding grants under paragraph (1), the Secretary shall—

"(i) achieve a mixture of the programs described in paragraph (1) that ensures that Indian students at all grade levels and in all geographic areas of the United States are able to participate in a program assisted under this subsection; and

"(ii) ensure that, for the purposes of this section and section 1128(d)(3)(A)(i) of the Education Amendments of 1978, a definition of the term 'gifted and talented student' is developed as soon as practicable after the date of enactment of the Improving America's Schools Act of 1994.

"(B) The Secretary shall report to the Secretary of the Interior and to the Congress a definition of 'gifted and talented' based on the requirements of subparagraph (A)(ii).

"(5) GRANT PERIOD.—Subject to the availability of appropriations, grants under paragraph (1) shall be awarded for a 3-year period and may be renewed by the Secretary for additional 3-year periods if the Secretary determines that the performance of the grant recipient has been satisfactory.

"(6) DISSEMINATION.—The dissemination of any materials developed from activities assisted under paragraph (1) shall be carried out in cooperation with entities that receive funds pursuant to subsection (b).

"(7) EVALUATION COSTS.—(A) The costs of evaluating any activities assisted under paragraph (1) shall be divided between the Bureau schools conducting such activities and the recipients of grants or contracts under subsection (b) who conduct demonstration projects under such subsection.

"(B) If no funds are provided under subsection (b) for—

"(i) the evaluation of activities assisted under paragraph (1);

"(ii) technical assistance and coordination with respect to such activities; or

"(iii) the dissemination of the evaluations referred to in clause (i), then the Secretary shall make such grants, or enter into such contracts, as are necessary to provide for the evaluations, technical assistance, and coordination of such activities, and the dissemination of the evaluations.

"(e) INFORMATION NETWORK.—The Secretary shall encourage each recipient of a grant or contract under this section to work cooperatively as part of a national network to ensure that the information developed by the grant or contract recipient is readily available to the entire educational community of the United States.

**\*SEC. 6205. GRANTS FOR EVALUATION AND TECHNICAL ASSISTANCE.**

"(a) IN GENERAL.—The Secretary may award grants to, and enter into contracts with, public agencies, State educational agencies in States in which more than 5,000 Indian children are enrolled in public elementary and secondary schools, Indian tribes, Indian institutions, Indian organizations, and private institutions and organizations, to establish, on a regional basis, information centers that shall—

"(1) evaluate programs that receive assistance under this title and evaluate other Indian education programs in order to—

"(A) determine the effectiveness of the programs in meeting the special educational and culturally related academic needs of Indian children and adults; and

"(B) conduct research to determine the needs described in subparagraph (A);

"(2) provide technical assistance in the form of materials and personnel resources, upon request, to local educational agencies and Indian tribes, Indian organizations, Indian institutions, and committees described in section 6104(c)(4) in evaluating and carrying out activities assisted under this title; and

"(3) disseminate information, upon request, to the entities described in paragraph (1) concerning all Federal education programs that affect the education of Indian children and adults, including information concerning successful models and programs designed to meet the special educational needs of Indian children.

"(b) PERIOD OF GRANT OR CONTRACT.—Each grant or contract under this section may be for a period of not more than 3 years, and may be renewed for an additional 3-year period if the Secretary annually reviews the performance of the grant recipient and determines that satisfactory progress has been made.

"(c) USE OF FUNDS.—The Secretary may award grants and enter into contracts with Indian tribes, institutions,

and organizations, and public agencies and institutions for—

"(1) the dissemination, on a national basis, of information concerning education programs, services, and resources available to Indian children and adults, including evaluations of such programs, services, and resources; and

"(2) the evaluation of the effectiveness of federally assisted programs in which Indian children and adults may participate in achieving the purposes of such programs relating to Indian children and adults.

"(d) STATE AGENCY GRANTS AND CONTRACTS.—The Secretary shall award not more than 15 percent of the funds appropriated under subsection (g) for each fiscal year to State educational agencies.

"(e) APPLICATION.—

"(1) IN GENERAL.—Each entity desiring assistance under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) PRIORITY.—In approving applications under this section, the Secretary shall give priority to Indian educational agencies, organizations, and institutions.

"(3) APPROVAL.—The Secretary may approve an application under this section, only if the Secretary determines that the funds made available under this section will be used to supplement the level of funds from State, local, and other Federal sources that would, in the absence of Federal funds provided under this section, be made available by the State or local educational agency for the activities described in this section, and in no case will be used to supplant such funds.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education \$8,000,000 for each of the fiscal years 1995 through 1999 to carry out this section.

**\*SEC. 6206. GRANTS TO TRIBES FOR EDUCATION ADMINISTRATIVE PLANNING AND DEVELOPMENT.**

"(a) IN GENERAL.—The Secretary may make grants to Indian tribes, and tribal organizations approved by Indian tribes, to plan and develop a centralized tribal administrative entity to—

"(1) coordinate all education programs operated by the tribe or within the territorial jurisdiction of the tribe;

"(2) develop education codes for schools within the territorial jurisdiction of the tribe;

"(3) provide support services and technical assistance to schools serving children of the tribe; and

"(4) perform child-find screening services for the preschool-aged children of the tribe to—

"(A) ensure placement in appropriate educational facilities; and

"(B) coordinate the provision of any needed special services for conditions such as disabilities and English language skill deficiencies.

"(b) PERIOD OF GRANT.—Each grant under this section may be awarded for a period of not more than 3 years, except that such grant may be renewed upon the termination of the initial period of the grant if the grant recipient demonstrates to the satisfaction of the Secretary that renewing the grant for an additional 3-year period is necessary to carry out the objectives of the grant described in subsection (c)(2)(A).

"(c) APPLICATION FOR GRANT.—

"(1) IN GENERAL.—Each Indian tribe and tribal organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, containing such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

"(2) CONTENTS.—Each application described in paragraph (1) shall contain—

"(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

"(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether such objectives are achieved.

"(3) APPROVAL.—The Secretary may approve an application submitted by a tribe or tribal organization pursuant to this section only if the Secretary is satisfied that such application, including any documentation submitted with the application—

"(A) demonstrates that the applicant has consulted with other education entities, if any, within the territorial jurisdiction of the applicant who will be affected by the activities to be conducted under the grant;

"(B) provides for consultation with such other education entities in the operation and evaluation of the activities conducted under the grant; and

"(C) demonstrates that there will be adequate resources provided under this section or from other sources to complete the activities for which assistance is sought, except that the availability of such other resources shall not be a basis for disapproval of such application.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Education \$3,000,000 for each of the fiscal years 1995 through 1999 to carry out this section.

## "PART C—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS

### "SEC. 8301. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

"(a) IN GENERAL.—The Secretary shall award grants to State and local educational agencies, and to Indian tribes, institutions, and organizations—

"(1) to support planning, pilot, and demonstration projects that are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

"(2) to assist in the establishment and operation of programs that are designed to stimulate—

"(A) basic literacy opportunities for all nonliterate Indian adults; and

"(B) the provision of opportunities to all Indian adults to qualify for a secondary school diploma, or its recognized equivalent, in the shortest period of time feasible;

"(3) to support a major research and development program to develop more innovative and effective techniques for achieving literacy and secondary school equivalency for Indians;

"(4) to provide for basic surveys and evaluations to define accurately the extent of the problems of illiteracy and lack of secondary school completion among Indians; and

"(5) to encourage the dissemination of information and materials relating to, and the evaluation of, the effectiveness of education programs that may offer educational opportunities to Indian adults.

"(b) EDUCATIONAL SERVICES.—The Secretary may make grants to Indian tribes, institutions, and organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

"(c) INFORMATION AND EVALUATION.—The Secretary may make grants to, and enter into contracts with, public agencies and institutions and Indian tribes, institutions, and organizations, for—

"(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations of the programs, services, and resources; and

"(2) the evaluation of federally assisted programs in which Indian adults may participate to determine the effectiveness of the programs in achieving the purposes of the programs with respect to Indian adults.

"(d) APPLICATIONS.—

"(1) IN GENERAL.—Each entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, containing

such information, and consistent with such criteria, as the Secretary may prescribe in regulations.

"(2) CONTENTS.—Each application described in paragraph (1) shall contain—

"(A) a statement describing the activities to be conducted, and the objectives to be achieved, under the grant; and

"(B) a description of the method to be used for evaluating the effectiveness of the activities for which assistance is sought and determining whether the objectives of the grant are achieved.

"(3) APPROVAL.—The Secretary shall not approve an application described in paragraph (1) unless the Secretary determines that such application, including any documentation submitted with the application, indicates—

"(A) there has been adequate participation, by the individuals to be served and appropriate tribal communities, in the planning and development of the activities to be assisted; and

"(B) the individuals and tribal communities referred to in subparagraph (A) will participate in the operation and evaluation of the activities to be assisted.

"(4) PRIORITY.—In approving applications under paragraph (1), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

## "PART D—NATIONAL RESEARCH ACTIVITIES

### "SEC. 6401. NATIONAL ACTIVITIES.

"(a) AUTHORIZED ACTIVITIES.—The Secretary may use funds made available under section 6602(b) for each fiscal year to—

"(1) conduct research related to effective approaches for the education of Indian children and adults;

"(2) evaluate federally assisted education programs from which Indian children and adults may benefit;

"(3) collect and analyze data on the educational status and needs of Indians; and

"(4) carry out other activities that are consistent with the purpose of this title.

"(b) ELIGIBILITY.—The Secretary may carry out any of the activities described in subsection (a) directly or through grants to, or contracts or cooperative agreements with Indian tribes, Indian organizations, State educational agencies, local educational agencies, institutions of higher education, including Indian institutions of higher education, and other public and private agencies and institutions.

"(c) COORDINATION.—Research activities supported under this section—

"(1) shall be carried out in consultation with the Assistant Secretary for Educational Research and Improvement to ensure that such activities are coordinated with and enhance the research and development activities supported by the Office of Educational Research and Improvement; and

"(2) may include collaborative research activities that are jointly funded and carried out by the Office of Indian Education and the Office of Educational Research and Improvement.

## "PART E—FEDERAL ADMINISTRATION

### "SEC. 6501. NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION.

"(a) MEMBERSHIP.—There is established a National Advisory Council on Indian Education (hereafter in this section referred to as the 'Council'), which shall—

"(1) consist of 15 Indian members, who shall be appointed by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations; and

"(2) represent different geographic areas of the United States.

"(b) DUTIES.—The Council shall—

"(1) advise the Secretary concerning the funding and administration (including the development of regulations and administrative policies and practices) of any program, including any program established under this title—

"(A) with respect to which the Secretary has jurisdiction; and

"(B)(i) that includes Indian children or adults as participants; or

"(ii) that may benefit Indian children or adults;

"(2) make recommendations to the Secretary for filling the position of Director of Indian Education whenever a vacancy occurs; and

"(3) submit to the Congress, not later than June 30 of each year, a report on the activities of the Council, including—

"(A) any recommendations that the Council considers appropriate for the improvement of Federal education programs that include Indian children or adults as participants, or that may benefit Indian children or adults; and

"(B) recommendations concerning the funding of any program described in subparagraph (A).

### "SEC. 6502. PEER REVIEW.

"The Secretary may use a peer review process to review applications submitted to the Secretary under part B, C, or D.

**"SEC. 8503. PREFERENCE FOR INDIAN APPLICANTS.**

"In making grants under part B, C, or D, the Secretary shall give a preference to Indian tribes, organizations, and institutions of higher education under any program with respect to which Indian tribes, organizations, and institutions are eligible to apply for grants.

**"SEC. 8504. MINIMUM GRANT CRITERIA.**

"The Secretary may not approve an application for a grant under part B or C unless the application is for a grant that is—

- "(1) of sufficient size, scope, and quality to achieve the purpose or objectives of such grant; and
- "(2) based on relevant research findings.

## **"PART F—DEFINITIONS; AUTHORIZATIONS OF APPROPRIATIONS**

**"SEC. 6601. DEFINITIONS.**

"As used in this title:

"(1) **ADULT.**—The term 'adult' means an individual who—

"(A) has attained the age of 16 years; or

"(B) has attained an age that is greater than the age of compulsory school attendance under an applicable State law.

"(2) **ADULT EDUCATION.**—The term 'adult education' has the meaning given such term in section 312(2) of the Adult Education Act.

"(3) **FREE PUBLIC EDUCATION.**—The term 'free public education' means education that is—

"(A) provided at public expense, under public supervision and direction, and without tuition charge; and

"(B) provided as elementary or secondary education in the applicable State or to preschool children.

"(4) **INDIAN.**—The term 'Indian' means an individual who is—

"(A) a member of an Indian tribe or band, as membership is defined by the tribe or band, including—

"(i) any tribe or band terminated since 1940; and

"(ii) any tribe or band recognized by the State in which the tribe or band resides;

"(B) a descendant, in the first or second degree, of an individual described in subparagraph (A);

"(C) considered by the Secretary of the Interior to be an Indian for any purpose;

"(D) an Eskimo, Aleut, or other Alaska Native; or

"(E) a member of an organized Indian group that received a grant under this title prior to the

date of enactment of the Act entitled the 'Improving America's Schools Act of 1994'.

**"SEC. 6602. AUTHORIZATIONS OF APPROPRIATIONS.**

"(a) **PART A.**—For the purpose of carrying out part A of this title, there are authorized to be appropriated to the Department of Education \$61,300,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(b) **PARTS B THROUGH D.**—For the purpose of carrying out parts B, C, and D of this title, there are authorized to be appropriated to the Department of Education \$31,925,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(c) **PART E.**—For the purpose of carrying out part E of this title, there are authorized to be appropriated to the Department of Education \$3,775,000 for fiscal year 1995 and such sums as may be necessary for each of the 4 succeeding fiscal years.

**"SEC. 6603. CROSS REFERENCES.**

"The Tribally Controlled Schools Act of 1988 is amended—

"(1) in subparagraph (C) of section 5204(a)(3) (20 U.S.C. 2503(a)(3)(C)), by striking "chapter 1 of"; and

"(2) in section 5205 (20 U.S.C. 2504)—

"(A) in subsection (a)(3), by striking "chapter 1 of"; and

"(B) in subsection (b)—

"(i) in paragraph (2), by striking "chapter 1 of"; and

"(ii) in paragraph (3)(A), by striking "chapter 1 of".

On page 1357, after line 25, insert the following:

## **PART \_\_\_\_—AMENDMENT TO DEPARTMENT OF EDUCATION ORGANIZATION ACT AND REPEAL OF INDIAN EDUCATION ACT**

**SEC. \_\_\_\_1. OFFICE OF INDIAN EDUCATION.**

Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) (as amended by section 271) is further amended by adding at the end the following new section:

### **"OFFICE OF INDIAN EDUCATION**

"SEC. 217. (a) There shall be in the Department an Office of Indian Education (hereafter in this section referred to as the 'Office').

"(b)(1) The Office shall be headed by a Director of Indian Education (hereafter in this section referred to as the 'Director') who shall—

"(A) be appointed by the Secretary; and

"(B) report directly to the Assistant Secretary for Elementary and Secondary Education.

"(2) The Director shall—

"(A) be responsible for administering title VI of the Elementary and Secondary Education Act of 1965;

"(B) be involved in, and be primarily responsible for, the development of all policies affecting Indian children and adults under programs administered by the Office;

"(C) coordinate the development of policy and practice for all programs in the Department relating to Indian persons; and

"(D) assist the Assistant Secretary of the Office of Educational Research and Improvement in identifying research priorities related to the education of Indian persons.

"(3) The Director shall be a career appointee in the Senior Executive Service, and shall be paid at a level determined by the Secretary.

"(c)(1) The Secretary shall give preference to Indian individuals with respect to all personnel actions of the Office.

"(2) Such preference shall be implemented in the same fashion as the preference given to any Indian under section 2609 of the Revised Statutes (25 U.S.C. 45)."

#### SEC. 2. INDIAN EDUCATION ACT OF 1988.

The Indian Education Act of 1988 (25 U.S.C. 2601 note) is repealed.

## PART —BUREAU OF INDIAN AFFAIRS

### SEC. 1. GOALS 2000: EDUCATE AMERICA ACT.

(a) ASSISTANCE TO THE SECRETARY OF THE INTERIOR.—Section 315 of the Goals 2000: Educate America Act is amended—

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

"(c) BUREAU OF INDIAN AFFAIRS COST ANALYSIS AND STUDIES.—

"(1) IN GENERAL.—The Secretary of the Interior shall reserve from the funds received pursuant to section 304(a)(1)(B) in the first and second fiscal year for which the Secretary of the Interior receives such funds an amount not to exceed \$500,000 for each such year to provide, through a contract executed, after open solicitation, with an organization or institution having extensive experience in school finance, for an analysis of—

"(A) the costs associated with meeting the academic, home-living, and residential standards of the Bureau for each Bureau funded school and annual projections of such costs; and

"(B) the feasibility and desirability of changing the method of financing for Bureau funded schools from the weighted student unit formula method in

effect on the date of enactment of this Act to a school-based budget system or other alternative system of financial support.

"(2) COST ANALYSIS PURPOSE.—The purpose of the cost analysis provided for in paragraph (1)(A) shall be to provide the Bureau and the panel described in subsection (b)(4) with baseline data regarding the current state of operations funded by the Bureau and to provide a framework for the implementation of opportunity-to-learn standards. Such analysis shall evaluate the costs of providing a program in each school operated or supported by the Bureau for the next succeeding academic year and shall be based on—

"(A) the standards either published in the Federal Register and effective for schools funded by the Bureau on the date of enactment of this Act, or the State or regional standards in effect on such date for a Bureau-funded school;

"(B) the best projections of student counts and demographics as provided by the Bureau and as independently reviewed by the organization or institution selected by the Secretary to perform the analysis described in this section; and

"(C) the pay and benefit schedules and other personnel requirements for each school operated by the Bureau, as such pay and benefit schedules and requirements existed on the date of enactment of this Act.

"(3) FEASIBILITY STUDY PURPOSE.—(A) The purpose of the feasibility analysis provided for in paragraph (1)(B) shall be to determine whether it is feasible and desirable for the Bureau to replace or modify the weighted student unit formula system in effect on the date of enactment of this Act.

"(B) For the purposes of the feasibility analysis described in paragraph (1)(B), the term 'school-based budget system' means a system based upon an initial determination, at each school site, of the number of students who shall be served at the site, the needs of those students, the standards which will best meet those needs (including any standards or conditions reflecting local community input and such community's program), the personnel profile necessary to establish such program and the cost (determined on an actual basis) of funding such a program. Such a system shall include procedures to aggregate the determinations for each school site to determine the amount needed to fund all Bureau funded schools, to prepare a budget submission based upon such aggregate, and to provide for a mechanism for distributing such sums as may be appropriated based upon the determination at each school site.

"(4) RESULTS REPORT.—The contractor selected shall be required to report the results of analyses provided

for in this section, in aggregate and school-specific form to the chairpersons and ranking minority members of the Committee on Education and Labor and the Committee on Appropriations of the House of Representatives and the Committee on the Indian Affairs and the Committee on Appropriations of the Senate, and to the Secretary of the Interior, not later than six months after the date of enactment of the Improving America's Schools Act of 1994. The contractor shall also be required to provide an estimate of the costs of meeting the academic and residential standards of the Bureau for each Bureau funded school for each of the three succeeding forward-funded fiscal years following the date of submission of such report. The contractor shall provide an estimate of such costs to such persons and members not later than January 1 of each succeeding fiscal year."; and

(2) by adding at the end the following new subsections:

"(e) GRANTS.—The Secretary of the Interior may use not more than one percent of the funds received pursuant to section 304(a)(1)(B) in the first and second fiscal year for which the Secretary of the Interior receives such funds for the purpose of providing grants, if requested by Bureau funded school boards, to enable such school boards to carry out activities of reform planning as such activities are described for States in section 308(b)(2)(J), or to evaluate the feasibility of becoming a contract school pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), or a grant school pursuant to the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988.

"(f) STUDY.—In cooperation with the panel established in subsection (b)(4), the Secretary of the Interior shall conduct a study to evaluate the feasibility of contracting with a private management firm for the operation of one or more Bureau operated schools to facilitate the achievement of the National Education Goals and the efficient use of funds in the education of Indian children, and to report to the persons identified in subsection (c)(4) and to the panel described in subsection (b)(4) not later than 12 months after the date of enactment of the Improving America's Schools Act of 1994."

(b) SYSTEMIC TECHNOLOGY PLANNING.—Subsection (b) of section 317 of the Goals 2000: Educate America Act is amended by adding at the end the following new paragraph:

"(3) SECRETARY OF THE INTERIOR.—From the amount appropriated pursuant to the authority of subsection (f) in each fiscal year, the Secretary shall reserve \$75,000 for the Secretary of the Interior to enable the Secretary of the Interior to conduct, directly or through a contract, systemic technology planning for the outlying areas and Bureau funded schools."

SEC. 2. TRIBALLY CONTROLLED SCHOOLS ACT OF 1988.

(a) NEW CONSTRUCTION.—The second sentence of paragraph (4) of section 5205(b) of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2504(b)(4)) is amended by striking "were received." and inserting "were received, except that a school receiving a grant under this part for facilities improvement and repair may use such grant funds for new construction if the tribal government or other organization provides funding for the new construction equal to at least one-fourth of the total cost of such new construction."

(b) COMPOSITION OF GRANTS.—Subsection (b) of section 5205 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2504(b)) is further amended by adding at the end the following new paragraph:

"(5) If the Secretary fails to make a determination within 180 days of a request filed by an Indian tribe or tribal organization to include in such tribe or organization's grant the funds described in subsection (a)(2), the Secretary shall be deemed to have approved such request and the Secretary shall immediately amend the grant accordingly. Such tribe or organization may enforce its rights under subsection (a)(2) and this paragraph, including any denial of or failure to act on such tribe or organization's request, pursuant to the disputes authority described in section 5209(e)."

(c) PAYMENTS.—Subsection (a) of section 5208 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507(a)) is amended to read as follows:

"(a) PAYMENTS.—

"(1) Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in 2 payments, of which—

"(A) the first payment shall be made not later than July 1 of each year in an amount equal to one-half of the amount which the grantee was entitled to receive during the preceding academic year; and

"(B) the second payment, consisting of the remainder to which the grantee is entitled for the academic year, shall be made not later than December 1 of each year.

"(2) For any school for which no payment under this part was made from Bureau funds in the preceding academic year, full payment of the amount computed for the first academic year of eligibility under this part shall be made not later than December 1 of the academic year.

"(3) With regard to funds for grantees that become available for obligation on October 1 of the fiscal year for which such funds are appropriated, the Secretary shall make payments to grantees not later than December 1 of the fiscal year.

"(4) The provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.) shall apply to the payments required to be made by paragraphs (1), (2), and (3).

"(5) Paragraphs (1), (2), and (3) shall be subject to any restriction on amounts of payments under this part that are imposed by a continuing resolution or other Act appropriating the funds involved."

(d) **APPLICABILITY.**—Subsection (a) of section 5209 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2508(a)) is amended to read as follows:

"(a) **CERTAIN PROVISIONS TO APPLY TO GRANTS.**—All provisions of section 5, 6, 7, 104, 105(f), 106(f), 109, and 111 of the Indian Self-Determination and Education Assistance Act, except those provisions relating to indirect costs and length of contract, shall apply to grants provided under this part."

(e) **EXCEPTIONS, PROBLEMS, AND DISPUTES.**—Subsection (e) of section 5209 of the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2508(e)) is amended—

(1) by striking "the amount of a grant under section 5205 (and the amount of any funds referred to in that section), and payments to be made under section 5208 of this Act," and inserting "a grant authorized to be made pursuant to this part or any amendment to such grant,"

(2) by striking "the amount of, or payment of, the administrative grant" and inserting "an administrative cost grant"; and

(3) by adding at the end the following new sentence: "The Equal Access to Justice Act shall apply to administrative appeals filed after September 8, 1988, by grantees regarding a grant under this part, including an administrative cost grant."

### SEC. 3. EDUCATION AMENDMENTS OF 1978.

(a) **BUREAU OF INDIAN AFFAIRS.**—Subsections (a) through (f) of section 1121 of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.) are amended to read as follows:

"(a)(1) The purpose of the standards developed under this section shall be to afford Indian students being served by a Bureau funded school with the same opportunities as all other students to achieve the high goals embodied in the Goals 2000: Educate America Act. Consistent with the provisions of this section and section 1131, the Secretary shall take such actions as are necessary to coordinate standards developed and implemented under this section with those in the State plans developed and implemented pursuant to the Goals 2000: Educate America Act for the States in which each Bureau funded school operates. In developing and reviewing such standards and such coordination, the Secretary shall utilize the findings and recommendations of the panel established in section 315(b)(4) of the Goals 2000: Educate America Act.

"(2) The Secretary shall take immediate steps to encourage school boards of Bureau funded schools to engage their communities in adopting declarations of purposes of education in their communities, analyzing the implications of such purposes for their schools, and determining how such purposes may be made to motivate students and faculties and otherwise animate their schools by May 1, 1995. Such declarations shall represent the aspirations of a community for the kinds of persons such community wants its children to increasingly become, and shall include such purposes as assuring that all learners are becoming accomplished in ways important to themselves and respected by their parents and communities, shaping worthwhile and satisfying lives for themselves, exemplifying the best values of the community and humankind, and becoming increasingly effective in shaping the character and quality of the world all learners share.

"(b) Within 18 months of the publication of the voluntary national content standards described in section 213(a) of the Goals 2000: Educate America Act, the Secretary, in consultation with the Secretary of Education and Indian organizations and tribes, shall carry out or cause to be carried out by contract with an Indian organization a review of the standards in effect on the date of enactment of the Improving America's Schools Act of 1994 for the basic education of Indian children attending Bureau funded schools. Such review shall take into account the voluntary national content standards and other factors such as academic needs, local cultural differences, type and level of language skills, geographic isolation, and appropriate teacher-student ratios for such children, and shall be directed toward the attainment of equal educational opportunity for such children.

"(c)(1) The Secretary shall revise the minimum academic standards published in the Federal Register on September 9, 1985 (50 Fed. Reg. 174) for the basic education of Indian children based upon the review conducted under subsection (b). The Secretary shall publish such proposed standards in the Federal Register for the purpose of receiving comments from the tribes and other interested parties. The Secretary shall establish final standards, distribute such final standards to all the tribes and publish such final standards in the Federal Register. The Secretary shall revise such final standards periodically as necessary. Prior to any revision of such final standards, the Secretary shall distribute such proposed revision to all the tribes, and publish such proposed revision in the Federal Register, for the purpose of receiving comments from the tribes and other interested parties.

"(2) The standards described in paragraph (1) shall apply to Bureau schools, and subject to subsection (f), to contract and grant schools, and may also serve as a model for educational programs for Indian children in public schools. In establishing and revising such standards, the

Secretary shall take into account the special needs of Indian students and the support and reinforcement of the specific cultural heritage of each tribe.

"(d) The Secretary shall provide alternative or modified standards in lieu of the standards established under subsection (c), where necessary, so that the programs of each school shall be in compliance with the minimum standards required for accreditation of schools in the State where the school is located.

"(e) A tribal governing body, or the local school board so designated by the tribal governing body, shall have the local authority to waive, in part or in whole, the standards established under subsection (c), where such standards are deemed by such body to be inappropriate. The tribal governing body or designated school board shall, within 60 days thereafter, submit to the Secretary a proposal for alternative standards that take into account the specific needs of the tribe's children. Such revised standards shall be established by the Secretary unless specifically rejected by the Secretary for good cause and in writing to the affected tribes or local school board, which rejection shall be final and unreviewable.

"(f) The Secretary, through contracting and grant-making procedures, shall assist school boards of contract and grant schools in the implementation of the standards established under subsections (c) and (d), if the school boards request that such standards, in part or in whole, be implemented. At the request of a contract or grant school board, the Secretary shall provide alternative or modified standards for the standards established under subsections (c) and (d) to take into account the needs of the Indian children and the contract or grant school."

(b) COUNSELORS FOR BOARDING SCHOOLS AND DORMITORIES.—Subsection (a) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(a)) is amended by adding at the end the following: "Prior to January 1, 1996, the Secretary shall review the formula established under this section and shall take such steps as may be necessary to increase the availability of counseling services for students in off-reservation boarding schools and other Bureau funded residential facilities. Concurrent with such action, the Secretary shall review the standards established under section 1121 to be certain that adequate provision is made for parental notification regarding, and consent for, such counseling services."

(c) SCHOOL BOARD TRAINING.—Subparagraph (A) of section 1128(c)(2) of the Education Amendments of 1978 (25 U.S.C. 2008(c)(2)(A)) is amended by striking "fiscal year 1986" and inserting "fiscal year 1992, except that the contracts for distribution of such funds shall require that such funds be distributed by the recipient organizations in a manner that assures the same pro rata share is made available for training for each school board in the system."

(d) FORMULA ADJUSTMENT.—Subsection (c) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(c)) is further amended by adding at the end thereof the following new paragraph:

"(4)(A) The Secretary shall adjust the formula established under subsection (a) to use a weighted unit of 0.25 for each eligible Indian student who is enrolled in a year-long credit course in an Indian or Native language as part of the regular curriculum of a school, in considering the number of eligible Indian students served by such school.

"(B) The adjustment required under subparagraph (A) shall be used for such school after—

"(i) the certification of the Indian or Native language curriculum by the school board of such school to the Secretary, together with an estimate of the number of full-time students expected to be enrolled in the curriculum in the second school year following the school year for which the certification is made; and

"(ii) the funds appropriated for allotment under this section are designated by the appropriations Act appropriating such funds as the amount necessary to implement such adjustment at such school without reducing allotments made under this section to any school by virtue of such adjustment."

(e) GRANT SCHOOLS.—Paragraph (3) of section 1128(g) of the Education Amendments of 1978 (25 U.S.C. 2008(g)(3)) is amended by inserting "or grant school" after "contract school" each time such term appears.

(f) AVAILABILITY.—Subsection (h) of section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008(h)) is amended by inserting "of a Bureau school" after "board".

(g) SPECIAL RULE.—Section 1128 of the Education Amendments of 1978 (25 U.S.C. 2008) is amended by adding at the end the following new subsection:

"(i) Beginning with academic year 1994-1995, tuition for the out-of-State students boarding at the Richfield Dormitory in Richfield, Utah, who attend Sevier County high schools in Richfield, Utah, shall be paid from the Indian school equalization program funds at a rate not to exceed the amount per weighted student unit for that year for the instruction of such students. Such payment shall be in lieu of payments that might otherwise be paid to Bureau funded or public schools on their reservations. No additional administrative cost funds will be added to the grant."

(h) UNIFORM DIRECT FUNDING AND SUPPORT.—Subsection (e) of section 1129 of the Education Amendments of 1978 (25 U.S.C. 2009(a)) is amended—

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

"(1) Within six months after the date of enactment of the Improving America's Schools Act of 1994, the Secretary shall establish, by regulation adopted in accordance with

section 1138, a system for the direct funding and support of all Bureau funded schools. Such system shall allot funds in accordance with section 1128. All amounts appropriated for distribution under this section shall be made available as provided in paragraph (2).";

(2) by striking paragraphs (2) and (3) and inserting the following new paragraph:

"(2)(A) For the purpose of affording adequate notice of funding available pursuant to the allotments made by section 1128, amounts appropriated in an appropriation Act for any fiscal year shall become available for obligation by the affected schools on July 1 of the fiscal year in which such funds are appropriated without further action by the Secretary, and shall remain available for obligation through the succeeding fiscal year.

"(B) The Secretary shall, on the basis of the amount appropriated in accordance with this paragraph—

"(i) publish, on July 1 of the fiscal year for which the funds are appropriated, the allotments to be made under section 1128 to each affected school of 85 percent of such appropriation; and

"(ii) publish, not later than October 30 of such fiscal year, the allotments to be made under section 1128 of the remaining 15 percent of such appropriation, adjusted to reflect actual student attendance.";

(3) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively; and

(4) in paragraph (3) (as redesignated by paragraph (3)) by striking "\$25,000" and inserting "\$35,000".

(i) STUDENT PROJECTS AND MATCHING FUNDS.—Section 1129 of the Education Amendments of 1978 (25 U.S.C. 2009) is amended by adding at the end the following new subsections:

"(g) Notwithstanding any other provision of law, where there is agreement on action between the superintendent and the school board of a Bureau funded school, the product or result of a project conducted in whole or in major part by a student may be given to that student upon the completion of such project.

"(h) Notwithstanding any other provision of law, funds received by a Bureau funded school under this title shall not be considered Federal funds for purposes of meeting a matching funds requirement in any Federal program."

**SEC. 4. STAFF OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT.**

Subsection (f) of section 1509 of the Higher Education Amendments of 1986 (20 U.S.C. 4416(f)) is amended to read as follows:

"(f) APPLICABILITY.—

"(1) This section shall apply to any individual appointed after October 17, 1986, for employment in the Institute. Except as provided in subsection (d) and (g), the enactment of this title shall not affect—

"(A) the continued employment of any individual employed immediately before October 17, 1986; or

"(B) such individual's right to receive the compensation attached to such position.

"(2) This section shall not apply to an individual whose services are procured by the Institute pursuant to a written procurement contract.

"(3) This section shall not apply to employees of an entity performing services pursuant to a written contract with the Institute."

**SEC. 5. ENDOWMENT FUNDS.**

Section 302 of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1832) is amended—

(1) in subsection (a), by striking "section 333" and inserting in lieu thereof "section 331"; and

(2) in subsection (b)—

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

"(1) provides for the investment and maintenance of a trust fund, the corpus and earnings of which shall be invested in the same manner as funds are invested under paragraph (2) of section 331(c) of the Higher Education Act of 1965, except that for purposes of this paragraph, the term 'endowment fund' means a fund established by an institution of higher education or by a foundation that is exempt from taxation and is maintained for the purpose of generating income for the support of the institution, and may include real estate;" and

(B) in paragraph (3) by striking "same" the first time such term appears.

**SEC. 6. STUDY.**

The Secretary of the Interior shall conduct a study, in consultation with the board of regents of the Haskell Indian Junior College to evaluate the possible need for alternative institutional and administrative systems at Haskell Indian Junior College to support the transition of such college to a four year university. If the study's conclusions require legislation to be implemented, the study shall be accompanied by appropriate draft legislation. Such study shall be transmitted to the Committee on Indian Affairs of the Senate and the Committee on Education and Labor of the House of Representatives by June 1, 1995.

**BACKGROUND**

The education of about ninety percent of American Indian children is provided by the states through public schools in all fifty states. Most of the remaining ten percent of Indian children attend schools operated or funded by the Bureau of Indian Affairs on trust lands in 23 states.

The Indian Education Act was enacted in 1972, following an extensive review conducted by a Senate Special Subcommittee on Indian Education that had begun its work in 1969. On the basis of

what the Subcommittee called "a failure of major proportions" in the education of American Indians, the Act provided for new federal funding for supplemental programs in public schools to assist Indian students in reaching higher levels of achievement, special program for Indian adults, and the creation of the Office of Indian Education and the appointment of a National Advisory Council on Indian Education in the Department of Education. The basic features of the Indian Education Act remain unchanged today.

In fiscal year 1994, the Congress appropriated \$79,785,000 for the Office of Indian Education. About two-thirds of the appropriation was allocated as formula grants for supplemental programs for Indian children in over 1,200 school districts. The remaining funds were allocated as competitive grants to school districts for planning and demonstration projects, fellowships or other professional development programs for Indians, and for administrative budgets for the Office of Indian Education and the National Advisory Council on Indian Education.

Direct provision of schooling for Indians by the national government was first authorized in 1775, but very few Indian children or adults were served. It wasn't until after the Civil War that the Federal government assumed an active and wider role in providing education to Indian children. Today, the Bureau of Indian Affairs operates or provides funding for 185 schools and dormitories on 63 reservations in 23 states. Ninety-four of the facilities are operated by tribal governments; 24 are operated under contracts as authorized by the Indian Self-Determination and Assistance Act of 1975, and 70 are operated with grants as authorized by the Tribally Controlled Schools Act of 1988. These schools, together with schools operated by the Bureau itself, enroll 45,186 students in grades kindergarten through twelve.

In fiscal year 1994, the Congress appropriated \$394,393,000 for the operation of schools by the Bureau of Indian Affairs and by tribal governments with grants or contracts from the Bureau.

#### MAJOR PROVISIONS OF THE AMENDMENTS

##### *Indian Education Act*

The Committee on Indian Affairs accepted much of the Administration's proposal for the reauthorization of the Indian Education Act, including those provisions aimed at the implementation of the national goals and performance standards envisioned in GOALS 2000. Based upon testimony from Indian educators and organizations, however, the Committee has retained some provisions in existing law which the Administration proposed to delete and modified certain other provisions.

The Act would reauthorize the program of formula grants to schools enrolling Indian children, the major component of the Act, but would establish a minimum enrollment of ten students and grant of \$4,000, the minimum level of funding the Committee believes necessary to conduct an effective program. Absent such a minimum grant requirement, which would have little effect upon grants to districts enrolling a larger number of Indian students, the smaller programs would have as little as \$1,550 in fiscal year 1995. Consistent with the Administration's proposal, the Act authorizes

formula grants to be part of schoolwide programs, but the Committee's amendment limits such schoolwide use to those schools in which Indian students make up half of a school's enrollment and requires the concurrence of the school's parent committee.

A new provision affecting formula grant applications would require applicants to include a comprehensive plan for meeting the education needs of Indian and Alaska Native students. Such a plan would necessarily include a definition of a community's purpose of education and descriptions of academic goals, how funds from all sources would be coordinated to meet the needs of the students, what training would be afforded teachers who are new to working with Indian students, and what plans have been developed for assessment of student progress and for the dissemination of assessment results to parents. Other changes made by the Committee would require three-fourths of the members of each parent committee to the Indian parents, require an applicant Local Education agency (LEA) to conduct an assessment of Indian student needs, authorize tribal governments to apply for grants if an LEA does not do so, and delete a requirement that an LEA submit its application to a State Education Agency for review.

The Committee agreed with the Administration in deleting the overbroad "other organized groups" category from the list of entities whose members are eligible to participate in Indian Education Act programs, but in order that existing programs not be disrupted for tribes or bands whose final eligibility has not been established, the Committee's amendments provide authority to continue funding for current grantees.

The Committee accepted the Administration's proposed payback requirements in a slightly modified form for Indian Education Fellowship awardees, but on the basis of unanimous testimony by tribal educators and students, the Committee retained provisions in existing law that authorize competitive grants to be awarded to students, rather than accepting the Administration's proposal to replace direct grants to students with a program of grants to selected institutions of higher education. By all accounts, the existing fellowship program has been successful in increasing the number of Indians in professions. Noting the burden described by the Department in evaluating hundreds of applications annually for as few as fifty awards, the Committee has authorized, but not directed, the Secretary to contract with an independent organization to administer the program.

Given the unique and broad role that Indian Education Technical Assistance Centers provide not just to LEAs, but to tribal governments, tribal colleges, and other Indian organizations, the Act would reauthorize the six Indian Education Technical Assistance Centers. These Centers not only serve a broad array of organizations, but they provide continuing on-site assistance upon request, an activity not envisioned for the multiple purpose centers proposed by the Administration. That assistance is made possible by the locations of the Centers near concentrations of the Indian population—four are in the midwest or west, one is in Alaska, and only one is east of the Mississippi. Given the distribution of the general population to be served by the broad-based centers proposed by the Administration, such centers would likely be more distant from In-

dian populations and would likely result in a diminution of services.

Finally, to enable tribal governments to give leadership to the achievement of school reform and pursuit of the National Education Goals, the Act would authorize a new category of grants to assist such governments to plan and coordinate education programs within their jurisdictions. Such grants would assist tribal governments in providing the kind of leadership to school reform and improvement such as the governors of states are to provide.

#### *Bureau of Indian Affairs education programs*

The second category of amendments relate to education programs of the Bureau of Indian Affairs. As with the Committee's amendments to the Indian Education Act, the amendments are intended to advance school reform and the pursuit of the National Education Goals by making substantive changes to current law and by improving the administration of the Bureau's programs. A few, however, are merely technical amendments.

The Committee's amendments to GOALS 2000 are intended to modify provisions governing a study prescribed in the Act (with funding from a Department of Interior set-aside) and to take other actions consistent with GOALS 2000: The Educate America Act. The study, an analysis of the cost of providing educational programs in Bureau of Indian Affairs schools, would be performed by an organization having expertise in school finance, instead of by one of two institutions named in GOALS 2000, and to provide estimates of such cost for each of the succeeding three years. The contractor selected would also be directed to evaluate the feasibility of changing the system by which appropriated funds are distributed to the Bureau's 184 schools and dormitories. Another amendment would direct the Secretary of Interior to study whether contracting with a private school management firm for the operation of one or more schools should be considered. It would also authorize the Secretary to make small grants to Bureau schools, if requested by their school boards to enable them to consider such an approach for themselves or to enable them to explore becoming contract or grant schools. The final amendment of GOALS 2000 would authorize the Bureau to receive a grant from the Department of Education equal to the minimum afforded each state to enable the Bureau to plan for the use of educational technology in its schools, correcting what the Committee viewed as an oversight at the time GOALS 2000 was proposed.

The Committee's amendments would require the Bureau of Indian Affairs to review education standards adopted almost ten years ago and to revise such standards on the basis of provisions of GOALS 2000, and would direct the Secretary to encourage communities to adopt purposes of education to reflect community aspirations for the attributes it wants its children to possess. The amendments would also direct the Secretary to take steps to increase the number of counselors at boarding schools and to distribute school board training funds on a pro rata basis.

A number of improvements would be made in the Bureau's system of providing financial and other support to its schools. The amendments would require the Bureau to make payments to con-

tract and grant schools on July 1 and December 1 of each year, and to pay interest in the event payments were not timely made, and, further, to require that all amounts appropriated for school operations be distributed and not diverted to other Bureau programs. Tribally-operated schools administered with Bureau grants would be made subject to the same rule as schools operated under contracts with tribes with regard to audits and enrollment of non-Indians, and any disputes over grants would be handled as they are under the Indian Self Determination and Assistance Act. Bureau schools would be enabled by the amendments to retain up to fifteen percent of funds received in a fiscal year without fiscal year limitation to encourage prudent management of their funds and to enable improved planning for the following year.

A new provision for funding for Indian or Alaska Native language instruction would be authorized under the Committee amendments, subject to additional appropriations. Further, the amendments clarify that since Bureau-funded schools are not supported by state or local taxes, these federally-funded schools would be enabled to use such federal funds in any programs requiring matching funds.

Committee amendments also undertake to address the enormous backlog of needs for school construction. First, to give increased flexibility to grant and contract schools in making prudent choices on school renovation or replacement, the amendment would allow a tribal government to use improvement and repair funds for replacement school buildings if a tribal government paid for one-fourth of the total costs of the new construction. Second, to compel the Bureau to reply to applications by tribal governments for grants for facilities repair, a deadline would be imposed on the Bureau by providing that an application would be deemed approved if the Bureau took no action within six months.

An amendment included by the Committee would affect all tribally controlled community colleges by authorizing them to invest endowment funds subject to the criteria and limitations as other institutions of higher education. The amendment would avert the need for the colleges to withdraw funds presently invested and deposit such funds in lower interest earning accounts.

Finally, the Committee amendments include provisions affecting three specific institutions. The first would direct the Secretary to conduct a study analyzing whether alternative institutional or administrative systems should be considered for Haskell Indian Junior College, given its transition to a four-year college. The second would clarify that persons employed by the foundation established by the Institute of American Indian Arts are not employees of the Institute itself. The third would direct the Bureau of Indian Affairs to make payments to the Richfield Academy in Utah based upon the number of Navajo students who are obtaining their education at the Academy, in place of federal payments that would otherwise be made to Bureau or public schools on their reservations.

#### LEGISLATIVE HISTORY

On May 4, 1994, the Committee on Indian Affairs received testimony on provisions affecting American Indians in S. 1513, The following America's Schools Act, and H.R. 6, the version of the act ap-

proved by the House of Representatives on March 24, 1994. Based on the testimony received and letters from Indian education organizations and tribal governments, the Committee drafted the reauthorization of the Indian Education Act and amendments to statutes governing education programs of the Bureau of Indian Affairs.

#### COMMITTEE RECOMMENDATION AND TABULATION OF VOTE

On July 1, 1993, the Committee on Indian Affairs unanimously approved the amendments to S. 1513 and the amendments reported to the Senate and the recommendation that the Senate approve the amendments.

#### SECTION-BY-SECTION ANALYSIS

##### Findings and Purpose

Section 6001 sets out findings that underlie the Indian Education Act.

Section 6002 declares the purpose to be to help meet unique needs so that American Indians and Alaska Natives can achieve challenging State performance standards to be developed pursuant to GOALS 2000 and identifies the kinds of activities that will be authorized.

##### *Part A.—Formula grants to local education agencies*

Section 6101 declares the purpose of Part A as one of supporting Local Education Agencies (LEAs) in their reform efforts toward achieving the national goals.

Section 6102 authorizes grants to LEAs that enroll 10 or more Indian students or if such students constitute at least 25 percent of an LEA's enrollment; also provides that a tribal government may apply if an LEA declines to do so.

Section 6103 describes how the amount of grants will be calculated, authorizes grants for Bureau of Indian Affairs funded schools, describes how reductions would be made when appropriations are below the amounts authorized, and establishes a minimum grant of \$4,000 for every program.

Section 6104 describes what information and commitments will be required of applicants seeking formula grants, including the role of the parent committee; provides that the parent committee shall have no less than a three-fourths membership of Indian parents.

Section 6105 describes permissible activities that may be supported with formula grants.

Section 6106 describes student eligibility forms and monitoring requirements.

Section 6107 provides for payments to LEAs and withholding of payment if a State fails to maintain fiscal effort.

##### *Part B.—Special programs and projects to improve educational opportunities for children*

Section 6201 provides for discretionary grants to State and Local Educational Agencies, Indian tribes and organization, BIA funded schools, Indian colleges, and consortia for projects that are to develop, test, and demonstrate the effectiveness of services and pro-

grams and describes the kinds of programs that could be carried out.

Section 6202 provides for grants to institutions of higher education and tribes, and Indian organizations, and educational agencies if in consortium with such institutions for the purpose of providing training as teachers, administrators, teacher aides, social workers, and ancillary educational personnel; also imposes service requirements or repayment of funds.

Section 6203 authorizes Fellowships to be awarded to Indian students for graduate studies and undergraduate studies in specified fields; imposes service requirements or repayment of award; also authorizes the Secretary to contract for the administration of the Fellowship program.

Section 6204 authorizes the Secretary to establish centers for gifted and talented Indian students at tribally controlled community colleges and to make grants to support demonstration projects at selected Bureau of Indian Affairs-funded schools.

Section 6205 authorizes the Secretary to establish regional centers to provide a wide range of technical assistance to Indian schools, tribal governments, and Indian organizations for the support of Indian education programs; also provides for an authorization of \$8,000,000.

Section 6206 authorizes the Secretary to make grants to tribal governments to allow them to plan and develop organizations which would coordinate educational programs on their reservations, develop education codes, and for other purposes; provides also for an authorization of \$3,000,000.

##### *Part C.—Special programs relating to adult education for Indians*

Section 6301 authorizes grants for adult education programs including planning, pilot, demonstration and research projects.

##### *Part D.—National activities and grants to States*

Section 6401 authorizes the Secretary to make grants to tribes and tribal organizations, State and local educational agencies, institutions of higher education, and other public and private organizations for research and evaluation in Indian education.

##### *Part E.—Federal administration*

Section 6501 establishes the National Advisory Council on Indian Education and describes its membership and duties.

Section 6502 authorizes the Secretary to use a peer review process for applications submitted for discretionary programs, professional development, and national activities.

Section 6503 requires the Secretary to give preference to applications of Indian tribes, institutions, and organizations.

Section 6504 limits the Secretary in making grants for discretionary programs and professional development to projects that are based on relevant research findings and are of sufficient size, scope, and quality.

##### *Part F.—Definitions, authorizations of appropriations*

Section 6601 provides definitions for the following terms: "adult," "adult education," "free public education," and "Indian."

Section 6602 authorizes \$61,300,000 for Part A, \$31,925,000 for Parts B through D, and \$3,775,000 for Part E in fiscal year 1995, and such sums as may be necessary for each of the succeeding years through 1999.

[The following amendments should appear in title III of the Improving America's Schools Act of 1994]:

Section 343 establishes the Office of Indian Education and describes its membership and duties.

Section 344 repeals the Indian Education Act of 1988.

#### SECTION-BY-SECTION ANALYSIS

##### *Amendments to Public Law 103-227*

Section 1(a) authorizes and directs the Secretary of Interior to contract with an organization having expertise in school finance to conduct an analysis of the costs of operating Bureau of Indian Affairs funded schools and an analysis of alternative systems of financing such schools, authorizes the Secretary to conduct a study of feasibility of contracting with a private school management firm for the operation of one or more schools, and authorizes the Secretary to make grants to schools to enable them to explore options for operation of their schools.

Section 1(b), directs the Secretary of Education to allocate \$75,000 from funds appropriated for education technology planning to the Secretary of Interior to enable the Secretary to carry out planning for outlying areas and Bureau of Indian Affairs funded schools.

##### *Amendments to Public Law 100-297*

Section 2(a) authorizes tribal governments to use Facilities Improvement and Repairs funds for replacement construction if one-fourth of the total project cost is borne by the tribal government or other organization.

Section 2(b) requires the Secretary of Interior to act upon a request made by a tribal government to include facilities funding in a grant within six months by declaring the request deemed approved if the Secretary takes no action.

Section 2(c) requires the Secretary to make payments to grant schools by July 1 and December 1 of each year, conforming the requirement to forward funding of the Indian School Equalization Program, and authorizes payment of interest to the schools in the event of late payments.

Section 2(d) requires the Secretary to raise any audit questions of a grant school within one year of the filing of an audit report, the same limitation imposed upon the Secretary with regard to contract schools.

Section 2(e) authorizes all disputes arising over grants, not just disputes over funding, to be handled as they are under P.L. 93-638.

##### *Amendments to Public Law 95-561*

Section 3(a) directs the Secretary of Interior to revise standards relating to Bureau of Indian Affairs schools to incorporate GOALS 2000 and to encourage communities to adopt purposes of education

which reflect each community's aspirations for the attributes it wants its children to possess.

Section 3(b) requires the Secretary to take such steps as are necessary to increase the availability of counselors in off-reservation boarding schools by January, 1996.

Section 3(c) provides that funds made available for school board training be distributed on a pro rata basis among recipient organizations.

Section 3(d) authorizes an additional Weighted Student Unit value of 0.25 for Native language enrollees in Bureau funded schools, subject to additional appropriations.

Section 3(e) authorizes the enrollment of non-Indians at grant schools (consistent with existing law allowing their enrollment at contract schools) and the collection of tuition.

Section 3(f) authorizes Bureau operated schools to retain up to 15 percent of funds allotted to them without fiscal year limitation.

Section 3(g) authorizes and directs the Secretary to make payment under the Indian School Equalization Programs for out-of-state students attending the Richfield Academy in Utah.

Section 3(h) requires the Secretary to distribute all amounts appropriated for the Indian School Equalization Program and publish notice of allotment amounts on July 1 and October 30.

Section 3(i) authorizes the Secretary to give the products of student project to students attending Bureau operated schools.

Section 3(j) authorizes the use of federal funds received by Bureau funded schools to be used as matching funds when required by other federal programs.

##### *Amendments to other laws*

Section 4 amends the Higher Education Amendments of 1986 by clarifying that employees of the foundation established by the Institute of American Indian Arts are not employees of the Institute.

Section 5 amends the Tribally Controlled Community College Assistance Act of 1978 to clarify that tribal colleges may invest endowment funds subject to the criteria as other institutions of higher education.

Section 6 directs the Secretary to conduct a study evaluating the possible need for alternative institutional and administrative arrangements at Haskell Indian Junior College to support the transition of the College to a four-year institution.

#### COST AND BUDGETARY CONSIDERATION

The cost estimate for the Indian education amendments to S. 1513, as provided by the Congressional Budget Office, is set forth below:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, July 14, 1994.

Hon. DANIEL K. INOUE,  
Chairman, Select Committee on Indian Affairs, U.S. Senate, Wash-  
ington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for two amendments to S. 1513, the Improving America's Schools Act of 1994, as ordered reported by the Senate Select Committee on Indian Affairs on July 8, 1994. The amendments would revise the authorization of Indian education programs in the Department of Education and the Bureau of Indian Affairs. Enactment of the amendments would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to this bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ROBERT D. REISCHAUER,  
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: None.
2. Bill title: None.
3. Bill status: Two amendments to S. 1513, the Improving America's Schools Act of 1994, as ordered reported by the Senate Select Committee on Indian Affairs on July 8, 1994.
4. Bill purpose: To extend for five years the authorization of appropriations for the Indian education programs under the Elementary and Secondary Education Act of 1965, and to revise the authorization of the Indian education programs under the Bureau of Indian Affairs.
5. Estimated cost to the Federal Government:

FEDERAL GOVERNMENT COSTS  
(By fiscal year, in millions of dollars)

|  | 1995 | 1996 | 1997 | 1998 | 1999 |
|--|------|------|------|------|------|
| <b>Formula grants to local educational agencies:</b>   |      |      |      |      |      |
| Estimated authorization of appropriations              | 61   | 63   | 65   | 66   | 68   |
| Estimated outlays                                      | 7    | 49   | 62   | 65   | 66   |
| <b>Special programs and national activities:</b>       |      |      |      |      |      |
| Estimated authorization of appropriations              | 32   | 33   | 34   | 35   | 36   |
| Estimated outlays                                      | 4    | 26   | 32   | 34   | 35   |
| <b>National Advisory Council on Indian Education:</b>  |      |      |      |      |      |
| Estimated authorization of appropriations              | 4    | 4    | 4    | 4    | 4    |
| Estimated outlays                                      | 4    | 4    | 4    | 4    | 4    |
| <b>Grants for evaluation and technical assistance:</b> |      |      |      |      |      |
| Authorization of appropriations                        | 8    | 8    | 8    | 8    | 8    |
| Estimated outlays                                      | 1    | 6    | 8    | 8    | 8    |
| <b>Grants for tribes for educational:</b>              |      |      |      |      |      |
| Administrative planning and development:               |      |      |      |      |      |
| Estimated outlays                                      | 3    | 3    | 3    | 3    | 3    |
| <b>Study of Haskell Indian Junior College:</b>         |      |      |      |      |      |
| Estimated authorization of appropriations              | (1)  |      |      |      |      |
| Estimated outlays                                      | (1)  |      |      |      |      |

FEDERAL GOVERNMENT COSTS—Continued  
(By fiscal year, in millions of dollars)

|   | 1995 | 1996 | 1997 | 1998 | 1999 |
|---|------|------|------|------|------|
| Total authorization of appropriations:    |      |      |      |      |      |
| Estimated authorization of appropriations | 109  | 111  | 113  | 116  | 119  |
| Estimated outlays                         | 15   | 88   | 108  | 113  | 116  |

<sup>1</sup>Less than \$500,000.

Note—Details may not add to totals because of rounding.

The costs of these amendments fall within budget function 500. Basis of Estimate: The two proposed amendments would revise the authorization of Indian education programs in the Department of Education and the Bureau of Indian Affairs of the Department of the Interior. The amendment for the Department of Education programs would also extend the authorization of appropriations of Indian education programs for five years. Appropriations for the Bureau of Indian Affairs programs are permanently authorized at such sums as may be necessary.

*Indian Education in the Department of Education.*—For Formula Grants to Local Educational Agencies (LEAs), Special Programs and National Activities, and the National Advisory Council on Indian Education, the amendment would authorize a specific amount for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years. CBO estimates authorization levels in these later years by adjusting the 1995 amount for projected inflation. Two programs, the Grants for Evaluation and Technical Assistance and the Grants to Tribes for Educational Administrative Planning and Development are authorized at specific amounts for fiscal years 1995 through 1999. Outlays are estimated by considering historical spending patterns of these and similar programs. Estimated outlays assume full appropriation of the authorized amounts.

*Indian Education in the Bureau of Indian Affairs.*—The amendment revising the Bureau of Indian Affairs education programs authorizes a study of Haskell Indian Junior College to evaluate the need for alternative institutional and administrative systems at the college to support the transition of the college to a four-year university. The Secretary of the Interior would be required to complete the study by June 1, 1995. The Snyder Act (25 U.S.C. 13) permanently authorizes Indian education programs in the Bureau of Indian Affairs at such sums as may be necessary. This newly authorized study would increase the authorization of appropriations under that act. CBO estimates the cost of the study to be less than \$500,000.

6. Pay-as-you-go considerations: None.
7. Estimated cost to State and local governments: None.
8. Estimate comparison: None.
9. Previous CBO estimate: None.
10. Estimate prepared by: Dorothy Rosenbaum.
11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

## REGULATORY IMPACT STATEMENT

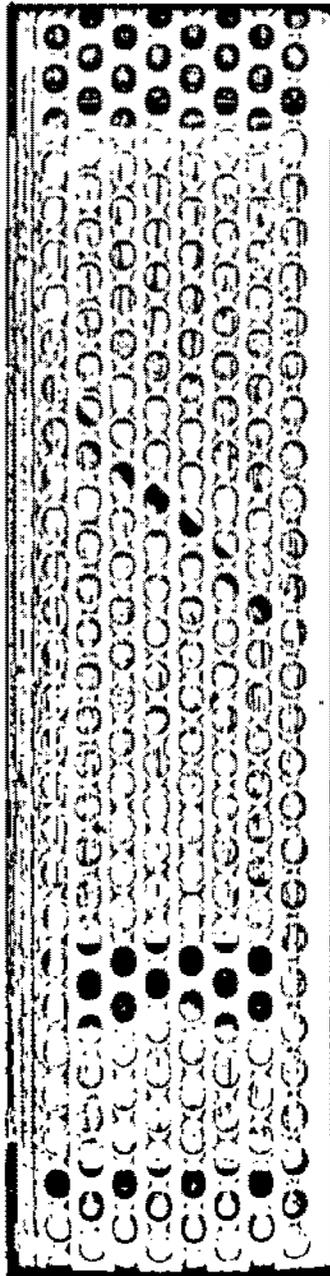
Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires each report accompanying a bill to evaluate the regulatory and paperwork impact that would be incurred in carrying out the bill. The Committee believes that the Indian education amendments to S. 1513 will have minimal impact on regulatory or paperwork requirements.

## EXECUTIVE COMMUNICATIONS

Although copies of the amendments to S. 1513 were provided to both the Department of Education and the Department of Interior, neither department provided a formal response. Informal communications from the Department of Education have made the Committee aware that the Department opposes reauthorization of the existing Indian Education Technical Assistance Centers, preferring that the functions of such Centers be carried out by regional multi-purpose centers.

## CHANGES IN EXISTING LAW

Section 12 of rule XXVI of the Standing Rules of the Senate requires that proposed changes in existing law to be made by a reported bill be enumerated in the report. In the opinion of the Committee, it is necessary to dispense with the requirements of this subsection to expedite the business of the Senate.





UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE SECRETARY

## Improving America's Schools Act of 1993

### The Reauthorization of The Elementary & Secondary Education Act

#### EXECUTIVE SUMMARY

The reauthorization of the Elementary and Secondary Education Act represents a \$10 billion-a-year investment in America's future. Our proposal aims to reshape the Act—by far the federal government's largest contribution to K-12 education—so that *all* children in America will develop the knowledge, skills, and habits of mind we once expected of only our *top* students. It offers support for making the effort to reach the National Education Goals—GOALS 2000—a reality in all schools, particularly those that serve disadvantaged children. Through upgrading instruction, professional development, and accountability, and aligning these elements with high standards, federal resources can help teachers, principals, and parents move all children toward world-class levels of learning.

Whether this effort succeeds or fails will make a world of difference. For our children, it will mean the difference between finding doors open or closed to them when they are adults. For our nation, it will mean the difference between economic prosperity, a strong democracy, and world leadership, or a decline in our standard of living and influence around the globe. That is why this eighth reauthorization of the Elementary and Secondary Education Act (ESEA) is so important.

#### WHAT ESEA DOES

Created in 1965 as part of President Lyndon Johnson's War on Poverty, ESEA offered federal support to schools in low-income communities for the first time. It opened a new era of federal involvement in education, in which federal assistance would focus on students who stand to gain the most from it: poor children.

Over the years, Congress amended and expanded the Act seven times, creating programs to help children who speak little English, migrant children, neglected and delinquent youngsters, and other special children. Over time, other programs were added to support school improvement that would benefit all students. The early 1980s witnessed a

## FIVE DIRECTIONS FOR ESEA

1. We must have high standards for *all* children.
2. We must make the improvement of teaching and learning a priority.
3. Government must offer flexibility—to stimulate local initiative—coupled with responsibility for student performance.
4. Students, parents, and communities need to join together to meet education goals.
5. Special federal help should go where it's needed most—in poor communities and schools.

1. *We must have high standards for ALL children.*

High standards for what all children need to know and be able to do are the starting point for ESEA. High standards are the stars by which our journey toward the National Education Goals must be navigated.

ESEA has, in the past, helped children master basic skills. But that is no longer enough. *All* our children must develop the knowledge, skills, and habits of mind we once expected of only our top students. Worksheets and drill-and-practice will not suffice. *All* our children need to be reading novels, writing stories and essays, tackling multi-step math problems, and designing and conducting science experiments. *All* our children, including children with special needs, must develop the habit of using knowledge and skills from key disciplines—mathematics, science, history, geography, civics, English, the arts, and other languages and cultures—to think, to solve problems, and to communicate.

When we look at other countries, the ones whose students consistently outperform ours in science and math, we see those kinds of high standards. Other countries align *every part* of their education systems around high standards—curricula and instruction, student assessment and teacher learning, use of technology and time, and more. The approach is sometimes called "systemic reform." Many states and school districts are already moving in this direction. Goals 2000 and ESEA aim to accelerate the pace.

Our proposal asks that ESEA resources be used as integral—not separate—elements of each school, community, and state's comprehensive, systemic effort to move all students toward high standards. Here are some examples of how the ESEA proposal supports systemic reform:

- o States will be able to create a single set of consolidated plans for how they will use all their ESEA resources, rather than creating a separate and unrelated application for each federal program.

Technology is a major new thrust in our proposal. For the first time, the U.S. Department of Education will lead on several fronts to see that technology becomes a tool for extending access to high-performance learning, and for promoting efficiency in teaching and learning. To do that, ESEA's technology proposal has the following components:

- o Grants will be available for states to help integrate technology into all aspects of education, including instruction in all content areas, administration, and assessment.
  - o Development grants will support the development of software and television programming that can help teachers teach and students reach world-class standards.
  - o The Department will support research and development to advance our understanding of how technology, as well as other tools and approaches, can help create conditions for high-standards learning.
3. *Government must offer flexibility—to stimulate local initiative—coupled with responsibility for student performance.*

More energy must be directed toward supporting conditions where all children reach high standards. Government must give local schools greater flexibility and greater responsibility for student performance.

Here are some examples:

- o Our proposal moves away from project-by-project improvement, and toward "whole school" transformation. Under Title I, more schools will overhaul curriculum and instruction according to a comprehensive plan to benefit all students in the school.
- o Our proposal complements state efforts to develop public charter schools. Six states now allow groups of teachers, parents, and others to create their own charter schools within the public school system, yet outside the constraints of certain rules and regulations. Our proposal complements those initiatives by offering funds for planning and starting up public charter schools that aim to help all students reach high standards.
- o A bold, sweeping new waiver authority will enable the Secretary to waive federal regulations that stand in the way of state and community reforms aimed at high standards and integrating services. This is the broadest waiver authority ever proposed for federal education programs. However, waivers would have to promote the purposes of the law, and civil rights regulations could not be waived.
- o School districts and states may consolidate the funds they receive for administering federal programs. This will reduce the fragmented administration and burdensome record-keeping that happens when each program requires separate accounting of administrative funds, which is currently the case.

- o Under Title I, every school with a poverty rate above 75 percent must receive funds before other lower-poverty schools in a district. This includes high schools and middle schools, very few of which receive Chapter 1 support today. High schools and middle schools may use these funds to offer mentoring and counseling for students, to open students' eyes to their career options and colleges, and to prepare students for careers and college.
- o Title I resources will be distributed to schools on the basis of *poverty*, not test scores. Today, if students in a school score high on tests, the school loses Chapter 1 funding. This disincentive to improve student performance works against the very purpose of ESEA and must be removed.
- o Migrant education support will go to the children who need it most--children whose families are the most mobile.
- o Safe and Drug-Free Schools and Communities funds will focus on communities wracked by drugs and violence. A limited number of "high-need school districts," chosen by each state, will receive 30 percent of the state's local grant funds.

\* \* \*

The five directions for ESEA set clear, compelling priorities. They emphasize changing whole schools and school systems, not just federal programs. The Improving America's Schools Act of 1993 targets resources to schools and children that have the farthest to go toward—but the most to gain—by reaching world-class levels of achievement. It encourages real changes for millions of teachers, parents, children, and others. Change is hard. But our proposal makes it possible through a new kind of partnership among schools, communities, states, and the federal government to ensure that America's children reach world-class levels of achievement.

Title I LEA Grants

## Current Law

## Improving America's Schools Act

| Current Law  | Improving America's Schools Act   |
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| <p><u>Overall program focus</u></p> <p>To help educationally disadvantaged children attain grade-level proficiency and meet minimum standards in basic and more advanced skills.</p>   | <p>To help low-achieving children in high-poverty schools meet challenging standards that all children are expected to meet.</p>  |
| <p><u>Federal-to-State Funding Formulas</u></p> <p>Allocates 90 percent of funds through Basic Grants, and 10 percent through Concentration Grants.</p> <p>Limits eligibility for Concentration Grants to counties where poor children equal at least 15 percent of total children, aged 5-17, or at least 6,500 children. For counties made eligible only under the 6,500-child threshold, count children (for allocation purposes) only in excess of that number.</p> <p>Bases allocations primarily on a count of census children, aged 5-17, living below poverty, and a cost factor (State per-pupil expenditure).</p> <p>Bases the 85 percent "hold harmless" on the previous year's Basic Grants allocation for each LEA, and reserves 1 percent of Basic Grants funding for the Bureau of Indian Affairs and Outlying Areas.</p> | <p>Increases the proportion of funds allocated through Concentration Grants from 10 percent to 50 percent.</p> <p>Raises the Concentration Grants percent eligibility threshold from 15 percent to 18 percent. Counts, for allocation purposes, all poor children in all eligible counties.</p> <p>Applies an "absorption" factor to the formula child count that would reduce each county's count of children by 2 percent of the total number of children in the county.</p> <p>Bases both the hold-harmless and the set-aside on total LEA Grants instead of only Basic Grants; reduces the set-aside from 1 percent to .8 percent of the total LEA Grants amount.</p> |

Current Law

Improving America's Schools Act

State and local allocations

States to LEAs: Requires States to sub-allocate to LEAs within counties on the basis of best available child poverty data, but allows States with LEAs crossing county boundaries to allocate directly to all LEAs, without regard to counties, using Federal formula factors.

LEAs to schools: Requires LEAs to rank and fund schools according to poverty level, with a number of exceptions (including option to rank within each grade span). No other targeting provisions.

Permits all States to allocate to LEAs without regard to counties, based on best available child poverty data, if doing so will result in a reasonable allocation of funds.

Requires LEAs to rank and fund schools according to poverty level, and eliminates most exceptions. Also requires that LEAs allocate funds to each school in an amount that equals at least 80 percent of the LEA's total per-pupil LEA Grants allocation.

State plans

Requires State program improvement plans, reviewed by a State committee of practitioners, that establish at least minimum standards for Chapter 1 programs and objective measures for determining that children meet the standards.

Requires comprehensive State plans, subject to peer review and approval by the Secretary, describing State standards for all children to which Title I schools and children will be held, benchmarks for progress, and State assessment policy and measures.

Local plans

Requires an LEA plan for each schoolwide project, submitted to, and approved by, the SEA.

No plan is required for other schools.

Requires comprehensive LEA plans tied to State standards and assessments.

Requires, for all participating schools, either a "schoolwide" plan or a "targeted assistance plan" (depending on how the school will operate program).

## Current Law

## Improving America's Schools Act

Use of funds

Authorizes not more than 5 percent of LEA funds for "innovation projects," and suggests other uses, such as the acquisition of equipment and materials, employment of personnel, teacher training. Except for schoolwide projects, requires that funds supplement the regular education program of children identified as educationally deprived.

No specifically authorized uses of funds. Requires all schools to use funds to help Title I children reach the same high State standards and outcomes established for all children, extend and enrich instruction, and minimize arrangements that pull children out of class.

Schoolwide programs

Eligibility: Schools with at least 75 percent poor children.

Focus: Activities to upgrade an eligible school's entire educational program, such as reducing class size, training staff and parents, and implementing extended-day programs.

Planning: LEAs develop plans for schoolwide projects, to be approved by the SEA.

Commingling of funds: Schools may commingle their Chapter 1 funds with funds available for "regular programs."

Schools with 65 percent poverty in 1995 and 50 percent starting in 1996.

School-level reforms and improvements to help children reach high State standards.

Schools develop plans with the help of State-established school support teams that review plans and help schools design and implement schoolwide programs.

Broadens authority to permit LEAs to combine Title I funds with other Federal formula funds as well as with State and local funds.

Current Law

Improving America's Schools Act

Parent involvement

Requires written parent involvement policies at the LEA level to ensure parent involvement in planning, design, and program implementation.

Encourages such mechanisms for parent involvement as parent conferences, resource centers, training programs, home-school liaison workers, and parents as tutors and aides.

No comparable provision.

Requires written parent involvement policies as part of both LEA and school plans.

Establishes a framework for parent involvement in Title I decision-making as well as in the education of their children.

Requires school-parent compacts, for all children in Title I schools, that outline mutual responsibilities to help each child attain high standards, and specifies basic requirements for compacts.

Participation of private school children

Requires LEAs to make provisions for special educational services for private school children after timely and meaningful consultation with private school officials.

Authorizes formula grants to States, based on the 1984-85 count of private school children aged 5-17, to reimburse LEAs for past costs associated with the 1985 Felton decision and to help pay current noninstructional costs involved in serving students off of religious-school premises.

Continues current requirements and defines "timely and meaningful" consultation.

Updates the formula count of private school children by requiring that the count be based on the most recent satisfactory data, and eliminates the use of funds to reimburse schools for past expenses.

## Current Law

## Improving America's Schools Act

Health and social services

No specific provisions. Within the general authorization of "programs and projects [that] are designed to meet the special educational needs of educationally deprived children," some funds are used for health, nutrition, and other support services.

Requires that local Title I plans describe how LEAs will coordinate and collaborate with agencies providing health and social services, and permits LEAs to use Title I funds for coordination purposes.

Requires LEAs to ensure a minimum of two health screenings for children in participating elementary schools with at least a 50 percent poverty rate, and allows the use of Title I funds for screenings if no other funding source is reasonably available.

Assessment of student progress

Requires Federal government guidance for assessment through development of national standards.

Requires SEAs, by 1996, to adopt an assessment program that is aligned with State standards, develop policy for annually assessing Title I schools and children, and use assessment results to fulfill Federal accountability requirements.

Program improvement

Requires that SEAs develop State program improvement plans setting at least minimum standards for improvement.

Requires that SEAs address improvement as part of comprehensive State plans to establish high State standards and assessment systems.

## Current Law

## Improving America's Schools Act

School improvement: Establishes a several-stage improvement process requiring: (1) annual identification of schools not meeting standards in State plans; (2) LEA intervention if schools show no improvement within a year after being identified; and (3) SEA intervention one year thereafter.

LEA improvement: No provisions.

Supports local program improvement with grants for direct services in schools identified for improvement.

Redesigns the process to require that: (1) LEAs identify schools after two consecutive years of failure; (2) identified schools immediately revise their Title I plans and implement changes; and (3) within three more years, LEAs take corrective actions against schools.

Adds requirements for SEAs to hold LEAs accountable for improvement.

Supports school improvement through State-designed mechanisms, including a pool of "distinguished educators" to serve as mentors for Title I schools identified for improvement, and a system of "distinguished schools" as improvement incentives and models.

Incentives, rewards, and sanctions

Authorizes a few activities that could reward effective practice: allows bonuses to Chapter 1 teachers under "Uses of Funds" and incentive payments to schools that have demonstrated success under "Innovation Projects."

Does not address sanctions.

Creates State-designed systems for recognizing "distinguished schools" and "distinguished educators." Allows LEAs to provide additional institutional and individual rewards, such as increased decision-making authority, more resources, and special bonuses and professional development options.

Requires LEA action against failing schools after three years, through decreased decision-making authority or funding, alternative governance arrangements, or other measures.

## Current Law

## Improving America's Schools Act

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|   | Requires SEA action against failing LEAs after four years, by such means as placing the LEA in receivership, removing schools from the jurisdiction of the LEA, or abolishing the LEA.   |
| <p><u>Evaluation and reporting requirements</u></p> <p>Requires LEAs to evaluate their programs, using objective measurement of individual achievement, and report results to the State at least once every three years. States must submit, to ED, an evaluation based on local data at least every 2 years.</p> <p>Requires that SEAs: (1) collect data on children served by Chapter 1 for submission of an annual performance report; and (2) summarize information provided by LEAs on aggregated achievement of students in a biennial evaluation.</p> <p>Requires the Department to develop national standards for local program evaluation and complete a biennial report of State and local evaluation results. Separate legislation required a national assessment of Chapter 1, completed in 1992.</p> | <p>Requires annual LEA review of each Title I school's progress toward State standards, using State assessments and other selected measures. LEAs disseminate results through school performance profiles and other means.</p> <p>Requires annual SEA review of each LEA's progress toward State standards, and dissemination of results in individual district performance profiles.</p> <p>Requires a national evaluation of the program, using data from State assessment systems and the National Assessment of Educational Progress, with an interim report to Congress in 1997 and a final report in 2002.</p> |

Even Start

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| <p><u>Eligible children</u></p> <p>Projects must serve families with children in eligible Chapter 1 school attendance areas.</p>   | <p>Eliminates the Chapter 1 area requirement, but gives priority to proposals that primarily target families in attendance areas of schools eligible for Title I schoolwide programs, and in areas designated as empowerment zones or enterprise communities authorized in Pub. L. 103-66.</p> |
| <p><u>Eligible participants, required services</u></p> <p>Requires that projects include early childhood education for children from birth through age 7, and parenting and adult education for their parents who are above the age of compulsory school attendance.</p> | <p>Amends current law to include young teen parents, so long as LEAs provide the education component. Adds requirements that programs operate on a year-round basis and design programs to serve families over a three-year time span.</p>   |
| <p><u>State allocations</u></p> <p>Authorizes formula grants to SEAs based on each State's share of Chapter 1 Basic Grants.</p>  | <p>Bases formula allocations on each State's share of total LEA Grants, instead of on Basic Grants only.</p>   |

Title I Migrant Education

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| <p><u>State allocations</u></p> <p>Establishes a formula for allocating funds to States, and requires that the formula count of migratory children be obtained from a mandated national migrant student record transfer system "or other system" that reflects the actual number of migratory children.</p> | <p>Adds a requirement that the Secretary consult with States receiving allocations of \$500,000 or less to determine if they should operate the program through a consortium arrangement. Also, eliminates the mandated source for the formula count and authorizes the Secretary to use the most accurate information.</p> |
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## Current Law

## Improving America's Schools Act

Participant eligibility and priorities

Allows the program to count and serve "currently migratory" students who have moved in the past year, and "formerly migratory" students who have not moved in the previous year but have changed residence within the last five years.

Gives priority for services to currently migratory children over formerly migratory children.

Amends the definition of a migratory child to permit the program to count and serve only children who have made a qualifying move within the last two years.

Gives priority to migratory children who are failing, or most at risk of failing, to meet State standards established for all children and whose education has been interrupted during the regular school year.

Coordination

Requires coordination of the Migrant Education program with the Chapter 1 LEA Grants program.

Authorizes three-year projects conducted by SEAs for activities to improve inter- and intra-state coordination of migrant education programs, including a migrant student record transfer system (MSRTS).

Clarifies that migratory children must have access to services under the Title I LEA Grants, while encouraging use of program resources for services not otherwise available.

Continues the authority for intra- and inter-state coordination projects. Eliminates the MSRTS.

Title I Neglected and Delinquent Program

Current Law

Improving America's Schools Act

Requirements for services

Program regulations require that children counted for formula allocations be enrolled for at least 10 hours per week in a regular education program.

Requires that eligible institutions identify eligible children and provide supplementary education services to those with the greatest need for special assistance.

Doubles the amount of instruction, to 20 hours a week, that institutions are required to provide from non-Federal funds to be eligible for Chapter 1 funds.

Authorizes institution-wide education programs that allow institutions to serve all students, instead of identified students, and requires that, beginning with the 1996-97 school year, all State agencies receiving funds operate these programs in juvenile institutions.

Evaluation

Law and regulations require SEAs to evaluate their Chapter 1 programs biennially, and State agencies on an annual basis, primarily to determine the impact of N and D funds on maintaining and improving participants' achievement.

Requires that every three years each State agency assess student educational progress and report the results to the SEA. This assessment must also assess the program's impact on participants' educational and employment experience after they leave an institution.

Transition

Authorizes States to use up to 10 percent of their funds for transition activities.

Authorizes demonstration of transition projects within the national Title I demonstration authority.

Current Law

Improving America's Schools Act

Title I Cross-Cutting Provisions

Current Law

Improving America's Schools Act

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| <p><u>Innovation, technical assistance, and national evaluation</u></p> <p>Authorizes LEAs to reserve 5 percent of funds for innovation projects.</p> <p>Authorizes Technical Assistance Centers and Rural Technical Assistance Centers.</p> <p>Requires the Secretary to conduct a national longitudinal study of Chapter 1, other evaluations and technical assistance activities, and, in separate legislation, a national assessment of Chapter 1.</p> | <p>Authorizes a new national demonstration authority to test and evaluate innovative strategies and methods of educating disadvantaged children, including hard-to-serve migrant and neglected and delinquent populations.</p> <p>Eliminates all Chapter 1 technical assistance centers while creating a comprehensive technical assistance system for all Federal elementary and secondary programs.</p> <p>Continues the longitudinal study, requires a national assessment of Title I, and authorizes other evaluation activities.</p> |
| <p><u>Fiscal Requirements</u></p> <p>Requires that LEAs maintain aggregate or per-student expenditures (from State or local resources) at 90 percent of the previous year's level, and allows SEAs to waive the requirement for one-year.</p>  | <p>Allows the Secretary to waive the maintenance of effort requirement, and standardizes the requirement across several Federal programs.</p>   |

## Current Law

Requires LEAs to provide, from State and local funds, services in Chapter 1 schools that are at least comparable to those provided in non-Chapter 1 schools, without specifying comparability measure.

Requires that LEAs use Chapter 1 funds only to supplement State and local funds available for the education of participating children.

LEAs may exclude certain State and local program funds when determining compliance with the supplement, not supplant rules.

## Improving America's Schools Act

Requires that comparability be determined on the basis of expenditures per pupil in Title I schools and non-Title I schools.

Continues supplement, not supplant requirement.

Allows exclusion of State and local funds from supplement not supplant determinations only if funds are used for programs, in Title I-eligible schools, that meet the bill's programmatic requirements.

Eisenhower Professional Development

## Current Law

Purpose

Chapter 2--Provide resources for State and local districts to address their educational needs within the context of seven broad targeted assistance areas.

Eisenhower--Improve the quality of teaching in mathematics and science.

## Improving America's Schools Act

Support high-quality professional development for teachers, administrators, and other school staff in the core academic subjects.

## Current Law

## Administration's Proposal

Allocation Formula

Chapter 2--Up to one percent available for Outlying areas, no BIA set-aside; awards made to States based on population; States develop formula for awards to LEAs that use population plus high-cost factors.

Eisenhower--0.5% to Outlying Areas, 0.5% to BIA; awards made to States 50% on population, 50% on Chapter 1 LEA Grants; awards made to districts 50% on population, 50% on Chapter 1 Basic Grants.

0.5% for Outlying Areas; 0.25% for BIA; awards made to States and local districts based 50% on population and 50% on Chapter 1 LEA grants.

Focus on Mathematics and Science

Chapter 2--None

Eisenhower--100 percent.

If funding is less than \$250 million, full amount goes to math and science. If funding is \$250-\$500 million, then the first \$250 million plus 25 percent of the amount above \$250 million goes to math and science. If more than \$500 million, funds may be used in any subject area.

State Applications

Chapter 2--States must identify distribution of funds among targeted assistance areas.

Eisenhower--States must assess current needs in mathematics and science and describe how programs address those needs.

States must develop comprehensive professional development plans, tied to their Goals 2000 plan, that assess and address needs for professional development. States must set specific outcome indicators.

## Current Law

## Improving America's Schools Act

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| <p><u>State-level Activities</u></p> <p>Chapter 2--20% reserved for State use; of that, no more than 25% for administration and at least 20% for effective schools program.</p> <p>Eisenhower--10% for State use; of that, one-half for administration and one-half for demonstration and exemplary programs for teacher training/retraining, instructional equipment, projects for under-represented students, and dissemination.</p>   | <p>6% for administration and 7.5% for activities in support of the State professional development plan. Professional development must meet the criteria for high-quality professional development (see local activities). Allowable activities include professional development institutes, professional networks, exemplary methods of assessing teachers, incentives for teachers to receive certification from the National Board of Professional Teaching Standards, and support for underrepresented groups.</p> |
| <p><u>Local Application</u></p> <p>Chapter 2--LEAs must describe how activities relate to targeted assistance areas.</p> <p>Eisenhower--LEAs must assess teacher training and curricular needs in math and science; they must describe how activities address those needs.</p>   | <p>LEAs must develop comprehensive professional development plans, tied to their Goals 2000 plans (if they have one), with outcome indicators. LEAs must also match 50% of Federal funds on a 1:1 basis.</p>  |
| <p><u>Local Activities</u></p> <p>Chapter 2--Programs for at-risk students, purchase of instructional materials, schoolwide improvement programs, professional development, literacy activities, programs to enhance personal excellence, and other innovative programs.</p> <p>Eisenhower--Preservice or inservice training or retraining for math/science teachers, training in use of technologies, integrating higher-order skills in the curriculum, grants to individual teachers.</p> | <p>Activities that support the implementation of the LEA professional development plan. Professional development must be tied to high standards, reflect recent research, be of sufficient intensity and duration to have a lasting impact, and utilize teachers as a source of information about professional development. Districts must use at least 80% for professional development in individual schools and can use no more than 20% for district-level professional development activities.</p>               |

## Current Law

## Improving America's Schools Act

| Current Law   | Improving America's Schools Act  |
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| <p><u>Higher Education</u></p> <p>Chapter 2--No comparable provision.</p> <p>Eisenhower--25% of State grant to SAHE for competitive grants to IHEs. Activities include retraining or preservice training for secondary-level teachers and inservice training.</p> | <p>Of 86.5% remaining after State share, 15% goes to SAHE for competitive grants to IHEs operating in conjunction with LEAs. Eligible activities include anything in support of the State professional development plan.</p>   |
| <p><u>Federal Activities</u></p> <p>Chapter 2--No comparable provision.</p> <p>Eisenhower--Activities of national significance in math and science education, including a national clearinghouse, and a separate authority for Regional Consortia.</p>            | <p>Activities of national significance that will contribute to the development of high-quality professional development, including national clearinghouses and Regional Consortia. Evaluation of activities carried out under this program would also be authorized.</p> |

Technical Assistance

Current Law

Under certain programs, the Secretary is authorized to support technical assistance centers to aid recipients of funds in meeting program purposes and requirements. Centers include:

Chapter 1 Technical Assistance Centers (6)  
 Chapter 1 Rural Technical Assistance  
 Centers (10)  
 Drug-Free Schools Regional Centers (5)  
 Bilingual Multicultural Resource Center (16)  
 Bilingual Evaluation Assistance Centers (2)  
 Migrant Program Coordination Centers (3)  
 Indian Education Technical Assistance  
 Centers (6)

In addition, the National Diffusion Network is authorized to provide information and assistance in adopting proven effective programs and strategies. A total of 58 facilitators provide information in each State, territory, and among private schools. A host of program developers are also funded to demonstrate their programs to others throughout the country.

Improving America's Schools Act

Creates authority for the Secretary to support a new system of 10 regional centers to provide comprehensive assistance regarding best practices and the implementation and integration of ESEA programs. Each center would serve SEAs, LEAs, schools, and other recipients of ESEA funds and would be required to maintain staff expertise in instruction, curriculum improvement, and school reform; meeting the needs of children served by ESEA programs; professional development of teachers and other school staff; bilingual education; drug and violence prevention and education; educational applications of technology; and parent involvement. Technology-based technical assistance services, both directly from the Department and from the centers, would also be authorized.

Educational Technology

Current Law

The Fund for Innovation in Education specifically authorizes the Secretary to support the development of educational television and radio programming for use in student instruction and teacher training. It also authorizes the Secretary to award funds to strengthen and expand computer education resources in public and private elementary and secondary schools.

Improving America's Schools Act

A new and separate educational technology authority would establish an Office of Educational Technology within the Department to provide national leadership in the use of technology to promote achievement of the National Education Goals and to increase opportunities for all students to achieve to challenging standards. A national long-range plan would be required, and grants and contracts would be authorized for a variety of leadership activities, including conferences and consultations with experts, research and development, demonstrations, State and local planning for the use of technology, and capacity-building among technical assistance providers. The new Fund for the Improvement of Education, the successor to the Fund for Innovation in Education, would not explicitly include authority for technology activities.

Star Schools

Purpose

Improve instruction in mathematics, science, foreign languages, and other subjects; provide for telecommunications facilities and equipment, instructional programming, and technical assistance.

Encourage the expansion and use of distance learning to: improve teaching and learning; achieve the National Goals; help all students achieve to State content standards; and increase participation in school reform.

## Current Law

## Improving America's Schools Act

| Current Law   | Improving America's Schools Act   |
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| <p><u>Requirements for Discretionary Grants</u></p> <p>Minimum of 25 percent must be used for facilities and equipment. Awards are for two years. Federal share is 75 percent. Partnerships must have a minimum of three partners, one of which must be an LEA or SEA, and be organized on a Statewide or multistate basis. A single Statewide network is authorized. A 50 percent match is required.</p> | <p>Awards may not exceed five years. Federal share is 75 percent in the first two years, 60 percent in the third and fourth, and 50 percent in the fifth. To be eligible partnerships must have a minimum of two partners; at least one LEA must participate.</p> |
| <p><u>Priorities</u></p> <p>Nine priorities include serving schools with significant numbers of Chapter 1 students and serving a multistate area.</p>   | <p>Two priorities: applications with high-quality plans for meeting the National Goals and applicants that propose to serve schools with significant numbers of Chapter 1 eligible children.</p>  |
| <p><u>Other Activities</u></p> <p>Set-aside for evaluation of ten specific aspects of Star Schools grantee activities. Separate authority for dissemination grants to partnerships, INEs, and others for technical assistance to State and local agencies to start technology-based systems.</p>  | <p>Set-aside (and a separate authority) for national leadership (including dissemination), independent evaluation, and peer review of both applications and funded projects.</p>  |

Fund for the Improvement of Education

Current Law

Currently named the Secretary's Fund for Innovation in Education (FIE), this program has a general authorization to carry out programs and projects that show promise of identifying and disseminating innovative educational approaches. It also authorizes eight specific programs: (1) Optional tests for academic excellence; (2) technology education; (3) programs for computer-based instruction; (4) programs for the improvement of comprehensive school health education; (5) alternative curriculum schools; (6) innovative alcohol abuse education programs; (7) national geography studies centers; and (8) instruction on the history and principles of democracy in the United States (civic education).

Improving America's Schools Act

Proposed legislation would rename the program Fund for the Improvement of Education (still called FIE) and authorize grants and contracts to support nationally significant programs and projects to improve the quality of education, assist all students to meet challenging standards, and contribute to achievement of the National Education Goals. Funds would be used for such things as activities to promote systemic education reform, demonstrations designed to yield nationally significant results, joint efforts with other agencies, evaluation of reform strategies, activities to promote health education and environmental education, and the recognition of exemplary schools. Authority would be added to fund unsolicited proposals and to use FIE funds to continue existing projects funded under programs not proposed for reauthorization.

Javits Gifted and Talented Education Program

Purpose

Provide a coordinated program of research, demonstration projects, personnel training, and other activities to build a nationwide capability in elementary and secondary schools to identify and meet the special educational needs of gifted and talented students.

Demonstrate how strategies designed for the education of gifted and talented students can be used to help all students in a school realize their potential and meet challenging performance standards.

Current Law

Improving America's Schools Act

Discretionary Grants and Contracts

Priority given to the identification of gifted and talented students not traditionally served (and programs designed to include them), and to projects designed to develop the capability of schools to serve gifted and talented students in an entire State or region of the Nation. Secretary must make at least one-half the awards for projects with a component serving students who are economically disadvantaged.

Discretionary grants with a requirement that projects providing services to students must serve all of the students in a school before the end of the award. Secretary must make at least one-half the awards to applications with a component designed to serve schools with at least 50 percent Title I students.

Other Activities

A National Center carries out research on identifying and serving gifted and talented students and conducts evaluations of programs designed to serve such students.

Authorizes the use of funds for peer review, for dissemination and evaluation, and for applied research and development.

Charter Schools

Current Law

Improving America's Schools Act

No comparable authority.

Supports planning and initial implementation of public schools that are freed from certain Federal, State, and local regulations in return for accountability for results. Three-year grants would be authorized. LEAs or SEAs, working with school developers, could receive funding. Grantees could receive waivers from State and Federal rules in exchange for a commitment to improving educational results. Up to 10 percent of funds could be reserved for evaluation and other national activities.

### Inexpensive Book Distribution

#### Current Law

Authorizes a contract with Reading is Fundamental, Inc. (RIF) for distribution of inexpensive books to students. Priority is placed on at-risk populations. No explicit requirement for RIF to wean projects away from Federal funding.

#### Improving America's Schools Act

Promotes local capacity-building by requiring RIF to fund projects for only five years unless they serve at-risk populations and can demonstrate financial need.

### Arts in Education

Authorizes Federal grants to integrate the arts into elementary and secondary curricula. Two major awards are made to Very Special Arts and the Kennedy Center.

Details specific Federal activities including research in arts education, model arts education programs, model arts assessments, model professional development in the arts, and collaborative activities with other agencies. Maintains support for Kennedy Center and VSA.

### Safe and Drug-Free Schools

#### Distribution of Funds

Includes a single authorization of appropriations for all activities except school personnel training and emergency grants, which are authorized separately; and a complex formula of percentages for set-asides of State grant and National Programs funds. Under this formula, appropriations for State grants (up to approximately \$300 million) are allocated based on school-aged population. Governors funds are capped at \$100 million (of which 42.5 percent must be targeted on high-risk youth), and the remainder (up to \$200 million) is allocated to SEAs. SEAs may retain up to 10 percent of

Includes separate authorizations of appropriations for State grants, postsecondary education programs, and National Programs. State grants would be allocated half on the basis of school-aged population and half on the basis of State shares of Title I funding. Governors would receive 20 percent, and SEAs 80 percent, of each State's allocation. SEAs would be required to subgrant at least 90 percent of their allocations to LEAs; these subgrants would be based on enrollment (70 percent) and high need (30 percent). SEAs would determine the criteria for selecting

## Current Law

## Improving America's Schools Act

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| <p>their share of the \$200 million, and must subgrant the remainder to their LEAs based on school enrollment. Appropriations for State grants above \$300 million are allocated to SEAs half on the basis of school-aged population and half on the basis of State shares of Chapter 1 funding; SEAs are required to subgrant all of these funds to their LEAs based on each LEA's share of Chapter 1 funding.</p> | <p><u>high-need LEAs</u> and would be required to target their high-need funds on no more than 10 percent or up to 5 of their LEAs, whichever is greater.</p>   |
| <p><u>Authorized Uses of Funds</u></p> <p>Activities directly related to drug prevention only.</p>  | <p>A broad range of drug and violence prevention programs and activities.</p>   |
| <p><u>Minimum Program Requirements</u></p> <p>LEAs are required to certify that they have adopted and implemented certain programs and policies as a condition of eligibility for any Federal financial assistance.</p>   | <p>LEAs are required to submit plans for comprehensive prevention strategies that link schools and communities. Those that have adopted and implemented the "basic" program required would be allowed to engage in a broader range of activities.</p> |
| <p><u>State Grants -- Governors Funds</u></p> <p>Governors are required to use at least 42.5 percent of their funds for high-risk youth, 10 percent for Drug Abuse Resistance Education (DARE), and 5 percent for replication of successful programs.</p>   | <p>No set-asides. Instead, Governors would be required to demonstrate how their funds support programs and activities for children and youth not normally served by SEAs or LEAs or for populations needing special services.</p>                     |

## Current Law

## Improving America's Schools Act

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| <p><u>State Grants -- Accountability</u></p> <p>Requires States to submit a biennial report to the Secretary that contains information on, including an evaluation of the effectiveness of, State and local programs funded under the Act.</p>  | <p>Links State and local prevention efforts to measureable goals and objectives. Requires States and LEAs to collect better data and report on progress toward meeting their stated objectives. Establishes a new <u>national evaluation and reporting system</u> to assess the impact of the program on youth, schools, and communities.</p> |
| <p><u>Training of Teachers, Counselors, and School Personnel</u></p> <p>Separate authority for direct grant program.</p>  | <p>No separate authorization, but would be an allowable activity under a broad National Programs authority.</p>   |
| <p><u>Postsecondary Education Programs</u></p> <p>Grants to IHEs are authorized under a set-aside of National Programs funds.</p>   | <p>Establishes a new part of the statute and a separate authorization for a direct appropriation for postsecondary education programs. Extends the current grants authority and authorizes a <u>national center</u> to provide training and technical assistance to colleges and universities.</p>  |
| <p><u>National Programs</u></p> <p>Includes separate set-asides of funds for: (1) Federal discretionary activities, (2) Regional Centers, (3) grants to IHEs for postsecondary education programs, (4) grants to IHEs for model demonstrations, (5) programs for Indian youth, and (6) programs for native Hawaiians.</p> | <p>Establishes a broad discretionary authority with no set-asides. Authorized activities would include: (1) training, (2) demonstrations, (3) direct services to school districts with special needs, (4) research and program evaluation, and (5) Federal initiatives.</p>   |

## Current Law

## Improving America's Schools Act

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|   | Grants to IHEs for postsecondary education programs would be moved to a separate part of the statute. Programs for Indian youth would be funded under a set-aside of State grant funds. Regional centers would be discontinued and consolidated into a separate program of 10 comprehensive regional centers that provide technical assistance for improving all ESEA programs. Programs for Native Hawaiians would be terminated. |
| <p><u>Emergency Grants</u></p> <p>Separate authority for direct grants to school districts with severe drug problems.</p> | <p>No separate authorization, but would be an allowable activity under a broad National Programs authority.</p>  |

Magnet Schools Assistance

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| <p><u>Applications and Requirements</u></p> <p>An LEA must assure that it will not discriminate, it will employ certified teachers, and it will provide a high-quality curriculum; it must also describe its desegregation component as well as how it will continue supporting the program after Federal funding ceases.</p> | <p>Strengthens current language by adding: a focus on improved student achievement; a description of how the LEA's activities will be consistent with State and local Goals 2000 systemic reform plans; and, if applicable, an explanation of whether successful magnet schools have been continued without MSAP funds.</p> |
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## Current Law

## Improving America's Schools Act

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| <p><u>Priority</u></p> <p>Priority is given to recentness of implementation of program, proportion of minority children involved, need for assistance, and promise for achieving the purposes of the program. Special consideration is given to programs that are collaborative efforts.</p>                     | <p>Priority goes to programs that: have the greatest need for assistance; include new or significantly revised magnet school projects; implement new or innovative educational approaches; choose students by lottery; and draw on comprehensive community plans for improvement.</p>  |
| <p><u>Length of grants</u></p> <p>No limitation in statute, but the Department has always made 2-year grants.</p>  | <p>In order to give LEAs sufficient time to develop and implement innovative programs, grants would be for up to 4 years.</p>  |
| <p><u>Use of Funds</u></p> <p>Funds may be used for planning and promotional activities, acquisition of books and materials, and teachers. Activities must be directly related to improving competence in academic subjects or vocational skills. No more than 10 percent of grant can be used for planning.</p> | <p>Expands upon current law by including instructional activities that are designed to make the magnet school curriculum available to the whole school in which the program is located. Limitation on planning is increased to 50 percent in year 1, decreasing to 10 percent in year 3 of a grant and 0 percent thereafter.</p> |

Equalization Assistance

## Current Law

## Improving America's Schools Act

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| <p>No comparable authority under current law. Previous authorizations (§842 of the Education Amendments of 1974, GEPA §426A) provided for similar activities.</p> | <p>Establishes a new program for: (1) technical assistance, (2) research and data analysis, and (3) development and dissemination of models and materials to help State and local educational agencies promote greater equity in the distribution of financial resources among rich and poor school districts.</p> |
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Women's Educational Equity

Current Law

Authorizes model projects of national, statewide, or general significance, and, if the appropriation exceeds \$4.5 million, 2-year matching grants for projects of local significance.

Improving America's Schools Act

Restructures the program to focus on support for local projects to implement and institutionalize gender equity and learning practices. In addition, continues authorization for research and development activities.

Indian Education

Formula Grant Program

LEAs are eligible if the number of Indian children enrolled is at least 10 or constitutes at least 50 percent of its total enrollment. The grant amount is determined by multiplying the number of Indian children in an LEA by the average per-pupil expenditure in the LEA's State.

LEAs are eligible if the number of Indian children enrolled is at least 20 or constitutes at least 25 percent of total enrollment. The grant amount is determined by multiplying the number of Indian children in an LEA by the greater of the average per-pupil expenditure in the LEA's State or 80 percent of the average per-pupil expenditure in the U.S. Establishes a minimum grant award of \$4,000. Requires each LEA to submit a comprehensive plan for its overall approach to the education of Indian students. Requires LEAs to report to their communities on the progress Indian students have made. Requires LEAs to obtain SEA comments and submit these comments with their applications. Authorizes the use of Part A funds to support schoolwide programs under Title I.

## Current Law

## Improving America's Schools Act

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| <p><u>Grants to Indian-Controlled Schools</u></p> <p>Authorizes a discretionary program of grants to schools on or near reservations that are not LEAs, or have not been LEAs for longer than three years.</p>   | <p>Authorizes a discretionary grant program to assist Indian-controlled schools to get started and established. Priority is granted to applicants that are starting new schools with the approval of the Bureau of Indian Affairs (BIA) or are in the process of gaining control over a school operated by the BIA.</p>   |
| <p><u>Demonstration Grants</u></p> <p>Authorizes discretionary grant programs (e.g., Planning, Pilot, and Demonstration grants; Gifted and Talented) to improve educational programs for Indian students.</p>  | <p>Authorizes <u>one</u> demonstration grant program designed to develop, test, and demonstrate the effectiveness of services and programs to improve educational achievement of Indian children.</p>   |
| <p><u>Educational Personnel Development</u></p> <p>Authorizes two discretionary grant programs to train educational personnel to serve Indian children and adults. Eligible applicants are IHEs, and SEAs and LEAs in combination with IHEs.</p> <p><u>Fellowships</u></p> <p>Authorizes fellowship awards to Indian students in specific fields of study. Individuals apply directly to the Secretary for awards.</p> | <p><u>Professional Development</u></p> <p>Combines the Educational Personnel Development and Fellowship program authorities into <u>one</u> discretionary grant program for the training of professional personnel serving Indian persons. Eligible applicants are IHEs, including Indian IHEs; SEAs and LEAs, in consortium with IHEs; and Indian tribes and Indian organizations, in consortium with IHEs. At least 50 percent of funds would be used for professional development for educators.</p> |
| <p><u>Evaluation and Technical Assistance</u></p> <p>Authorizes regional technical assistance centers.</p>   | <p>Broad-based technical assistance centers, with expertise in all areas, including Indian education, would be authorized.</p>  |

## Current Law

## Improving America's Schools Act

| Current Law   | Improving America's Schools Act  |
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| <p><u>Adult Education</u></p> <p>Authorizes several adult education activities including demonstration projects, research and development, dissemination, and educational services projects.</p>  | <p>Deletes the multiple program authorities under current law and authorizes <u>one</u> demonstration grant program in adult education.</p>  |
| <p><u>National Activities</u></p> <p>No comparable provisions.</p>  | <p>Authorizes a new discretionary authority for research, evaluation, data collection, and related activities.</p>   |
| <p><u>Grants to States</u></p> <p>No comparable provisions.</p>   | <p>Authorizes a program of grants to States to be used in the implementation of comprehensive, Statewide strategies for providing Indian children and adults with greater opportunities.</p>   |
| <p><u>Office of Indian Education</u></p> <p>Establishes an Office of Indian Education (OIE) in the Office of Elementary and Secondary Education. Requires the Secretary to select the Director of OIE from a list of nominees submitted by the National Advisory Council on Indian Education (NACIE).</p> | <p>Continues authorization of an Office of Indian Education in the Department. Authorizes NACIE to make recommendations to the Secretary for filling the Director's position (but the Secretary would not have to select from NACIE's list).</p> |
| <p><u>National Advisory Council on Indian Education</u></p> <p>Authorizes a National Advisory Council of 15 Indian members appointed by the President.</p>  | <p>Deletes the requirement that the Council review applications and make recommendations about their selection.</p>  |
| <p><u>Definitions</u></p> <p>Defines several terms.</p>   | <p>Amends several current definitions, including the definition of "Indian" to delete "other organized groups."</p>  |

Bilingual Education Act

Current Law

Improving America's Schools Act

Part A: Instructional Services

Authorizes 6 separate discretionary grant activities defined according to instructional approach or population served. No more than 25 percent of funds may be used for local projects that do not use native language instruction. Grants are primarily to LEAs, but in some cases IHEs and non-profits are eligible.

Authorizes 3 separate discretionary grant activities defined functionally (Enhancement Grants, Comprehensive School Grants, and Comprehensive District Grants). Retains 25 percent cap on funding for Enhancement and Comprehensive School Grants that do not use native language instruction. LEAs may provide services to parents designed to assist them to participate in the education of their children. Eligible applicants are LEAs, but grantees may make subgrants to other entities.

Part B: SEA Grants

Authorizes grants to SEAs for data collection and a variety of coordination activities. Grants are at least \$75,000, but may be up to 5 percent of the total received by the State under Part A in the prior year.

The proposed SEA grant program creates a Federal/State partnership. Participating SEAs are required to develop State plans for services to LEP students designed to assist them in meeting high educational standards. States are required to participate in the selection of Part A and Part C grantees. States must also set up a State Bilingual Education Advisory Panel and may use funds to provide technical assistance to LEAs and collect data. Grants may be up to 10 percent of the total received by the State under Part A in the prior year.

Part B: Other Activities

Authorizes grants for Evaluation Assistance Centers (EACS), and contracts for a bilingual clearinghouse and research.

Shifts the responsibilities of the EACs to the ESEA Consolidated Technical Assistance activity. Retains the Clearinghouse and the research authority.

## Current Law

## Improving America's Schools Act

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| <p><u>Part C: Training Grants</u></p> <p>Authorizes 5 separate preservice and inservice training activities for IHES, LEAs, SEAs, non-profits and for-profit organizations. Requires the Department to fund 16 Multifunctional Resource (MRCs). Requires the Department to make at least 500 graduate fellowship awards each year.</p> | <p>Authorizes 4 separate preservice and inservice training activities for IHES, LEAs, and SEAs. Shifts the responsibilities of the MRCs to the new ESEA Consolidated Technical Assistance activity. Establishes specific evaluation requirements for Part C grants. Allows the number of graduate fellowships to be established through the annual appropriations process.</p> |
| <p><u>Immigrant Education</u></p> <p>The formula-driven Immigrant Education program is currently authorized by the Emergency Immigrant Education Act.</p>  | <p>Authorizes a new bilingual discretionary grant program for LEAs with concentrations of new immigrant students.</p>  |
| <p><u>Administration</u></p> <p>Authorizes the use of program funds for field readers.</p> <p>Requires a report on the Condition of Bilingual Education in 1991 and 1992.</p>  | <p>Authorizes the use of up to 0.2 percent of total program funds for peer review.</p> <p>Requires a report on the Condition of Bilingual Education every three years.</p>   |

Impact Aid

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| <p><u>Section 2 -- Payments for Federal Property</u></p> <p>Authorizes assistance to school districts that, among other requirements, have a partial loss of tax base (10 percent or more of assessed value) as a result of the acquisition since 1938 of real property by the United States Government.</p> | <p>Repeals section 2.</p> |
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## Current Law

## Improving America's Schools Act

Section 3 -- Maintenance & Operations Payments

Compensates school districts for the cost of educating federally connected children when enrollments and the availability of revenues from local sources have been adversely affected by Federal activities. Payments are made for "a" children who reside on and whose parents work on Federal property or are in the uniformed services (including children living on Indian lands), and for "b" children who reside on or whose parents work on Federal property or are in the uniformed services.

A Basic Support Payment formula considers only three factors: (1) the number of federally connected children enrolled in a school district; (2) the cost of educating each of those children, as measured by the State's average per-pupil expenditure; and (3) the average share of revenues for education expenditures provided from local sources in the State. Payments would be made only for "a" children.

Section 3 -- Special Provisions

- o Section 3(c)(1) limits Section 3 eligibility to districts with 3(a) and 3(b) children numbering 400 or equal to 3 percent of total students, whichever is less.
- o Section 3(d)(2)(B) authorizes special supplemental payments for certain districts to enable a school district to provide a level of education equivalent to that provided by comparable school districts in the same State.
- o Section 3(d)(2)(C) provides supplemental payments of an additional 50 percent for children with disabilities who either have a parent on active duty in the uniformed services or reside on Indian lands.

Repeals Section 3(c).

Repeals Section 3(d)(2)(B).

Contains a separate authorization for payments to LEAs whose federally connected children include children with disabilities who either have a parent on active duty in the uniformed services or reside on Indian lands.

## Current Law

- o Section 3(d)(2)(D) provides an additional 25 percent supplemental payment for children residing on Indian lands.
- o Section 3(e) authorizes phase-out payments for school districts that experience a substantial reduction in the number of federally connected students due to a decrease or cessation of Federal activities in the State.
- o Section 3(h)(1) provides that LEAs whose boundaries are coterminous with the boundaries of a military installation shall be paid 100 percent of their section 3(a) entitlement if they are ineligible for 3(d)(2)(B) assistance.

Section 4 -- Districts Experiencing Increases in Federal Enrollments

Authorizes assistance for sudden and substantial increases in federally connected attendance resulting from activities carried out by the Federal Government.

## Improving America's Schools Act

Under the proposed Basic Support Payment formula, a weight of 125 percent is attached to children living on Indian lands.

Repeals Section 3(e).

Repeals Section 3(h).

Revised and replaced by a new Section 8006 authorizing payments to an LEA if it has experienced an increase of both: (1) at least 10 percent or 100 students over the previous year; and (2) at least 10 percent or 100 military dependent students. The maximum payment for any fiscal year could not be more than \$200 for each eligible child.

## Current Law

## Improving America's Schools Act

Section 5 -- Payment Procedures

Section 5(b)(3) requires any LEA that claims children residing on Indian lands to establish policies and procedures to ensure that those children participate in programs and activities supported by Section 3 funds on an equal basis with all other children, and that parents of those children and Indian tribes are consulted and are afforded an opportunity to present their views on the LEA's programs and activities.

Section 5(c) establishes payment priorities if appropriations are insufficient to pay "full entitlement" under current law, and prescribes the current "wave" payment scheme, which provides larger percentages of entitlement to LEAs with larger percentages of federally connected students.

Section 5(d)(1) prohibits payments to LEAs if their States have taken into consideration Impact Aid in determining State aid for free public education. Section 5(d)(2) provides exceptions to this prohibition for States that have a funding program "designed to equalize" expenditures among LEAs, as determined by the Secretary through regulations.

Section 5(e) specifies hold-harmless payments.

Replaced by new section 8004, which would contain provisions similar to those in current law. In addition, the Secretary would be required to provide technical assistance to enable LEAs, parents, and Indian tribes to carry out the requirements of the section.

Replaced by the new Section 8003 formula.

A new section 8009 authorizes the Secretary to determine whether a State is equalized in terms of disparity among local school districts in revenue or expenditures. A disparity of no more than 25 percent would qualify a State.

A hold-harmless provision provides some protection for LEAs that remain eligible under the new law but whose payments would sharply decrease under the new payment provisions.

## Current Law

## Improving America's Schools Act

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| <p><u>Section 6 -- DoD-Operated Schools</u></p> <p>Authorizes the Secretary to make arrangements for the education of children residing on Federal property when State and local funds cannot be spent for this purpose or no LEA is able to provide a suitable free public education. This program is currently administered by DoD.</p>  | <p>Repeals Section 6 so that the authority can shift to DoD.</p>   |
| <p><u>Section 7 -- Disaster Assistance</u></p> <p>Authorizes financial assistance to school districts adversely affected by disasters.</p>   | <p>Repeals section 7 since this authority has been shifted to FEMA.</p>  |
| <p><u>Construction</u></p> <p><u>P.L. 81-815</u> authorizes assistance under several authorities to LEAs affected by Federal activities for construction and renovation of school facilities.</p> <p><u>Section 10</u> directs the Secretary to make arrangements for constructing or otherwise providing school facilities for children who reside on Federal property if legal or other reasons prevent the LEA from spending State or local funds on the education of federally connected children.</p> | <p>Under a <u>new section 8007</u>, an LEA would be eligible for construction assistance if children residing on Indian lands constitute at least 50 percent of the LEA's ADA during the preceding school year.</p> <p>A <u>new section 8008</u> would authorize the Secretary to continue to provide assistance for school facilities provided by the Secretary under section 10 of Public Law 81-815 as currently in effect.</p> |

Chapter 1 Handicapped Program/Individuals with Disabilities Education Act

Current Law

Improving America's Schools Act

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| <p><u>Purpose</u></p> <p>Provide funds to State educational agencies for services to children with disabilities, from birth through 21 years, who are in State-operated or supported schools or programs, and children who were formerly in such programs but who have transferred to LEA programs.</p>                                 | <p>Repeal the authority for the Chapter 1 Handicapped program and require all children with disabilities to be served under programs authorized by IDEA.</p>   |
| <p><u>Program</u></p> <p>Funds are distributed based on child counts weighted by each State's per-pupil expenditure.</p> <p>Children served under the program receive the same kinds of services as those provided under the Individuals with Disabilities Education Act (IDEA) and have the same rights and procedural safeguards.</p> | <p>To ease the impact of elimination of the Chapter 1 program: (1) establish, under IDEA, hold-harmless requirements for State and within-State allocations, and (2) require States to treat State-operated and supported programs as LEAS for the purpose of distributing IDEA funds.</p> |

Education for Homeless Children and Youth

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| <p><u>Statement of Policy</u></p> <p>Focus is on ensuring access to services for, and preventing educational segregation of, the homeless.</p> | <p>Expands on the current purpose by focusing the program on providing homeless children with the opportunity to meet high standards.</p> |
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## Current Law

## Improving America's Schools Act

| Current Law   | Improving America's Schools Act   |
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| <p><u>State Allocations</u></p> <p>State allocations are based on Chapter 1 (Part A) shares. State minimum award is \$50,000.</p>   | <p>State minimum is raised to \$100,000.</p>  |
| <p><u>State Activities</u></p> <p>States must gather data once every two years on the number and location of homeless children and youth.</p>   | <p>Eases burden on SEAs by requiring the States to estimate numbers of homeless children.</p>   |
| <p><u>State Plan</u></p> <p>Included in the plan are requirements that LEAs give consideration to parental requests in determining which school placement is in the best interest of the child, and that homeless children be offered transportation services comparable to what other children receive.</p>                        | <p>Adds requirement that the State describe procedures to ensure that homeless children have the same access to preschool programs as other children. Requires that, in placing homeless children and youth in schools, LEAs comply with the parents' requests unless they have a compelling reason not to do so. Also requires plans to demonstrate that transportation, to the extent possible, will be provided at no cost and to include procedures for resolving disputes over transportation.</p> |
| <p><u>LEA Activities</u></p> <p>Requires that not less than 50% be used for tutoring and education services. Between 35% and 50% must be used for related activities such as transportation, medical services, before- and after-school or summer programs, parent education and training, counseling, and adaptation of space.</p> | <p>Removes distinction between primary and related activities. Specifies that tutoring and supplementary services should be linked to challenging State standards.</p>  |

Other Programs

Current Law

Improving America's Schools Act

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| <p>In addition to the above programs, ESEA and other statutes authorize Dropout Prevention Demonstrations, the Fund for the Improvement and Reform of Schools and Teaching (FIRST), Ellender Fellowships, Education for Native Hawaiians, and other small programs. Some of the authorizations have never been funded.</p> | <p>The bill would not continue these authorizations as categorical programs because they duplicate broader authorizations, have already achieved their purposes, or represent an inappropriate Federal role in education. Some of the activities could be carried out under FIE.</p> |
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Cross-Cutting Provisions

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| <p><u>Consolidation of State Administrative Funds</u></p> <p>SEAs must keep separate their appropriations or set-aside amounts for State administration.</p>   | <p>Permits SEAs to consolidate administrative funds under ESEA formula grant programs. Eligible uses of funds include administration, peer review, dissemination, and technical assistance.</p>                  |
| <p><u>Consolidation for Local Administration</u></p> <p>LEAs must keep separate the amounts they receive for each program, including amounts used for administration.</p>                                  | <p>Permits LEAs, with the approval of the SEA, to consolidate administrative funds under formula programs. Requires SEAs to establish procedures for responding to requests for consolidation.</p>               |
| <p><u>BIA Consolidation</u></p> <p>BIA receives separate set-asides or formula allocations for Title I, Indian Ed, etc., and must use each of those amounts only for the separate categorical purpose.</p> | <p>Requires ED to transfer to DOI, as a consolidated amount, the BIA set-asides and formula allocations under ESEA programs. BIA would expend those funds pursuant to an agreement between the two agencies.</p> |

## Current Law

## Improving America's Schools Act

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| <p><u>Consolidated Applications</u></p> <p>Each program authority requires a separate State and/or local application.</p>   | <p>Permits SEAs and LEAs to submit consolidated applications for certain programs (including programs outside of ESEA). SEAs that submit such applications could require their LEAs to do so as well.</p>   |
| <p><u>Uniform Requirements</u></p> <p>Individual program authorizations include their own requirements for maintenance-of-effort (MOE), private school participation, etc. Current requirements are inconsistent across programs.</p> | <p>Establishes uniform 90% MOE requirement, penalties for noncompliance, and waiver provisions for all programs. Establishes uniform private school participation requirements (including consultation and by-pass provisions).</p>   |
| <p><u>State Recognition of Exemplary Performance</u></p> <p>No comparable provisions.</p>   | <p>Permits SEAs to withhold up to 1 percent of formula grant allocations (under programs other than Title I-A) for recognition awards to recipients that have carried out grant activities in an exemplary manner and demonstrated outstanding performance.</p>   |
| <p><u>Waivers</u></p> <p>Individual program authorizations permit waivers of maintenance-of-effort and a few other requirements, but the Department has no general waiver authority.</p>  | <p>Permits the Secretary to waive ESEA or GEPA provisions that he determines impede the ability of an SEA or other recipient to achieve the purposes of ESEA. The SEA must make waiver requests available for public comment. The waiver period would be for up to three years, and could then be extended. Certain types of provisions (e.g., civil rights, comparability, private school and parental participation) could not be waived.</p> |

General Education Provisions Act

Current Law

Improving America's Schools Act

| Current Law  | Improving America's Schools Act   |
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| <p><u>Applicability and Definitions</u></p> <p>GEPA does not currently apply to the Rehabilitation Act, and its applicability to certain other ED programs may be unclear. The Act includes a number of obsolete definitions.</p>  | <p>Makes GEPA apply to all ED programs. Clarifies that it does not apply to contracting activity, which is covered by other statutes. Updates definitions. Also, repeals Section 400A, which includes a number of obsolete or duplicative paperwork control requirements.</p> |
| <p><u>Part A -- Functions of the Department of Education</u></p> <p>Includes a number of obsolete provisions relating to certain program authorizations and the functions of the former Education Division of the Department of HEW. In addition, requires (under §406A) an <u>annual report</u>, by State, on use of Federal funds. Requires publication of an "<u>education impact statement</u>" with any regulation.</p> | <p>Deletes obsolete provisions. Deletes requirements for annual spending report and education impact statement because they are burdensome and unnecessary.</p>   |
| <p><u>Part B -- Appropriations and Evaluations</u></p> <p><u>Availability of appropriations</u> -- Permits programs to be funded on an academic- or school-year basis. Under the "Tydings Amendment," allows recipients to obligate funds until the end of the year after the year for which they are appropriated.</p>  | <p>Makes the school-year-or-academic-year language apply to vocational rehabilitation agencies as well as other recipients. Clarifies that Tydings applies only to formula programs.</p>  |

## Current Law

## Improving America's Schools Act

Contingent authorization -- Provides for a one-year contingent extension for programs whose authorizations have expired but have not yet been reauthorized. Also provides for a two-year contingent authorization of certain programs.

AER -- Requires the Department to submit to Congress an Annual Evaluation Report on ED programs and mandates inclusion of certain information.

Part C -- Administration of Education Programs

Joint funding -- Prohibits the Department from consolidating funding from two or more programs.

Dissemination -- Requires the Department to disseminate information on ED programs and to issue an annual report on education and Federal programs.

Withholding -- Requires the Department to reduce allocations to a State on the basis of an LEA's failure to comply with Title VI of the Civil Rights Act.

Deletes the authorization for a two-year extension because it is ambiguous, unnecessary, and has never been used.

Changes the requirement to a biennial report and streamlines the requirements.

Permits the Secretary to require submission of joint applications under two or more programs, in order to address a special need, if the joint activity would be consistent with the authorized activities under each program. Also authorizes the Secretary to enter into arrangements with other Federal agencies to carry out joint activities of common interest.

Repeals the annual report requirement because it duplicates a similar requirement in the ED Organization Act.

Expands requirement to cover Title IX of the Ed Amendments of '72, the Age Discrimination Act, and Section 504 of the Rehab Act. Broadens eligible uses for the withheld funds.

## Current Law

## Improving America's Schools Act

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| <p><u>Regulations</u> -- Requires the Department to issue proposed rules for public comment prior to making them final. Gives Congress 45 days to veto a proposed final regulation before it goes into effect. Requires the Department to issue final regulations for a program within 240 days of enactment.</p> <p><u>Records</u> -- Requires recipients of ED funds to retain records needed for audit purposes for five years.</p> <p><u>Equity</u> -- No comparable provisions.</p> | <p>Repeals these requirements as duplicative of, and more restrictive than, broader law on Federal rule-making.</p> <p>Deletes the five-year provision, which would place recipients under the same three-year requirement as applies elsewhere in the Federal Government. Makes the remaining requirements inapplicable to contracts.</p> <p>Requires each applicant under an ED program (other than an individual) to describe in its application the steps it will take to ensure equitable access to, and equitable participation in, the proposed project or activity, in order to overcome barriers to participation based on gender, race, color, national origin, disability, or age.</p> |
| <p><u>Part D -- Advisory Councils</u></p> <p>Sets requirements for the establishment, membership, compensation, and activities of Departmental advisory councils.</p>  | <p>Deletes Part D, because it duplicates, and is less flexible than, the Federal Advisory Council Act.</p>  |
| <p><u>Part E -- Enforcement</u></p> <p>Under Section 459, permits a grant recipient that has made a repayment to the Department, because of a misexpenditure of funds, to recover up to 75 percent of the repayment as a "grantback."</p>  | <p>Deletes the authorization for grantbacks.</p>  |