



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE GENERAL COUNSEL

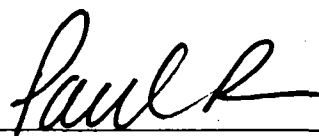
March 10, 1998

NOTE TO: Carol Rasco, OS
Ann O'Leary

RE: HHS proposal for reauthorization of Head Start

My apologies for omitting you when I circulated this today. If you have any comments, please get them to me by COB Thursday.

Thanks.



Paul Riddle

Attachments



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE GENERAL COUNSEL

March 10, 1998

MEMORANDUM

TO: Legislative Services Officers
Attn: Ms. Bass, OIG
Ms. Lewis, ODS/OUS
Mr. Link, ES
Mr. March, OSERS
Ms. McCarroll, OCFO/CIO
Ms. Pompa, OBEMLA
Ms. Rairdin, OLCA
Mr. Sims, OIIA
Mr. Wooten, OESE
Office of the General Counsel
Attn: Ms. Craig
Mr. Rosenfelt

FROM: Paul Riddle *Paul Riddle*
Division of Legislative Counsel

SUBJECT: HHS draft bill to reauthorize Head Start

The Office of Management and Budget has requested our comments on the attached draft bill, prepared by the Department of Health and Human Services, to reauthorize the Head Start Act, and on the accompanying transmittal letter and section-by-section analysis. For your convenience, I have also attached a mark-up of the affected sections of the Head Start Act, showing the changes that HHS is proposing.

Please send me your written comments on the HHS proposal by 3:00 PM this Thursday, March 12. I am in 5324 FB10B and can be reached at 401-6269; fax: 401-5391; or by e:mail.

Thanks.

Attachments

cc: Mr. Peterson, OS
Ms. Dozier, OS
Mr. Corwin, OUS/BS
Ms. Cichowski, OUS/BS
Ms. Studley
Mr. Winnick
Ms. Rigling
Ms. Whitney
Mr. Kristy
Ms. Somerville

LRM ID: MDH147

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

Monday, March 9, 1998

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below
FROM: Janet R. Forsgren (for) Assistant Director for Legislative Reference
OMB CONTACT: Melinda D. Haskins
PHONE: (202)395-3923 FAX: (202)395-6148
SUBJECT: HHS Draft Bill on Head Start Reauthorization

DEADLINE: 10 AM Friday, March 13, 1998

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS: Please review the attached HHS draft bill, transmittal letter, and section-by-section on the Department's Head Start proposals in support of the President's FY 1999 Budget. Note that the Senate Labor and Human Resources Subcommittee on Children and Families will hold a hearing on March 26th regarding reauthorization of the Head Start Act.

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HHS draft

Dear Senator/Rep:

I am writing to offer the Administration's strong support for a prompt and bipartisan reauthorization of the Head Start program. I have outlined below the few significant statutory changes that we believe are necessary to continue to provide quality Head Start services for the next four years.

As you know, Head Start is America's premier early childhood development program and it has made a major difference in the lives of more than 16 million children and families since 1965. One of the program's key reasons for success has been the ability of the Administration and Congress to work hand in hand to make the continued expansion and improvement of Head Start a top priority. Together in 1994, we engaged in an historic effort that critically reexamined every feature of the program. The Congress enacted bipartisan reauthorization legislation that created a blueprint for quality and expansion of the program, and established a solid foundation for moving Head Start into the 21st century.

Since the last reauthorization, we have aggressively followed the blueprint, combining strong leadership and tough management with top notch expertise and technical assistance to programs. Among many achievements, program quality has improved, new performance standards are in place, and an exciting new Early Head Start program is operating in communities in all 50 States. This year, a strengthened Head Start program will serve 830,000 low-income children, including up to 39,000 children under age three in Early Head Start. The President's FY 1999 budget proposes funding for additional children, moving toward our goal of enrolling a million children in Head Start by 2002 -- including double the number of children in Early Head Start.

We urge the Congress to enact bipartisan reauthorization legislation that maintains the strong foundation set down in 1994. First, we recommend extending the authorization for another four years, through FY 2002, at "such sums as may be necessary". Second, we urge the Congress to build upon the innovative Early Head Start program established in 1994 by gradually increasing the authorized set aside to 10 percent by 2002. Based upon the mounting evidence that the earliest years

are critically important to children's growth, we believe this increase is essential to bring the vital Head Start experience to more at-risk infants and toddlers in the years ahead.

In addition to this one important change in the Head Start statute, we also suggest the following more technical changes:

- modify the funding allotments to update the hold harmless date for State allocations from 1981 to 1998;
- increase the amount of funds the Secretary may reserve for the highly successful Head Start Fellowship program, which enables local Head Start staff and others in the field of child development to expand their knowledge and experience while making significant contributions to the Head Start program; and
- replace outdated references throughout the Act, such as references to the completed Head Start Transition, Parent-Child Center, and Comprehensive Child Development Center initiatives.

We believe this straightforward approach to reauthorization reaffirms the bipartisan consensus for program quality and accountability combined with community flexibility in program planning, implementation and decision making. Further, it retains the promising new improvements including performance outcome measures and a variety of research and evaluation initiatives.

My staff and I are eager to work with you on this important reauthorization and would be happy to provide legislative or technical assistance to ensure that Head Start continues to make a difference for America's children and families.

The Office of Management and Budget has advised that there is no objection to this transmittal to the Congress, and that enactment of legislation pursuant to it would be in accord with the program of the President.

Sincerely,

Donna E. Shalala

A BILL

To extend and amend programs under the Head Start Act, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Head Start Act Amendments of 1998".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Section 639(a) of the Head Start Act (42 U.S.C. 9834(a)) is amended by striking "1995 through 1998" and inserting "1999 through 2002".

(b) ELIMINATION OF EARMARKS FOR HEAD START TRANSITION AND LONGITUDINAL RESEARCH.—

(1) IN GENERAL.—Section 639 of that Act (42 U.S.C. 9834) is amended—

(A) by striking "(a)" after "Sec. 639."; and

(B) by striking subsection (b).

(2) CONFORMING AMENDMENT.—Section 640(a)(4) of that Act (42 U.S.C. 9835(a)(4)) is amended by striking "Subject to section 639(b), the" and inserting "The".

SEC. 3. ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE.

(a) SECRETARY'S RESERVED FUNDS AVAILABLE FOR COSTS OF
 TERMINATION PROCEEDINGS.—Section 640(a)(2)(D) of the Head Start
 Act (42 U.S.C. 9835(a)(2)(D)) is amended by striking "activities
 related to" and all that follows and inserting "activities under
 641A(d) related to correction of deficiencies and proceedings to
 terminate the designation of Head Start agencies.".

(b) SECRETARY'S RESERVED FUNDS AVAILABLE FOR COSTS OF
 RESEARCH AND EVALUATION.—Section 640(a)(2) of the Head Start Act
 (42 U.S.C. 9835(a)(2)) is amended—

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

(2) by striking the period at the end of subparagraph
 (D) and inserting "; and"; and

(3) by inserting after subparagraph (D) the following
 new subparagraph:

"(E) payments for research, demonstration, and
 evaluation activities, including longitudinal studies,
 under section 649."

(c) UPDATED HOLD HARMLESS FOR STATE ALLOTMENTS.—Section
 640(a)(4)(A) of that Act (42 U.S.C. 9835(a)(4)(A)) is amended by
 striking "1981" and inserting "1998".

(d) INCREASED SET-ASIDES FOR INFANTS AND TODDLERS PROGRAMS.—
 Section 640(a)(5) of that Act (42 U.S.C. 9835(a)(5)) is amended

by striking all that follows "equal to" and inserting "7.5 percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, and 10 percent for fiscal year 2002, of the amount appropriated pursuant to section 639(a).".

(e) ENROLLMENT PRIORITY ADDED FOR INFANTS AND TODDLERS WITH DISABILITIES; CORRECTION OF REFERENCE TO DEFINITION IN

IDEA.—Section 640(d) of that Act (42 U.S.C. 9835(d)) is amended—

(1) by striking "section 602(a)" and inserting "section 602(3)"; and

(2) by inserting "and infants or toddlers with disabilities (as defined in section 632(5) of that Act)" after "Act)".

SEC. 4. QUALITY STANDARDS.

(a) UPDATED PERFORMANCE STANDARDS.—Section 641A(a)(3)(C) of the Head Start Act (42 U.S.C. 9836a) is amended—

(1) in clause (i), to read as follows:

"(C)(i) review and revise as necessary the performance standards in effect under this section; and";

(2) in clause (ii), by striking "November 2, 1978" and inserting "the date of enactment of the Head Start Act Amendments of 1998".

(b) ELIMINATION OF TIME LIMIT; CONTINUATION OF PERFORMANCE MEASURES.--Section 641A(b) (1) of that Act (42 U.S.C. 9836a(b) (1)) is amended, by striking "Not later than 1 year after the date of enactment of this section, the Secretary" and inserting "The Secretary".

SEC. 5. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

(a) WELFARE REFORM CONFORMING AMENDMENT.--Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended by striking "section 402(g) of the Social Security Act" and inserting "the State program under the Child Care and Development Block Grant Act of 1990".

(b) REPEAL OF AUTHORITY FOR COMPLETED DEMONSTRATION.--Section 642(d) (5) of that Act (42 U.S.C. 9837(d) (5)) is repealed.

SEC. 6. PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.

ELIMINATION OF REFERENCES TO TIME-LIMITED PRIORITY FOR PARENT-CHILD CENTERS AND COMPREHENSIVE CHILD DEVELOPMENT CENTERS.--Section 645A of the Head Start Act (42 U.S.C. 9840a) is amended--

(1) in subsection (a) (2), by striking all that follows "entities carrying out programs" and inserting "under this section and evaluation of such programs.";

(2) in subsection (c) (2), by striking all that follows

1 "families with children under age 3" and inserting a
2 semicolon;

3 (3) in subsection (d), by striking paragraph (2) and
4 redesignating paragraph (3) as paragraph (2);

5 (4) by striking subsection (e);

6 (5) in subsection (f), by striking all that precedes
7 "the Secretary shall award grants" and inserting "From the
8 amounts specified in section 640(a)(6).";

9 (6) in subsection (h)--

10 (A) by striking all that follows "(h)" through
11 the paragraph designation "(3)" and adjusting the left
12 margin accordingly;

13 (B) by striking "balance" and inserting "amount";

14 and

15 (C) by striking "(f)" and inserting "(e)"; and

16 (7) by redesignating subsections (f), (g), and (h)
17 as subsections (e), (f), and (g), respectively.

18 **SEC. 7. STAFF QUALIFICATIONS AND DEVELOPMENT.**

19 (a) Head Start Fellowships.--Section 648A(d)(6) of the Head
20 Start Act (42 U.S.C. 9843(a)) ^{(d)(6)} is amended by striking "\$1,000,000"
21 and inserting "\$2,000,000".

THE "HEAD START ACT AMENDMENTS OF 1998"

Section-by-Section Summary

SEC. 1. SHORT TITLE.

This section provides that the bill, if enacted, shall be cited as the "Head Start Act Amendments of 1998".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 2(a) amends section 639(a) of the Head Start Act (the Act) to extend the authorization of appropriations for four years, through FY 2002.

Section 2(b) eliminates section 639(b), which earmarked funding for Head Start Transition projects and for longitudinal research.

SEC. 3. ALLOTMENT OF FUNDS, LIMITATIONS ON ASSISTANCE.

Section 3(a) amends section 640(a)(2)(D) of the Act to make the Secretary's reserved funds available for costs of proceedings to terminate designation of Head Start agencies.

Section 3(b) adds to section 640(a)(2) of the Act a new subparagraph (E), providing that any remainder of the Secretary's reserved funds may be used for costs of research, demonstration, and evaluation, including longitudinal studies.

Section 3(c) amends section 640(a)(4)(A) of the Act to update the hold harmless base year for State allotments from FY 1981 to FY 1998.

Section 3(d) amends section 640(a)(6) of the Act to increase the percentage set-asides for the Early Head Start program under section 645A of the Act to 7.5 percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, and 10 percent for fiscal year 2002, of the amount appropriated pursuant to section 639(a).

Section 3(e) amends section 640(d) of the Act (which provides for enrollment priority for children with disabilities) (1) to

conform the reference to the definition "child with a disability" in the Individuals with Disabilities Education Act (IDEA) to that definition as renumbered by the 1997 amendments (P.L. 105-17); and (2) to add infants and toddlers with disabilities, as defined in IDEA, as children to whom the Head Start enrollment priority applies.

SEC. 4. QUALITY STANDARDS.

Section 4(a) amends section 641A(a)(3)(C) of the Act (1) to delete an obsolete deadline for revision of Head Start performance standards, and (2) to update the performance standards benchmark date from November 2, 1978 to the date of enactment of this bill.

Section 4(b) amends section 641A(b)(1) of the Act to delete an obsolete deadline for initial development of performance measures.

SEC. 5. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

Section 5(a) amends section 642(c) of the Act to substitute a reference to the Child Care and Development Block Grant Act of 1990 for a reference to the Aid to Families with Dependent Children (AFDC) program repealed by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193).

Section 5(b) amends section 642(d)(5) of the Act to repeal the requirement for evaluation, information dissemination, and technical assistance related to the now completed Head Start Transition Project.

SEC. 6. PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.

Section 6 amends section 645A of the Act to delete provisions concerning the time-limited priority for Parent-Child Centers and Comprehensive Child Development Centers, and makes conforming changes. This authority expired at the end of FY 1997.

SEC. 7 STAFF QUALIFICATIONS AND DEVELOPMENT.

Section 7 amends section 648A of the Act to increase from \$1,000,000 to \$2,000,000 the maximum amount of discretionary

payments for the Head Start Fellowship program that may be made from amounts reserved for the Secretary under section 640 (a) (2) (D) .

Head Start Act, showing amendments proposed by HHS
in its draft Head Start Act Amendments of 1998

* * *

§639

§ 9834. Authorization of appropriations

~~(a)~~ There are authorized to be appropriated for carrying out the provisions of this subchapter such sums as may be necessary for fiscal years

~~1995 through 1998~~

1999 through 2002.

(bill § 2(a))

~~(b) From the amount appropriated under subsection (a) of this section, the Secretary shall make available--~~

~~(1) \$35,000,000 for each of the fiscal years 1995 through 1998 to--~~

~~(A) carry out the Head Start Transition Project Act [42 U.S.C.A. § 9855 et seq.]; and~~

~~(B) carry out activities authorized under section 9837(d) of this title; and~~

~~(2) not more than \$3,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998, to carry out longitudinal research under section 9844(e) of this title.~~

(bill § 2(b)(1)(B))

639

[42 USC 9834]

§ 640

[§ 983] Allotment of funds

(a) Distribution of appropriations; priorities, etc.

(1) Of the sums appropriated pursuant to section 9834 of this title for any fiscal year beginning after September 30, 1981, the Secretary shall allot such sums in accordance with paragraphs (2) through (4), and subject to paragraphs (5) and (6).

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities--

(A) Indian and migrant Head Start programs and services for handicapped children, except that there shall be made available for each fiscal year for use by Indian and migrant Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year 1994;

(B) payments to Guam, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands according to their respective needs, except that such amount shall not exceed one-half of 1 percent of the sums appropriated for any fiscal year;

(C) training and technical assistance activities which are sufficient to meet the needs associated with program expansion and to foster program and management improvement activities as described in section 9843 of this title, in an amount for each fiscal year which is not less than 2 percent of the amount appropriated for such fiscal year; ~~and~~

640(a)(1) - (2)(c)

[42 USC 9835(a)(1) - (2)(c)]

3

(D) discretionary payments made by the Secretary (including payments for all costs (other than compensation of Federal employees) of reviews of Head Start agencies and programs under section 9836a(c) of this title, and of ~~activities related to the development and implementation of quality improvement plans under section 9836a(d)(2) of this title.~~)

activities under
641a(d) related to correction of deficiencies and proceedings to
terminate the designation of Head Start agencies, and

[bill, § 3(a)]

No funds reserved under this paragraph or paragraph (3) may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter.

(E) payments for research, demonstration, and
evaluation activities, including longitudinal studies,
under section 649.

[bill, § 3(b)(3)]

*120729 (3)(A)(i) In order to provide assistance for activities specified in subparagraph (C) directed at the goals specified in subparagraph (B), the Secretary shall reserve, from the amount (if any) by which the funds appropriated under section 9834(a) of this title for a fiscal year exceed the adjusted prior year appropriation, a share equal to the sum of--

(I) 25 percent of such excess amount; and

(II) any additional amount the Secretary may find necessary to address a demonstrated need for such activities.

(ii) As used in clause (i), the term "adjusted prior year appropriation" means, with respect to a fiscal year, the amount appropriated pursuant to section 9834(a) of this title for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers (issued by the Bureau of Labor Statistics) during such preceding fiscal year.

640(a)(2)(D)-(3)(A)

[42 USC 9835(a)(2)(D)-(3)(A)]

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

(i) Ensuring that Head Start programs meet or exceed performance standards pursuant to section 9836a(a)(1)(A) of this title.

(ii) Ensuring that such programs have adequate qualified staff, and that such staff are furnished adequate training, including developing skills in working with children with non-English language background, when appropriate.

(iii) Ensuring that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

(iv) Using salary increases to improve staff qualifications, and to assist with the implementation of career development programs, for the staff of Head Start programs.

(v) Improving community-wide strategic planning and needs assessments for such programs.

(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families.

(vii) Making such other improvements in the quality of such programs as the Secretary may designate.

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

(i)(I) Not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff. The expenditure of funds under this clause shall be subject to section 9848 of this title.

640(a)(3)(B) - (C)(i)(I)
[42 USC 9835(a)(3)(B) - (C)(i)(I)]

⑤

(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 9848 of this title, then such agency may expend such part for any of the uses specified in the subparagraph (other than wages).

*120730 (ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.

(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

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

(v) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability, or enhance the quality, of Head Start programs.

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

(vii) Such other activities as the Secretary may designate.

640 [42 USC 9835]
(a)(3)(C)(i)(II) -
(vii)

(D)(i) Funds reserved under subparagraph (A) shall be allotted by the Secretary as follows:

(I) 80 percent of such funds shall be allotted among the States in the same proportion as the Secretary allots funds among the States under paragraph (4) for the respective fiscal year.

(II) 20 percent of such funds shall be allotted among the States, geographical areas specified in subsection (a)(2)(B) of this section and Indian and migrant Head Start programs, and used to make grants to Head Start agencies, at the discretion of the Secretary.

(ii) Funds allotted under clause (i) shall be used by the Secretary to make grants to Head Start agencies that receive grants from funds allotted under paragraph (4) for such fiscal year, in such amounts as the Secretary considers to be appropriate, for expenditure for activities specified in subparagraph (C).

(iii) Funds received under this subparagraph shall be used to supplement, not to supplant, funds received under paragraph (2) or (4).

6

640 [42 USC 9835]
(a)(3)(D)

⑦

(4) ~~Subject to section 9834(b) of this title, the~~
Secretary shall allot the remaining amounts
appropriated in each fiscal year among the
States, in accordance with latest satisfactory
data so that--

→ The

[bill, § 2(b)(2)]

*120731 (A) each State receives an amount
which is equal to the amount the State received
for fiscal year ~~1981~~; and

→ 1998

[bill, § 3(c)]

(B)(i) 33 1/3 percent of any amount
available after all allotments have been made
under subparagraph (A) for such fiscal year
shall be distributed on the basis of the relative
number of children from birth through 18
years of age, on whose behalf payments are
made under the program of aid to families with
dependent children under a State plan
approved under part A of title IV of the Social
Security Act [42 U.S.C.A. § 601 et seq.] in
each State as compared to all States; and

(ii) 66 2/3 percent of such amount shall be
distributed on the basis of the relative number
of children from birth through 5 years of age
living with families with incomes below the
poverty line in each State as compared to all
States.

640 [42 USC 9835]
(a)(4)

(8)

(5)(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall reserve such sums as may be necessary to award the collaboration grants described in subparagraph (B).

(B) From the reserved sums, the Secretary may award a collaboration grant to each State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in, and by, the State that are designed to benefit low-income children and families.

(C) A State that receives a grant under subparagraph (B) shall--

(i) appoint an individual to serve as a State liaison between--

(I) agencies and individuals carrying out Head Start programs in the State; and

(II) agencies (including local educational agencies) and entities carrying out programs serving low-income children and families;

(ii) involve the State Head Start Association in the selection of the individual, and involve the association in determinations relating to the ongoing direction of the collaboration;

(iii) ensure that the individual holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies; and

(iv) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, education, and national service activities, family literacy services, and activities relating to children with disabilities.

(D) As used in this paragraph, the term "low-income", used with respect to children or families, shall not be considered to refer only to children or families that meet the low-income criteria prescribed pursuant to section 9840(a)(1)(A) of this title.

640 [42 USC 9835]
(0X5)

*120732 (6) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 9840a(a) of this title, a portion of the combined total of such amounts equal to ~~3 percent for fiscal year 1995, 4 percent for each of fiscal years 1996 and 1997, and 5 percent for fiscal year 1998, of the amount appropriated pursuant to section 9834(a) of this title.~~

(7) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

(b) Federal share

Financial assistance extended under this subchapter for a Head Start program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines that such action is required in furtherance of the purposes of this subchapter. For the purpose of making such determination, the Secretary shall take into consideration with respect to the Head Start program involved--

(1) the lack of resources available in the community that may prevent the Head Start agency from providing all or a portion of the non-Federal contribution that may be required under this subsection;

(2) the impact of the cost the Head Start agency may incur in initial years it carries out such program;

7.5
percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, and 10 percent for fiscal year 2002, of the amount appropriated pursuant to section 639(a).

[bill, § 3(a)]

640 [42 USC 9835]
(a)(6) - (b)(2)

- (3) the impact of an unanticipated increase in the cost the Head Start agency may incur to carry out such program;
- (4) whether the Head Start agency is located in a community adversely affected by a major disaster; and
- (5) the impact on the community that would result if the Head Start agency ceased to carry out such program.

Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

(c) Services covered

No programs shall be approved for assistance under this subchapter unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may prescribe.

(d) Enrollment of children with disabilities and provision of services

The Secretary shall establish policies and procedures designed to assure that for fiscal year 1982 and thereafter no less than 10 percent of the total number of enrollment opportunities in Head Start programs in each State shall be available for children with disabilities (as defined in section ~~1401(a)(1) of Title 20~~) and that services shall be provided to meet their special needs.

→ 602(3) of the [IDEA]

[bill, § 3(e)]

and infants or toddlers with

disabilities (as defined in section 632(5) of that Act)

* * * * *

640 [42 U.S.C. 9835] (b)(3) - (d)

§ 641A

§ 9836a. Quality standards; monitoring of
Head Start agencies and programs

(11)

(a) Quality standards

(1) Establishment of standards

The Secretary shall establish by regulation standards applicable to Head Start agencies, programs, and projects under this subchapter, including--

(A) performance standards with respect to services required to be provided, including health, education, parental involvement, nutritional, social, transition activities described in section 9837(d) of this title, and other services;

(B) administrative and financial management standards;

(C) standards relating to the condition and location of facilities for such agencies, programs, and projects; and

(D) such other standards as the Secretary finds to be appropriate.

(2) Minimum requirements

The regulations promulgated under this subsection shall establish the minimum levels of overall accomplishment that a Head Start agency shall achieve in order to meet the standards specified in paragraph (1).

(3) Considerations in developing standards

In developing the regulations required under paragraph (1), the Secretary shall--

(A) consult with experts in the fields of child development, early childhood education, child health care, family services (including linguistically and culturally appropriate services to non-English language background children and their families),

641A [42 USC 9836a]

(a)(1) - (3)(A)

administration, and financial management, and with persons with experience in the operation of Head Start programs;

(B) take into consideration--

(i) past experience with use of the standards in effect under this subchapter on May 18, 1994;

(ii) changes over the period since May 18, 1994, in the circumstances and problems typically facing children and families served by Head Start agencies;

(iii) developments concerning best practices with respect to child development, children with disabilities, family services, program administration, and financial management;

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

*120752 (v) guidelines and standards currently in effect or under consideration that promote child health services, and projected needs of expanding Head Start programs;

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

(vii) the need for, and state-of-the-art developments relating to, local policies and activities designed to ensure that children participating in Head Start programs make a successful transition to public schools; and

~~(C)(i) not later than 1 year after May 18, 1994, review and revise as necessary the performance standards in effect under section 9846(b) of this title on the day before May 18, 1994, and~~

→ (C)(i) review and revise as necessary the performance standards in effect under this section; and'

[bill, § 4(a)(1)]

641 A [42 USC 9836a]
(a)(3)(B) -
(C)(i)

(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in the scope

or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on ~~November 2, 1978.~~

the date of enactment of the Head Start Act
Amendments of 1998.

(13)
[bill, § 4(a)(2)]

(4) Standards relating to obligations to delegate agencies

In developing standards under this subsection, the Secretary shall describe the obligations of a Head Start agency to an agency (referred to in this subchapter as the "delegate agency") to which the Head Start agency has delegated responsibility for providing services under this subchapter and determine whether the Head Start agency complies with the standards. The Secretary shall consider such compliance during the review described in subsection (c)(1)(A) of this section and in determining whether to renew financial assistance to the Head Start agency under this subchapter.

(b) Performance measures

(1) In general

~~[Not later than 1 year after May 18, 1994,~~ → the
the] Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of child development, family services, and program management, shall develop methods and procedures for measuring, annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies (referred to in this subchapter as "performance measures").

641A [42 USC 9836a]
(a)(3)(C)(ii) -
(b)(1)

(2) Design of measures

The performance measures developed under this subsection shall be designed--

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

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

*120753 (C) for other program purposes as determined by the Secretary.

(3) Use of measures

The Secretary shall use the performance measures developed pursuant to this subsection--

(A) to identify strengths and weaknesses in the operation of Head Start programs nationally and by region; and

(B) to identify problem areas that may require additional training and technical assistance resources.

* * * * *

§ 642

(15)

§ 9837. Powers and functions of Head Start agencies

- (a) Receipt, administration, and transfer of funds; sponsorship of projects; delegation of authority, etc.

In order to be designated as a Head Start agency under this subchapter, an agency must have authority under its charter or applicable law to receive and administer funds under this subchapter, funds and contributions from private or local public sources which may be used in support of a Head Start program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this subchapter, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Head Start program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. The power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

- (b) Participation of parents in decisionmaking, implementation, etc.

In order to be so designated, a Head Start agency shall also--

- (1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests;

642 [42 USC 9837] (a) -
(b)(1)

(2) provide for their regular participation in the implementation of such programs;

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

(4) seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

(5) offer (directly or through referral to local entities, such as entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training;

*120757 (6) at the option of such agency, offer (directly or through referral to local entities), to such parents--

(A) training in basic child development;

(B) assistance in developing communication skills;

(C) opportunities to share experiences with other parents;

(D) substance abuse counseling;

(E) regular in-home visitation; or

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

(7) provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (4) through (6) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities);

(8) consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources; and

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

(c) Coordination with other agencies

The head of each Head Start agency shall coordinate with the State agency responsible for administering ~~(section 602(g) of this title)~~, and other programs, including Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.

the
State program under the Child Care and Development Block Grant .
Act of 1990

[bill § 5(a)]

(d) Transition coordination with schools

(1) Each Head Start agency shall carry out the actions specified in this subsection, to the extent feasible and appropriate in the circumstances (including the extent to which such agency is able to secure the cooperation of parents and schools) to enable children to maintain the developmental gains achieved in Head Start programs and to build upon such gains in further schooling.

(2) The Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including--

(A) developing and implementing a systematic procedure for transferring, with parental consent, Head Start program records for each participating child to the school in which such child will enroll;

642 [42 USC 9837] (b)(8) -

(d)(2)(A)

18

(B) establishing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, and health staff) to facilitate coordination of programs;

(C) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers to discuss the developmental and other needs of individual children; and

(D) organizing and participating in joint transition-related training of school staff and Head Start staff.

(3) A Head Start agency may take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including--

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

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

(4) In order to promote the continued involvement of the parents of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall--

(A) provide training to the parents--

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

(ii) to enable the parents to understand and work with schools in order to communicate with teachers and other school personnel, to support the school work of their children, and to participate as appropriate in decisions relating to the education of their children; and

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

642 [42 USC 9837]

(d)(2)(B) -

(4)

~~(5) The Secretary, in cooperation with the Secretary of Education, shall--~~

~~(A) evaluate the effectiveness of the projects and activities funded under the Head Start Transition Project Act (42 U.S.C. 9855 et seq.);~~

~~(B) disseminate to Head Start agencies information (including information from the evaluation required by subparagraph (A)) on effective policies and activities relating to the transition of children from Head Start programs to public schools; and~~

~~(C) provide technical assistance to such agencies to promote and assist such agencies to adopt and implement such effective policies and activities.~~

[bill, §5(5)]

642 [42 USC 983] (d)(5)

645A

§ 9840a. Programs for families with infants and toddlers

(20)

(a) In general

The Secretary shall make grants, in accordance with the provisions of this section for--

(1) programs providing family-centered services for low-income families with very young children designed to promote the development of the children, and to enable their parents to fulfill their roles as parents and to move toward self-sufficiency; and

(2) provision of training and technical assistance to entities carrying out programs, ~~and evaluation of programs, that were supported under the Comprehensive Child Development Act (42 U.S.C. 9881 et seq.), as in effect on the day before May 18, 1994.~~

→ under this section and evaluation of such programs.

bill, §6(1)

(b) Scope and design of programs

In carrying out a program described in subsection (a) of this section, an entity receiving assistance under this section shall--

(1) provide, either directly or through referral, early, continuous, intensive, and comprehensive child development and family support services that will enhance the physical, social, emotional, and intellectual development of participating children;

(2) ensure that the level of services provided to families responds to their needs and circumstances;

(3) promote positive parent-child interactions;

(4) provide services to parents to support their role as parents and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

645A [42 USC 9840a]
(a) - (b)(4)

(21)

(5) coordinate services with services provided by programs in the State and programs in the community to ensure a comprehensive array of services (such as health and mental health services);

(6) ensure formal linkages with local Head Start programs in order to provide for continuity of services for children and families;

(7) in the case of a Head Start agency that operates a program and that also provides Head Start services through the age of mandatory school attendance, ensure that children and families participating in the program receive such services through such age; and

*120775 (8) meet such other requirements concerning design and operation of the program described in subsection (a) of this section as the Secretary may establish.

(c) Persons eligible to participate

Persons who may participate in programs described in subsection (a)(1) of this section include--

(1) pregnant women; and

(2) families with children under age 3 ~~(or under age 5, in the case of children served by an entity specified in subsection (c)(3) of this section);~~ →;

[bill, § 6(2)]

who meet the income criteria specified for families in section 9840(a)(1) of this title.

645A [42 USC 9840a] (b)(5) -
(c)

(d) Eligible service providers

To be eligible to receive assistance under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Entities that may apply to carry out activities under this section include--

(1) entities operating Head Start programs under this subchapter;

~~(2) entities that, on the day before May 18, 1994, were operating--~~

~~(A) Parent-Child Centers receiving financial assistance under section 9835(a)(4) of this title, as in effect on such date; or~~

~~(B) programs receiving financial assistance under the Comprehensive Child Development Act [42 U.S.C.A. § 9881 et seq.], as in effect on such date; and~~

(2) ← (3) other public entities, and nonprofit private entities, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.

[bill, § 6(3)]

~~(c) Time-limited priority for certain entities~~

(1) In general

From amounts allotted pursuant to paragraphs (2) and (4) of section 9835(a) of this title, the Secretary shall provide financial assistance in accordance with paragraphs (2) through (4).

[bill, § 6(4)]

645A [42 USC 9840a](d) -
(ex1)

~~(2) Parent-Child Centers~~

~~The Secretary shall make financial assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that--~~

~~(A) complies with subsection (b) of this section; and~~

~~(B) received funding as a Parent-Child Center pursuant to section 9835(a)(A) of this title, as in effect on the day before May 18, 1994, for fiscal year 1994.~~

~~(3) Comprehensive Child Development Centers~~

~~(A) In the case of an entity that received a grant for fiscal year 1994 to operate a project under the Comprehensive Child Development Act [42 U.S.C.A. § 9881 et seq.], the Secretary--~~

~~~~§ 9840~~ (i) shall make financial assistance available under this section, in a comparable amount and scope to the assistance provided for fiscal year 1994, for the duration of the project period specified in the grant award to such entity under such Act; and~~

~~(ii) shall permit such entity, in carrying out activities assisted under this section, to serve children from birth through age 5.~~

~~(B) In the case of an entity that received a grant for fiscal year 1989 to operate a project under the Comprehensive Child Development Act [42 U.S.C.A. § 9881 et seq.], the Secretary shall make assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that complies with subsection (b) of this section.~~

[bill, § 6(4)]

645A [42 USC 9840 a] (ex2) -  
(3)

~~(4) Evaluations, training, and technical assistance~~

[b7C, § 6(4)]

~~The Secretary shall make financial assistance available under this section as necessary to provide for the evaluation of, and furnishing of training and technical assistance to, programs specified in paragraph (3)(A).~~

~~(f) Selection of other grant recipients~~

→ (e)

~~[From the balance remaining of the portion specified in section 9835(a)(6) of this title, after making grants to the eligible entities specified in subsection (c) of this section,] the Secretary shall award grants under this subsection on a competitive basis to applicants meeting the criteria specified in subsection (d) of this section (giving priority to entities with a record of providing early, continuous, and comprehensive childhood development and family services).~~

→ From the amounts specified in section 640(a)(6),

[b7C, § 6(5)]

~~(g) Distribution~~

→ (f)

In awarding grants to eligible applicants under this section, the Secretary shall--

- (1) ensure an equitable national geographic distribution of the grants; and
- (2) award grants to applicants proposing to serve communities in rural areas and to applicants proposing to serve communities in urban areas.

(h) ~~Secretarial responsibilities~~

(g)

25

(1) Guidelines

Not later than September 30, 1994, the Secretary shall develop program guidelines concerning the content and operation of programs assisted under this section--

[bill, § 6 (6)(A)]

(A) in consultation with experts in early childhood development, experts in health, and experts in family services; and

(B) taking into consideration the knowledge and experience gained from other early childhood programs, including programs under the Comprehensive Child Development Act [42 U.S.C.A. § 9881 et seq.], and from migrant Head Start programs that serve a large number of infants and toddlers.

(2) Standards

~~Not later than December 30, 1994,~~ the Secretary shall develop and publish performance standards for programs assisted under this section, and a grant announcement based on the guidelines developed under paragraph (1).

~~(3)~~ Monitoring, training, technical assistance, and evaluation

In order to ensure the successful operation of programs assisted under this section, the

Secretary shall use funds from the ~~balance~~ described in subsection (f) of this section to monitor the operation of such programs, evaluate their effectiveness, and provide training and technical assistance tailored to the particular needs of such programs.

→ amount

[bill, § 6 (6)(B)]

→ (e)

645A [42 USC 9840 a] (h)

§ 640A

26

§ 9843a. Staff qualifications and development

(a) Classroom teachers

(1) Degree requirements

The Secretary shall ensure that not later than September 30, 1996, each Head Start classroom in a center-based program is assigned one teacher who has--

(A) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

(B) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

(C) an associate, a baccalaureate, or an advanced degree in early childhood education; or

(D) a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.

(2) Waiver

On request, the Secretary shall grant a 180-day waiver of the requirements of paragraph (1) with respect to an individual who--

(A) is first employed after September 30, 1996, by a Head Start agency as a teacher for a Head Start classroom;

(B) is enrolled in a program that grants any credential, certificate, or degree specified in subparagraph (A), (B), (C), or (D) of paragraph (1); and

640A [42 USC 9843a](a)(1)-  
(2)(B)

(C) will receive such credential under the terms of such program not later than 180 days after beginning employment as a teacher with such agency.

(3) Limitation

The Secretary may not grant more than one such waiver with respect to such individual.

(b) Mentor teachers

(1) Definition; function

For purposes of this subsection, the term "mentor teacher" means an individual responsible for observing and assessing the classroom activities of a Head Start program and providing on-the-job guidance and training to the Head Start program staff and volunteers, in order to improve the qualifications and training of classroom staff, to maintain high quality education services, and to promote career development, in Head Start programs.

(2) Requirement

In order to assist Head Start agencies in establishing positions for mentor teachers, the Secretary shall--

(A) provide technical assistance and training to enable Head Start agencies to establish such positions;

(B) give priority consideration, in providing assistance pursuant to subparagraph (A), to Head Start programs that have substantial numbers of new classroom staff, that are experiencing difficulty in meeting applicable education standards, or that lack staff of a similar cultural background to that of the participating children and their families;

648A [42 USC 9843a]  
(a)(2)(C) -  
(b)(2)(B)

(C) encourage Head Start programs to give priority consideration for such positions to Head Start teachers at the appropriate level of career advancement in such programs; and

(D) promote the development of model curricula, designed to ensure the attainment of appropriate competencies of mentor teachers in Head Start programs.

(c) Family service workers

In order to improve the quality and effectiveness of staff providing in-home and other services (including needs assessment, development of service plans, family advocacy, and coordination of service delivery) to families of children participating in Head Start programs, the Secretary, in coordination with concerned public and private agencies and organizations examining the issues of standards and training for family service workers, shall--

(1) review and, as necessary, revise or develop new qualification standards for Head Start staff providing such services;

(2) promote the development of model curricula (on subjects including parenting training and family literacy) designed to ensure the attainment of appropriate competencies by individuals working or planning to work in the field of early childhood and family services; and

(3) promote the establishment of a credential that indicates attainment of the competencies and that is accepted nationwide.

648A [42 USC 9843a]  
(b)(2)(C) - (c)

(d) Head Start Fellowships

(1) Authority

The Secretary may establish a program of fellowships, to be known as "Head Start Fellowships", in accordance with this subsection. The Secretary may award the fellowships to individuals, to be known as "Head Start Fellows", who are staff in local Head Start programs or other individuals working in the field of child development and family services.

(2) Purpose

The fellowship program established under this subsection shall be designed to enhance the ability of Head Start Fellows to make significant contributions to programs authorized under this subchapter, by providing opportunities to expand their knowledge and experience through exposure to activities, issues, resources, and new approaches, in the field of child development and family services.

(3) Assignments of Fellows

(A) Placement sites

Fellowship positions under the fellowship program may be located (subject to subparagraphs (B) and (C))--

(i) in agencies of the Department of Health and Human Services administering programs authorized under this subchapter (in national or regional offices of such agencies);

(ii) in local Head Start agencies and programs;

(iii) in institutions of higher education;

(iv) in public or private entities and organizations concerned with services to children and families; and

(v) in other appropriate settings.

648A [42 USC 9843d]  
(d)(1)-  
(3)(A)

(B) Limitation for Fellows other than Head Start employees

A Head Start Fellow who is not an employee of a local Head Start agency or program may be placed only in a fellowship position located in an agency or program specified in clause (i) or (ii) of subparagraph (A).

(C) No placement in lobbying organizations

Head Start Fellowship positions may not be located in any agency whose primary purpose, or one of whose major purposes, is to influence Federal, State, or local legislation.

(4) Selection of Fellows

Head Start Fellowships shall be awarded on a competitive basis to individuals (other than Federal employees) selected from among applicants who are working, on the date of application, in local Head Start programs or otherwise working in the field of child development and children and family services.

(5) Duration

Head Start Fellowships shall be for terms of 1 year, and may be renewed for a term of 1 additional year.

(6) Authorized expenditures

From amounts appropriated under this subchapter and allotted under section 9835(a)(2)(D) of this title, the Secretary is authorized to make expenditures of not to exceed ~~(\$1,000,000)~~ for any fiscal year, for stipends and other reasonable expenses of the fellowship program.

[bill, § 7(a)]

\$2,000,000

648 A [42 USC 9843 a]  
(d)(3)(B) - (6)

(7) Status of Fellows

Except as otherwise provided in this paragraph, Head Start Fellows shall not be considered to be employees or otherwise in the service or employment of the Federal Government. Head Start Fellows shall be considered to be employees for purposes of compensation for injuries under chapter 81 of Title 5. Head Start Fellows assigned to positions located in agencies specified in paragraph (3)(A)(i) shall be considered employees in the executive branch of the Federal Government for the purposes of chapter 11 of Title 18, and for purposes of any administrative standards of conduct applicable to the employees of the agency to which they are assigned.

(8) Regulations

The Secretary shall promulgate regulations to carry out this subsection.

(e) Model staffing plans

Not later than 1 year after May 18, 1994, the Secretary, in consultation with appropriate public agencies, private agencies, and organizations and with individuals with expertise in the field of children and family services, shall develop model staffing plans to provide guidance to local Head Start agencies and programs on the numbers, types, responsibilities, and qualifications of staff required to operate a Head Start program.

648A [42 USC 9843a]  
(d)(7)-(e)



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE GENERAL COUNSEL

August 18, 1998

NOTE TO: Ann O'Leary, ODS  
Mary Jean LeTendre, OESE  
Susan Wilhelm, OESE  
Pat McKee, OESE  
Tom Corwin, OUS/BS  
Lonna Jones, OUS/BS  
Sandra Cook, OLCA  
Kay Rigling  
Miriam Whitney

RE: Head Start reauthorization: House legislation

Attached, for your information, is H.R. 4241, as introduced by Representative Riggs on July 16, along with media accounts of the bill's progress. Please note that the House Committee on Education and the Workforce made several amendments to the bill at its recent mark-up, but the amended version of the bill is not available. I'll send it to you, with the Committee's report on it, when they're released.

  
Paul Riddle

Attachments

cc: Leslie Somerville

# GOP-Tailored Head Start Bill Moves to House Floor Over Democratic Protests

The popular Head Start program has united lawmakers across party lines since its founding in 1965. This year, its bipartisan coalition appears to be splintering.

The House Committee on Education and the Workforce on July 29 approved, on a mostly party-line vote of 23-18, a bill (HR 4241) to reauthorize the preschool program for low-income children through 2003.

Approval came after the committee accepted controversial Republican amendments. One would disqualify children from Head Start if their mothers did not cooperate in establishing paternity. Another would create a limited number of government-funded "parental certificates," or vouchers, for alternative child care.

Angry about the amendments and a provision that would eliminate use of the federal prevailing wage law on Head Start construction, Democrats said they were forced into the unusual position of opposing legislation to extend and expand one of President Lyndon B. Johnson's war on poverty programs.

"I am sad . . . about a day when we face a [Head Start] reauthorization that fails to be bipartisan in every way," said Matthew G. Martinez, D-Calif.

The bickering contrasted with action in the Senate, which passed its bipartisan version of the measure (S 2206) by voice vote July 27. The Senate bill does not include the contentious provisions.

Even before the House committee voted, Health and Human Services (HHS) Secretary Donna E. Shalala warned Chairman Bill Goodling, R-Pa., in a letter that the administration would "strongly oppose" the measure.

Shalala said the bill did not quickly enough increase funding for Early Head Start, which serves babies and toddlers to age 3, and would limit expansion of the core program, which serves mainly 4-year-olds. President Clinton's goal is to have 1 million children in Head Start by 2002. About 830,000 children

are now enrolled.

Goodling defended the bill, which would focus the bulk of new funding during the first two years of the five-year reauthorization on quality improvements, such as teacher training, rather than enrolling more children.

"If you want a partisan issue, it will be a partisan issue," Goodling told Democrats. "I will stand here and fight until the end of time. . . . The quality issue is one that I will not back off of."

The committee-passed bill would make it easier for states to provide full-day, full-year care to meet the needs of working women and those moving off welfare. It would require half the Head Start teachers to have a degree in early childhood education by 2003, set new education standards to ensure that children are ready to learn reading when they leave the program, mandate studies of effectiveness and set aside funds for family literacy programs.

While Goodling disagreed with the White House on how fast to expand

the program, he had been willing to compromise on other issues. The markup was delayed for a week in an effort to negotiate with Democrats.

Goodling offered a substitute bill that did not include the paternity establishment or voucher provisions, both of which were in a draft developed by Frank Riggs, R-Calif., chairman of the Subcommittee on Early Childhood, Youth and Families. Goodling's substitute also eliminated a Riggs provision that would have allowed private, for-profit groups to compete for Head Start grants.

## Davis-Bacon a Key Issue

But the wheels came off during the markup, in part due to Democratic anger over a provision that would eliminate the requirement that Head Start comply with the 1931 Davis-Bacon Act, which requires federal construction contractors to pay workers the local prevailing wage.

Donald M. Payne, D-N.J., offered an amendment, which was defeated 16-21, to continue applying Davis-Bacon to Head Start projects.

"It is truly objectionable that the majority party has decided to use Head Start now as another [vehicle] to push their anti-labor agenda," Payne said.

Republicans countered that Democratic dependence on campaign contributions from organized labor forced them to fight for an outdated law that inflated wages.

"This is an opportunity to prevent money from being taken away from children," said Cass Ballenger, R-N.C.

The fight over Davis-Bacon poisoned the atmosphere, prompting Republicans to push other controversial proposals.

Voting 22-17, the committee approved Riggs' plan for government-funded certificates that could be used to pay for alternative child care. The certificates could be used in cases where Head Start centers had been closed and a replacement had not been named. HHS said the provision was

## Box Score

### Bills:

HR 4241, HR 4271; S 2206 — Reauthorizing human services programs, including Head Start.

### Latest action:

House Education and the Workforce Committee approved its bills July 29; Senate approved S 2206 by voice vote July 27.

### Next likely action:

House floor consideration.

### Reference:

Senate committee approval of S 2206, CQ Weekly, p. 1743.

By Sue Kirchhoff

vor of the Riggs amendment, it passed 214-212, with 33 Republicans voting against it and 25 Democrats voting for it. (Vote 349, p. 2142)

The House also passed, 231-200, an amendment by Van Hilleary, R-Tenn., to take a \$21 million increase for the Housing Opportunities for Persons with AIDS program and transfer it to veterans' medical care. (Vote 347, p. 2142)

Another major topic of debate involved two provisions on flammability standards for upholstery and children's sleepwear.

At the request of Roger Wicker, R-Miss., the bill contained a provision to prevent the Consumer Product Safety Commission from promulgating rules that would lead to increased chemical treatment of upholstery fabrics. Democrats attempted to remove the provision through a motion to send the bill back to committee, which failed, 164-261. (Vote 351, p. 2142)

And after heated debate, the House approved by voice vote an amendment by Rosa DeLauro, D-Conn., that would prevent the commission from spending any funds appropriated by the bill to implement a 1996 regulation that loosened rules requiring children's pajamas size 14 and smaller to be treated to extinguish any small fire to which they were exposed.

The bill originally had required that the commission propose new rules no later than 90 days after bill enactment, but the provision was removed by Henry Bonilla, R-Texas, who objected to including legislative language on an appropriations bill, which is against House rules.

In other action, the House:

- Defeated, 109-323, an amendment by Tim Roemer, D-Ind., and Dave Camp, R-Mich., to cut \$1.6 billion from the NASA budget and terminate the international space station. (Vote 345, p. 2142)

- Defeated, 146-285, an amendment by Maurice D. Hinchey, D-N.Y., to prohibit the VA from spending funds to implement a plan that would shift funding from VA hospitals in states with dwindling populations of veterans to those where the numbers are growing, such as Florida and Arizona. (Vote 346, p. 2142)

- Approved, 351-73, an amendment by Tom Coburn, R-Okla., to transfer \$304 million from the Federal Housing Administration to veterans' medical programs. (Vote 350, p. 2142) ♦

## Appropriations

# School Voucher Fight Likely As D.C. Spending Bill Heads for House Floor

Aside from minor skirmishes, the debate over the fiscal 1999 appropriations bill for the District of Columbia, normally a magnet for controversy, has been relatively mild so far this year.

The House Appropriations Committee on July 30 approved a \$486 million fiscal 1999 D.C. spending bill by voice vote. The committee even accepted a number of provisions requested by congressional Democrats and the Clinton administration. Moreover, a mixture of members from both parties defeated or watered down the most divisive amendments that were offered.

The harmony may end the week of Aug. 3, as the bill heads to the House floor, where some Republicans are expected to push a controversial amendment to provide school vouchers to District residents.

The vouchers, which sent the fiscal 1998 spending bill spiraling into partisanship, could be used by District residents to send their children to any private or public schools. That provision was dropped at the end of last year's legislative session, smoothing the path to enactment. (1997 *Almanac*, p. 9-27)

Since taking control of the Congress in 1995, Republicans have made vouchers a main element of their education platform. Republicans argue that vouchers would give parents, especially low-income parents, more control over their children's education. They point to the problem-plagued Washington, D.C., schools as a prime example of a system that could benefit from competition. Democrats counter that vouchers would rob resources, and the best students, from public schools.

## Beyond Vouchers

There are other warning signs that fighting over the D.C. appropriations bill will intensify. City advocates are criticizing the committee's refusal to allow money to be spent on the city's 37 advisory neighborhood commissions. They also oppose inclusion of a provi-

sion in the bill that would mandate a study of the city's medical malpractice laws.

The spending bill would cover the costs of the District's courts and prisons, as well as a host of other initiatives. The committee increased total spending in the bill by \$56 million during its four-hour meeting — thanks to an amendment by Charles H. Taylor, R-N.C., the chairman of the D.C. Appropriations Subcommittee, that would provide funding for a number of Democratic priorities.

Taylor's amendment added \$24 million for a Washington Metropolitan Area Transit Authority station to serve a proposed convention center, and \$21 million to repair and maintain the city's streets and bridges. It would provide \$7 million for environmental studies and cleanup at the Lorton Correctional Complex in Virginia, and \$4 million to fund drug testing and other programs for parolees and people on probation.

## Box Score

### Bills:

S 2333 (S Rept 105-254); unnumbered House draft — Fiscal 1999 appropriations for District of Columbia.

### Latest action:

House committee approved its bill by voice vote July 30.

### Next likely action:

House and Senate floor consideration.

### Reference:

House subcommittee and Senate committee approval, CQ Weekly, p. 2020; fiscal 1998 spending, 1997 CQ Almanac, p. 9-27.

By Matthew Tully

nation. "I don't believe it's realistic or even fair to say that the nominee who's apparently following the policy direction of the president will be denied a position," he said.

President Clinton announced June 18 that he was nominating Richardson, a former Democratic House member from New Mexico (1983-97), to replace Federico F. Peña, who resigned to return to private life.

• **Oil reserves.** To take advantage of low oil prices, the committee discussed adding an amendment to the fiscal 1999 Treasury-Postal appropriations bill (S 2312) to add about 28 million barrels of oil to the Strategic Petroleum Reserve.

Sen. Jeff Bingaman, D-N.M., estimated the oil would cost about \$420 million. "It's certainly in the country's best interests and it helps the domestic oil and gas industry," he said. Bingaman also said he believes senators "are making progress in getting the administration to support what we're trying to do."

Murkowski said the additional oil would help fill up "at a favorable price" the federally owned reserve of emergency crude oil stored in Louisiana and Texas. Murkowski said the sale could be paid for with emergency funds.

## EDUCATION

### DIVIDED HOUSE PANEL APPROVES HEAD START REAUTHORIZATION

A bitterly divided House Education and the Workforce Committee yesterday approved legislation (HR 4241) to reauthorize the Head Start program for five years, after adopting amendments that would require poor women to cooperate in paternity establishment in order to receive aid and allow a limited program of "parental certificates" that parents could use to pay for alternative child care programs.

The legislation, which in the past has had strong bipartisan support, was approved by a 23-18 margin with Democrats voting "no." Even before the committee adopted the controversial amendments, Health Secretary Donna E. Shalala in a letter dated yesterday said the administration would "strongly oppose" the bill.

The administration objects to provisions that would increase funding for early Head Start, which serves children up to age 3, more slowly than it wanted. Shalala also expressed opposition to the bill's requirement that funding increases for the next several years be targeted primarily at quality improvement, rather than increasing enrollment. President Clinton has set a target of enrolling 1 million poor children

in Head Start by 2002.

Committee Chairman Rep. Bill Goodling, R-Pa., had delayed the markup for a week in an effort to work out a bipartisan compromise. Goodling offered a substitute that dropped the paternity and parental certificate, or voucher, proposals. But things began to come undone when Democrats came out swinging, angered by a provision that would end a requirement that the Davis-Bacon prevailing wage law apply to construction or expansion of Head Start facilities.

An amendment by Rep. Donald M. Payne, D-N.J., to reinstate Davis-Bacon failed 16-21. On a 22-17 vote the panel approved an amendment by Rep. Frank Riggs, R-Calif., to provide certificates that parents could use at a child care provider of their choice, so long as the provider met program requirements.

By 20-19 the panel approved a second Riggs amendment to disqualify children from the program if their mothers did not cooperate in establishing the paternity. A similar provision was included in the 1996 welfare law (PL 104-193), but Democrats protest that only about half the children in Head Start are from welfare families.

The underlying Head Start bill would

set new education goals for children; help states set up full-day, full-year programs to aid women moving off welfare; require at least half of Head Start instructors to have a degree in early childhood development by 2003 and devote the bulk of additional funding through fiscal 2001 for improving program quality.

• **Community service grants.** The committee by voice vote also approved legislation (HR 4271) to reauthorize the Community Services Block Grant for five years and the Low-Income Home Energy Assistance Program (LIHEAP) for two. The House Appropriations Committee has voted to zero out the LIHEAP program in its fiscal 1999 Labor, Health and Human Services appropriations bill (HR 4274).

The panel also approved an amendment, by voice vote, that would create a four-year pilot project to test special savings accounts for low-income individuals. The accounts could be used to buy a new home, start a business or pay for education.

• **Workplace chemicals.** By voice vote the committee approved a third bill (HR 4037) designed to simplify the federally required process for distributing information on hazardous chemicals in the workplace. The legislation would clarify that employers who used

## GOP Leaders Support Visitors Center

In the wake of last week's shootings, House and Senate Republican leaders committed themselves yesterday to funding and building a Capitol visitors center.

Following a leadership meeting, Senate Rules and Administration Committee Chairman John W. Warner, R-Va., said GOP leaders support construction of a visitors center as part of an overall plan to upgrade security and tourist facilities. "Both the House and Senate wish to move in tandem with regard to the proposed perimeter security plan and a visitor center," Warner declared.

Senate Majority Leader Trent Lott, Miss., said Congress will authorize a visitors center and appropriate funds for the project this year.

But where such a center will be and what it will include remained unclear after House Oversight Committee Chairman Bill Thomas, R-Calif., told reporters not to assume that a 1995 plan for a \$125 million facility under the Capitol's East Plaza remains operative. Thomas said key elements of the proposal could be reconsidered, including the location. Warner hastened to add that the Architect of the Capitol's plan has not been scrapped.

Warner said he and Thomas intend to collaborate on legislation, to be marked up in September, that will incorporate the visitors center with a plan for upgrading the Capitol perimeter.

The Senate agreed by voice vote yesterday to a Warner-sponsored amendment to the fiscal 1999 Treasury-Postal spending bill (S 2312) that would redirect \$14 million to a Capitol Hill security account. Warner said \$20 million has already been appropriated to begin implementing security improvements recommended in an unreleased report to congressional leaders last September.

Some lawmakers have said last Friday's shootings, which left two Capitol Police officers dead, might have been avoided if the center had been in place. "It would have changed the circumstances," said Sen. Larry E. Craig, R-Idaho. The gunman, Craig added, "couldn't have struck inside the Capitol, or at the door of the Capitol."

Proposals for a Capitol visitor center have been around for years. The 1995 proposal included a 600-seat cafeteria; a 550-seat auditorium for Library of Congress presentations; two other, smaller auditoriums; information areas, and other necessities, such as bathrooms.

— Carroll J. Doherty

To amend the Head Start Act, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JULY 16, 1998

Mr. RIGGS (for himself, Mr. GOODLING, Mr. BARRETT of Nebraska, Mr. GREENWOOD, Mr. GRAHAM, and Mr. SOUDER) introduced the following bill; which was referred to the Committee on Education and the Workforce

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**A BILL**

To amend the Head Start Act, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Head Start Amend-  
5 ments of 1998".

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Statement of purpose.
- Sec. 4. Definitions.
- Sec. 5. Financial assistance for Head Start programs.
- Sec. 6. Authorization of appropriations.
- Sec. 7. Allotment of funds.
- Sec. 8. Designation of Head Start agencies.

Sec. 9. Quality standards.  
 Sec. 10. Powers and functions of Head Start agencies.  
 Sec. 11. Head Start transition.  
 Sec. 12. Submission of plans to Governors.  
 Sec. 13. Administrative requirements and standards.  
 Sec. 14. Participation in Head Start programs.  
 Sec. 15. Early head start programs for families with infants and toddlers.  
 Sec. 16. Technical assistance and training.  
 Sec. 17. Family literacy services.  
 Sec. 18. Professional requirements.  
 Sec. 19. Research and evaluation.  
 Sec. 20. Repeal of consultation requirement.  
 Sec. 21. Conforming amendments.  
 Sec. 22. Repeal of Head Start Transition Project Act.  
 Sec. 23. Effective date; application of amendments.

### 1 SEC. 3. STATEMENT OF PURPOSE.

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

#### 4 "SEC. 636. STATEMENT OF PURPOSE.

5 "It is the purpose of this subchapter to promote  
 6 school readiness by enhancing the social and cognitive de-  
 7 velopment of low-income children through the provision,  
 8 to low-income children and their families, of health, edu-  
 9 cational, nutritional, social, and other services that are de-  
 10 termined, based on family needs assessments, to be nec-  
 11 essary."

### 12 SEC. 4. DEFINITIONS.

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

15 (1) by redesignating paragraphs (3) through  
 16 (14) as paragraphs (4) through (15), respectively;

1 (2) in paragraph (2), by striking "the Fed-  
 2 erated States of Micronesia, the Republic of the  
 3 Marshall Islands, Palau,";

4 (3) by inserting after paragraph (2) the follow-  
 5 ing:

6 "(3) The term 'child with a disability' means—  
 7 "(A) a child with a disability, as defined in  
 8 section 602(3) of the Individuals with Disabil-  
 9 ities Education Act; and

10 "(B) an infant or toddler with a disability,  
 11 as defined in section 632(5) of such Act.";

12 (4) by striking paragraph (5) (as redesignated  
 13 in paragraph (1)) and inserting the following:

14 "(5) The term 'family literacy services' means  
 15 services that—

16 "(A) are provided to participants who re-  
 17 ceive the services on a voluntary basis;

18 "(B) are of sufficient intensity, and of suf-  
 19 ficient duration, to make sustainable changes in  
 20 a family (such as eliminating or reducing de-  
 21 pendence on income-based public assistance);  
 22 and

23 "(C) integrate each of—

24 "(i) interactive literacy activities be-  
 25 tween parents and their children;

“(ii) training for parents on being partners with their children in learning;

“(iii) parent literacy training, including training that contributes to economic self-sufficiency; and

“(iv) appropriate instruction for children of parents receiving the parent literacy training.”;

(5) in paragraph (7) (as redesignated in paragraph (1)), by adding at the end the following: “Nothing in this paragraph shall be construed to require an agency to provide services to a child who has not reached the age of compulsory school attendance for more than the number of hours per day permitted by State law for the provision of services to such a child.”; and

(6) by adding at the end the following:

“(16) The term ‘reliable and replicable’, used with respect to research, means an objective, valid, scientific study that—

“(A) includes a rigorously defined sample of subjects, that is sufficiently large and representative to support the general conclusions of the study;

“(B) relies on measurements that meet established standards of reliability and validity;

“(C) is subjected to peer review before the results of the study are published; and

“(D) discovers effective strategies for enhancing the development and skills of children.”.

#### **SEC. 5. FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS.**

Section 638(1) of the Head Start Act (42 U.S.C. 9833(1)) is amended—

(1) by striking “aid the” and inserting “enable the”; and

(2) by striking the semicolon and inserting “and attain school readiness;”.

#### **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) in subsection (a)—

(A) by inserting “\$4,500,000,000 for fiscal year 1999 and” after “subchapter”; and

(B) by striking “1995 through 1998” and inserting “2000 through 2003”; and

(2) in subsection (b), by striking paragraphs (1) and (2) and inserting the following:

“(1) for each of the fiscal years 1999 through 2003, not more than \$30,000,000 and not less than the amount made available to carry out the Head Start Transition Project Act (42 U.S.C. 9855–9855g) for fiscal year 1998, to carry out activities authorized under section 642A;

“(2) not more than \$5,000,000 for each of the fiscal years 1999 through 2003 to carry out impact studies under section 649(g);

“(3) not more than \$12,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003, to carry out other research, demonstration, and evaluation activities, including longitudinal studies, under section 649; and

“(4) not less than \$5,000,000 for fiscal year 1999, and such sums as may be necessary for fiscal years 2000 through 2003, to carry out activities authorized under section 648B.”.

#### SEC. 7. ALLOTMENT OF FUNDS.

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

(1) in paragraph (2)—

(A) in subparagraph (A), by striking “handicapped children” and inserting “children with disabilities”;

(B) in subparagraph (B), by striking “the Federated States of Micronesia, the Republic of the Marshall Islands, Palau,”;

(C) in subparagraph (C), by striking “and” at the end;

(D) in subparagraph (D), by striking “related to the development and implementation of quality improvement plans under section 641A(d)(2).” and inserting “carried out under paragraph (1), (2), or (3) of section 641A(d) relating to correcting deficiencies and conducting proceedings to terminate the designation of Head Start agencies; and”;

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

“(E) payments for research and evaluation activities under section 649.”; and

(F) by adding at the end the following: “In carrying out this subchapter, the Secretary shall continue the administrative arrangement responsible for meeting the needs of migrant and Indian children and shall assure that ap-

appropriate funding is provided to meet such needs.”;

(2) in paragraph (3)—

(A) in subparagraph (A)(i)(II) by inserting “subject to subsection (m),” after “(II)”;

(B) in subparagraph (B)—

(i) in clause (ii)—

(I) by striking “adequate qualified staff” and inserting “adequate numbers of qualified staff”; and

(II) by inserting “and children with disabilities” before “, when”;

(ii) in clause (iv) by inserting “and to encourage the staff to continually improve their skills and expertise by informing staff of the availability of State and Federal loan forgiveness programs for professional development” before the period at the end;

(iii) in clause (v) by inserting “and collaboration efforts for such programs” before the period at the end; and

(iv) by amending clause (vi) to read as follows:

“(vi) Ensuring that such programs have adequate numbers of qualified staff that can promote

language skills and literacy growth of children and that provide children with a variety of skills that have been identified, through research that is reliable and replicable, as predictive of later reading achievement.”; and

(C) in subparagraph (C)—

(i) in clause (i)(I)—

(I) by striking “of staff” and inserting “of classroom teachers and other staff”; and

(II) by striking “such staff” and inserting “qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 648A(a)”;

(ii) by redesignating subclause (II) as subclause (III);

(iii) by inserting after subclause (I) the following:

“(II) Preferences in awarding salary increases, in excess of cost of living allowances, shall be granted to classroom teachers and staff who obtain additional training or education related to their responsibilities as employees of a Head Start program.”;

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

“(ii) Of the amount remaining after carrying out clause (i), the highest priority shall be placed on training classroom teachers and other staff to meet the education performance standards described in section 641A(a)(1)(B), through activities—

“(I) to promote children’s language and literacy growth, through techniques identified through reliable, replicable research;

“(II) to promote the acquisition of the English language for non-English background children and families;

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

“(IV) to provide training necessary to improve the qualifications of the staff of the Head Start agencies and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunc-

tional families, children who experience chronic violence in their communities, and children who experience substance abuse in their families.”;

(vi) by striking clause (v); and

(vii) by redesignating clause (vi) as clause (v);

(3) in paragraph (4)—

(A) in subparagraph (A), by striking “1981” and inserting “1998”;

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

“(B) any amount available after all allotments are made under subparagraph (A) for such fiscal year shall be distributed proportionately on the basis of the number of children less than 5 years of age who live with families whose income is below the poverty line.”; and

(C) by adding at the end the following:

“For fiscal year 1999, and for each 2-fiscal-year period thereafter, the Secretary shall use the most recent data available on the number of children under the age of 5, from families below the poverty level that is consistent with that published for counties, by the Department of Commerce, unless the Secretary and the Secretary of

1 Commerce determine that use of the updated poverty data  
2 would be inappropriate or unreliable. If the Secretary and  
3 the Secretary of Commerce determine that some or all of  
4 the data referred to in this paragraph are inappropriate  
5 or unreliable, they shall issue a report setting forth their  
6 reasons in detail.”;

7 (4) in paragraph (5)—

8 (A) in subparagraph (B), by inserting be-  
9 fore the period the following “and encourage  
10 Head Start agencies to actively collaborate with  
11 entities involved in State and local planning  
12 processes in order to better meet the needs of  
13 low-income children and families”;

14 (B) in subparagraph (C)—

15 (i) in clause (i)(I), by inserting “the  
16 appropriate regional office of the Adminis-  
17 tration for Children and Families and” be-  
18 fore “agencies”;

19 (ii) in clause (iii), by striking “and”  
20 at the end;

21 (iii) in clause (iv)—

22 (I) by striking “education, and  
23 national service activities,” and insert-  
24 ing “and education and community  
25 activities,”;

1 (II) by striking “and activities”  
2 and inserting “activities”; and

3 (III) by striking the period and  
4 inserting “(including coordination  
5 with those State officials who are re-  
6 sponsible for administering part C  
7 and section 619 of the Individuals  
8 with Disabilities Education Act (20  
9 U.S.C. 1431–1445, 1419)), and serv-  
10 ices for homeless children;”; and

11 (iv) by adding at the end the follow-  
12 ing:

13 “(v) include representatives of the State Head  
14 Start Association and local Head Start agencies in  
15 unified planning regarding early care and education  
16 services at both the State and local levels, including  
17 collaborative efforts to plan for the provision of full-  
18 working-day, full-calendar-year early care and edu-  
19 cation services for children;

20 “(vi) encourage local Head Start agencies to  
21 appoint a State level representative to speak on be-  
22 half of Head Start agencies within the State on col-  
23 laborative efforts described in subparagraphs (B)  
24 and (D), and in clause (v); and

1       “(vii) encourage Head Start agencies to collabo-  
 2       rate with entities involved in State and local plan-  
 3       ning processes (including the State lead agency ad-  
 4       ministering the financial assistance received under  
 5       the Child Care and Development Block Grant Act of  
 6       1990 (42 U.S.C. 9858 et seq.) and the entities pro-  
 7       viding resource and referral services in the State) in  
 8       order to better meet the needs of low-income chil-  
 9       dren and families.”;

10           (C) by redesignating subparagraph (D) as  
 11       subparagraph (G); and

12           (D) by inserting after subparagraph (C)  
 13       the following:

14       “(D)(i) A State that receives a grant under subpara-  
 15       graph (B) may develop and submit a statewide, regional,  
 16       or local unified plan for early childhood education and  
 17       child care, that includes Head Start services and is devel-  
 18       oped jointly with the State-level Head Start representative  
 19       pursuant to subparagraph (C)(vi).

20       “(ii) A State that submits such plan may submit with  
 21       the plan a request approved by the chief executive officer  
 22       of the State and by such representative on behalf of 1  
 23       or more Head Start agencies in such State, for a waiver  
 24       of either or both of subsections (a)(1)(A) and (b) of sec-  
 25       tion 645, including related regulations, that are identified

1       in the plan as barriers that impede collaboration between  
 2       entities carrying out Head Start programs and entities  
 3       carrying out other early childhood education and child  
 4       care programs in the State, impede the delivery and limit  
 5       the quality of early childhood education and child care in  
 6       the State, limit the availability of full-working-day, full-  
 7       calendar-year services in communities in which a need for  
 8       such services has been demonstrated, or hinder facilitation  
 9       of collaborations with other agencies or entities to provide  
 10       such services. The request shall specify the specific pur-  
 11       poses for which the waiver is sought and indicate how the  
 12       waiver will accomplish such purposes, and shall include  
 13       provisions specifying the manner in which an independent  
 14       evaluation will be conducted of Head Start programs in  
 15       the State if the waiver is granted.

16       “(iii) A waiver requested under clause (ii) may  
 17       be granted only to the extent necessary to permit  
 18       Head Start agencies participating in such plan—

19           “(I) to enroll in Head Start programs oth-  
 20       erwise eligible children from families whose in-  
 21       come exceeds the poverty line but does not ex-  
 22       ceed 140 percent of the poverty line but, in the  
 23       case of any Head Start program, to enroll  
 24       under the authority of this clause not more

1 than 25 percent of the aggregate number of  
2 children enrolled in such program; and

3 “(II) to charge participation fees for such  
4 children, consistent with the sliding fee schedule  
5 established by the State under section  
6 658E(c)(5) of the of the Child Care and Devel-  
7 opment Block Grant Act of 1990 (42 U.S.C.  
8 9858e(c)(5)).

9 “(E) Following the award of collaboration grants de-  
10 scribed in subparagraph (B), the Secretary shall provide,  
11 from the reserved sums, supplemental funding for collabo-  
12 ration grants to States that engage in other innovative col-  
13 laborative initiatives, including plans for collaborative  
14 training and professional development initiatives for child  
15 care, early childhood education and Head Start service  
16 managers, providers, and staff.

17 “(F)(i) The Secretary shall—

18 “(I) review on an ongoing basis evidence of bar-  
19 riers to effective collaboration between Head Start  
20 programs and other Federal child care and early  
21 childhood education programs and resources; and

22 “(II) develop initiatives, including providing ad-  
23 ditional training and technical assistance and mak-  
24 ing regulatory changes, in necessary cases, to elimi-  
25 nate barriers to the collaboration.

1 “(ii) In the case of a collaborative activity funded  
2 under this subchapter and another provision of law provid-  
3 ing for Federal child care or early childhood education,  
4 the use of equipment and nonconsumable supplies pur-  
5 chased with funds made available under this subchapter  
6 or such provision shall not be restricted to children en-  
7 rolled or otherwise participating in the program carried  
8 out under that subchapter or provision, during a period  
9 in which the activity is predominantly funded under this  
10 subchapter or such provision.”;

11 (5) by amending paragraph (6) to read as fol-  
12 lows:

13 “(6)(A) From the amounts reserved and allotted pur-  
14 suant to paragraphs (2) and (4), and except as provided  
15 in subparagraphs (B) and (C)(i), the Secretary shall use  
16 for grants for programs described in section 645A(a) a  
17 portion of the combined total of such amount equal to—

18 “(i) 7 percent for fiscal year 1999;

19 “(ii) 7 percent for fiscal year 2000;

20 “(iii) 7 percent for fiscal year 2001;

21 “(iv) not more than 10 percent for fiscal year  
22 2002; and

23 “(v) not more than 10 percent for fiscal year  
24 2003;

of the amount appropriated pursuant to section 639(a) for the respective fiscal year.

“(B) If the Secretary does not submit to—

“(i) the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives; and

“(ii) to the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate.

by January 1, 2001, a report on the results of the Early Head Start impact study currently being conducted by the Secretary, then the amount required to be used in accordance with subparagraph (A) for fiscal years 2002 and 2003 shall be 7 percent of the amount appropriated pursuant to section 639(a) for the respective fiscal year.

“(C)(i) For any fiscal year for which the Secretary determines that the amount appropriated under section 639(a) is not sufficient to permit the Secretary to use the portion described in subparagraph (A) without reducing the number of children served by Head Start programs or negatively impacting the quality of Head Start services, relative to the number of children served and the quality of the services during the preceding fiscal year, the Secretary may reduce the percentage of funds required to be used as the portion described in subparagraph (A) for the

fiscal year for which the determination is made, but not below the percentage required to be so used for the preceding fiscal year.

“(ii) For any fiscal year for which the amount appropriated under section 639(a) requires a reduction in the amount made available under this subchapter to Head Start agencies and entities described in section 645A, relative to the amount made available to the agencies and entities for the preceding fiscal year, adjusted as described in paragraph (3)(A)(ii), the Secretary shall proportionately reduce—

“(I) the amounts made available to the entities for programs carried out under section 645A; and

“(II) the amounts made available to Head Start agencies for Head Start programs.”; and

(6) in paragraph (7), by striking “the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.” and inserting “and the Commonwealth of the Northern Mariana Islands.”.

(b) CHILDREN WITH DISABILITIES.—Section 640(d) of the Head Start Act (42 U.S.C. 9835(d)) is amended—

(1) by striking “1982” and inserting “1999”; and

(2) by striking “(as defined in section 602(a) of the Individuals with Disabilities Education Act)”.

(c) INCREASED APPROPRIATIONS.—Section 640(g) of the Head Start Act (42 U.S.C. 9835(g)) is amended—

(1) in paragraph (1), by striking the period and inserting “, and after maintaining such level provide additional support for full-working-day, full-calendar-year Head Start services through collaborations with entities carrying out programs that are in existence on the date of the allocation and with other private, nonprofit agencies. Any such additional funds remaining may be used to serve an increased number of children or make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability and accessibility of Head Start programs.”;

(2) in paragraph (2)—

(A) in subparagraph (A), by striking the semicolon and inserting “, and the performance history of the applicant in providing services under other Federal programs (other than the program carried out under this subchapter);”;

(B) in subparagraph (C), by striking the semicolon and inserting “, and organizations serving children with disabilities;”;

(C) in subparagraph (D), by striking the semicolon and inserting “and the extent to which, and manner in which, the applicant demonstrates the ability to collaborate and participate with other local community providers of child care or preschool services to provide full-working-day full-calendar-year services;”;

(D) in subparagraph (E), by striking “program; and” and inserting “or any other early childhood program;”;

(E) in subparagraph (F), by striking the period and inserting “; and”; and

(F) by adding at the end the following:

“(G) the extent to which the applicant proposes to foster partnerships with other service providers in a manner that will enhance the resource capacity of the applicant; and

“(H) the extent to which the applicant, in providing services, will plan to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will

1 enroll following such program, regarding the edu-  
 2 cation services provided by such local educational  
 3 agency.”; and

4 (3) in paragraph (3) by striking “In” and in-  
 5 serting “Subject to subsection (m), in”.

6 (d) **RELATIVE AVAILABILITY OF FUNDS FOR QUAL-**  
 7 **ITY AND FOR EXPANSION.**—Section 640 of the Head Start  
 8 Act (42 U.S.C. 9835) is amended by adding at the end  
 9 the following:

10 “(m)(1) The amount (if any) by which the funds ap-  
 11 propriated under section 639(a) for a fiscal year exceed  
 12 the adjusted prior year appropriation (as defined in sub-  
 13 section (a)(3)(ii)), shall be available as follows:

| For Fiscal Year: | Percent of Amount<br>Exceeding Ad-<br>justed Prior Year<br>Appropriation To<br>Be Available for<br>Activities Under<br>Subsection<br>(a)(3)(C): | Percent of<br>Amount Exceed-<br>ing Adjusted<br>Prior Year Approp-<br>riation To Be<br>Available for Ac-<br>tivities Under<br>Subsection (g)(1): | Percent of<br>Amount Exceed-<br>ing Adjusted Prior<br>Year Appropria-<br>tion To Be Avail-<br>able to Qualifying<br>Head Start Pro-<br>grams for Activi-<br>ties Under Sub-<br>sections (a)(3)(C)<br>and (g)(1) |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1999             | 65                                                                                                                                              | 25                                                                                                                                               | 10                                                                                                                                                                                                              |
| 2000             | 65                                                                                                                                              | 25                                                                                                                                               | 10                                                                                                                                                                                                              |
| 2001             | 45                                                                                                                                              | 45                                                                                                                                               | 10                                                                                                                                                                                                              |
| 2002             | 45                                                                                                                                              | 45                                                                                                                                               | 10                                                                                                                                                                                                              |
| 2003             | 25                                                                                                                                              | 65                                                                                                                                               | 10.                                                                                                                                                                                                             |

14 “(2) For purposes of paragraph (1), the term ‘quali-  
 15 fying Head Start program’ means a Head Start agency  
 16 or Head Start program that is—

1 “(A) in compliance with the quality standards  
 2 and result-based performance measures applicable  
 3 under subsections (a) and (b) of section 641A;

4 “(B) not required under subsection (d) of such  
 5 section to take a corrective action; and

6 “(C) making progress toward complying with  
 7 requirements applicable under section 648A(a)(2).

8 “(3) Funds required to be made available under this  
 9 subsection to qualifying Head Start programs shall be  
 10 made available on the same basis as allotments are deter-  
 11 mined under subsection (a)(4).”.

12 (f) **CONFORMING AMENDMENT.**—Section 644(f)(2)  
 13 of the Head Start Act (42 U.S.C. 9839(f)(2)) is amended  
 14 by striking “640(a)(3)(C)(v)” and inserting “640(g)”.

15 **SEC. 8. DESIGNATION OF HEAD START AGENCIES.**

16 Section 641 of the Head Start Act (42 U.S.C. 9836)  
 17 is amended—

18 (1) in subsection (a)—

19 (A) by inserting “or for-profit” after “non-  
 20 profit”; and

21 (B) by inserting “(in consultation with the  
 22 chief executive officer of the State in which the  
 23 community is located)” after “the Secretary”  
 24 the last place it appears;

25 (2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking “shall give priority” and inserting “may, in consultation with the chief executive officer of the State, give priority”;

(ii) by inserting “or for-profit” after “nonprofit”; and

(iii) by striking “makes a finding” and all that follows through the period at the end, and inserting the following:

“determines that the agency involved fails to meet program and financial management requirements, performance standards described in section 641A(a)(1), and other requirements established by the Secretary.”;

(B) in paragraph (2), by striking “shall give priority” and inserting “may, in consultation with the chief executive officer of the State, give priority”; and

(C) by aligning the left margin of paragraphs (2) and (3) with the left margin of paragraph (1); and

(3) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking “If no entity in a community is entitled to the priority specified in subsection (c),

then the Secretary may” and inserting the following:

“If the Secretary elects not to give priority designation to any agency under subsection (c), the Secretary shall”;

(B) in paragraph (4)—

(i) in subparagraph (A), by inserting “(at home and in the center involved where practicable)” after “activities”;

(ii) in subparagraph (D)—

(I) in clause (iii) by adding “or”

at the end;

(II) by striking clause (iv); and

(III) by redesignating clause (v)

as clause (iv);

(iii) in subparagraph (E) by striking

“and (D)” and inserting “and (E)”;

(iv) by redesignating subparagraphs

(D) and (E) and subparagraphs (E) and

(F), respectively; and

(v) by inserting after subparagraph

(C) the following:

“(D) to offer to parents of participating

children substance abuse counseling (either directly or through referral to local entities), in-

cluding information on fetal alcohol syndrome and crack-baby syndrome;";

(C) by amending paragraph (7) to read as follows:

"(7) the plan of such applicant to meet the needs of non-English background children and their families, including needs related to the acquisition of the English language;";

(D) in paragraph (8)—

(i) by striking the period at the end and inserting "; and"; and

(ii) by redesignating such paragraph as paragraph (9);

(E) by inserting after paragraph (7) the following:

"(8) the plan of such applicant to meet the needs of children with disabilities;"; and

(F) by adding at the end the following:

"(10) the plan of such applicant to collaborate with other entities carrying out early childhood education and child care programs in the community."; and

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

"(e) If no agency in the community receives priority designation and if there is no qualified applicant in the community, then the Secretary shall designate an agency to carry out the Head Start program in the community on an interim basis until a qualified applicant from the community is so designated.".

#### SEC. 9. QUALITY STANDARDS.

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

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting ", including minimum levels of overall accomplishment," after "regulation standards";

(B) in subparagraph (A), by striking "education,";

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

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

"(B)(i) education performance standards to ensure the school readiness of children participating in a Head Start program, on comple-

tion of the Head Start program and prior to entering school; and

“(ii) additional education performance standards to ensure that the children participating in the program, at a minimum—

“(I) develop phonemic, print, and numeracy awareness;

“(II) understand and use oral language to communicate for different purposes;

“(III) understand and use increasingly complex and varied vocabulary;

“(IV) develop and demonstrate an appreciation of books; and

“(V) in the case of non-English background children, progress toward acquisition of the English language.”;

(2) by striking paragraph (2);

(3) in paragraph (3)—

(A) in subparagraph (A) by striking “linguistically and culturally appropriate”;

(B) in subparagraph (B)(iii) by striking “child” and inserting “early childhood education and”; and

(C) in subparagraph (C)—

(i) in clause (i)—

(I) by striking “not later than 1 year after the date of enactment of this section,”; and

(II) by striking “section 651(b)” and all that follows through “section” and inserting “this subsection”; and

(ii) in subclause (ii), by striking “November 2, 1978” and inserting “the date of enactment of the Human Services Reauthorization Act of 1998”; and

(4) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

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

(1) in the heading, by inserting “RESULTS-BASED” before “PERFORMANCE”;

(2) in paragraph (1)—

(A) by striking “Not later than 1 year after the date of enactment of this section, the” and inserting “The”;

(B) by striking “child” and inserting “early childhood education and”; and

(C) by striking the period at the end and inserting “, and the impact of the services pro-

vided through the programs to children and their families.”;

(3) in paragraph (2)—

(A) in the heading, by striking “DESIGN” and inserting “CHARACTERISTICS”;

(B) in the matter preceding subparagraph (A), by striking “be designed” and inserting “include the education performance standards described in subsection (a)(1)(B) and shall”;

(C) in subparagraph (A), by striking “to assess” and insert “assess the impact of”;

(D) in subparagraph (B)—

(i) by striking “to”;

(ii) by striking “and peer review” and inserting “, peer review, and program evaluation”; and

(iii) by striking “; and” and inserting the following:

“not later than January 1, 1999, and, with respect to such education performance standards, assess whether children participating in Head Start programs—

“(I) know that letters of the alphabet are a special category of visual graphics that can be individually named;

“(II) recognize a word as a unit of print;

“(III) identify at least 10 letters of the alphabet; and

“(IV) associate sounds with written words;”;

(E) in subparagraph (C), by inserting “be developed” before “for other”;

(4) in paragraph (3)(A) by striking “and by region” and inserting “, regionally, and locally”; and

(5) by adding at the end the following:

“(4) OTHER PERFORMANCE MEASURES.—In addition to other applicable results-based performance measures, Head Start agencies may establish their own performance measures.”.

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

(1) in paragraph (1) by inserting “and results-based performance measures” after “standards”; and

(2) in paragraph (2)

(A) in subparagraph (B), by striking

“and” at the end;

(B) in subparagraph (C)—

(i) by striking “(including linguistic and cultural)”;

(ii) by inserting “(including children with disabilities)” after “eligible children”; and

(iii) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(D) include as part of the reviews of the programs, a review and assessment of program effectiveness, as measured in accordance with the results-based performance measures developed pursuant to subsection (b) and with the performance standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1); and

“(E) seek information from the community and the State about the performance of the program and its efforts to collaborate with other entities carrying out early childhood education and child care programs in the community.”

(d) TERMINATION.—Section 641A(d)(1) of the Head Start Act (42 U.S.C. 9836a(d)(1)) is amended—

(1) by inserting “or results-based performance measures described in subsection (b)” after “subsection (a)”;

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

“(ii) if the Secretary finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds—

“(I) to correct the deficiency not later than 90 days after the identification of the deficiency if the Secretary finds, in the discretion of the Secretary, that such a 90-day period is reasonable, in light of the nature and magnitude of the deficiency; or

“(II) in the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency) to comply with the requirements of paragraph (2) concerning a quality improvement plan;”;

(3) in subparagraph (C), by striking “unless the agency corrects the deficiency.” and inserting the following:

“unless the agency—

“(i) corrects the deficiency within 90 days after the Secretary informs the agency of the deficiency; or

“(ii) develops and obtains approval for a quality improvement plan in accordance with paragraph (2) in a case in which the Secretary, at the discretion of the Secretary, requires such a plan; and.”; and

(4) by adding at the end the following:

“(D) If the Secretary terminates the designation of a Head Start agency pursuant to this subsection, the Secretary shall, after consultation with families that will be eligible to receive services in the community, either—

“(i) issue a certificate to eligible parents for parents to use at the provider of their choice, provided that the provider can provide health, educational, nutritional, and social services to eligible children and their families either through direct services or through referral to local entities; or

“(ii) use procedures outlined in section 641 to designate a new Head Start agency.”.

**SEC. 10. POWERS AND FUNCTIONS OF HEAD START AGEN-  
CIES.**

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

(1) in subsection (a), by inserting “or for-profit” after “nonprofit”;

(2) in subsection (b)—

(A) in paragraph (6)—

(i) by striking subparagraph (D); and

(ii) by redesignating subparagraphs

(E) and (F) and subparagraphs (D) and

(E), respectively;

(B) in paragraph (8) by striking “and” at the end;

(C) in paragraph (9) by striking the period at the end and inserting “; and”;

(D) by redesignating paragraphs (6) through (9) as paragraphs (7) through (10), respectively;

(E) by inserting after paragraph (5) the following:

“(6) offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), including information on fetal alcohol syndrome and crack-baby syndrome;” and

(F) by adding at the end the following:

“(11)(A) inform custodial parents in single-parent families that participate in programs, activities, or services carried out under this subtitle about the availability of child support services;

“(B) refer eligible parents to the child support offices of State and local governments;

“(C) establish referral arrangements with such offices; and

“(D) verify that such custodial parents who receive benefits under title IV of the Social Security Act comply with the provisions of part D of title IV of such Act relating to the establishment of paternity;”;

(3) in subsection (c)—

(A) by inserting “and collaborate” after “coordinate”; and

(B) by striking “section 402(g) of the Social Security Act, and other” and inserting “the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development”; and

(4) in subsection (d)—

(A) in paragraph (1)—

(i) by striking “carry out” and all that follows through “maintain” and inserting “take steps to ensure, to the maximum extent possible, that children maintain”;

(ii) by inserting “and educational” after “developmental”; and

(iii) by striking “to build” and inserting “build”;

(B) by striking paragraph (2); and

(C) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively.

#### **SEC. 11. HEAD START TRANSITION.**

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

#### **“SEC. 642A. HEAD START TRANSITION.**

“Each Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

“(1) developing and implementing a systematic procedure for transferring, with parental consent,

1 Head Start program records for each participating  
2 child to the school in which such child will enroll;

3 “(2) establishing channels of communication be-  
4 tween Head Start staff and their counterparts in the  
5 schools (including teachers, social workers, and  
6 health staff) to facilitate coordination of programs;

7 “(3) conducting meetings involving parents,  
8 kindergarten or elementary school teachers, and  
9 Head Start program teachers to discuss the edu-  
10 cational, developmental, and other needs of individ-  
11 ual children;

12 “(4) organizing and participating in joint tran-  
13 sition-related training of school staff and Head Start  
14 staff;

15 “(5) developing and implementing a family out-  
16 reach and support program in cooperation with enti-  
17 ties carrying out parental involvement efforts under  
18 title I of the Elementary and Secondary Education  
19 Act of 1965 (20 U.S.C. 6301 et seq.);

20 “(6) assisting families, administrators, and  
21 teachers in enhancing educational and developmental  
22 continuity between Head Start services and elemen-  
23 tary school classes;

1 “(7) linking the services provided in such pro-  
2 gram with the education services provided by such  
3 local education agency.”.

#### 4 SEC. 12. SUBMISSION OF PLANS TO GOVERNORS.

5 The first sentence of section 643 of the Head Start  
6 Act (42 U.S.C. 9838) is amended—

7 (1) by striking “30 days” and inserting “60  
8 days”;

9 (2) by striking “so disapproved” and inserting  
10 “disapproved (for reasons other than failure to meet  
11 State health, safety, and child care standards, if  
12 any)”; and

13 (3) by inserting before the period “, as evi-  
14 denced by a written statement of the Secretary’s  
15 findings transmitted to such officer”.

#### 16 SEC. 13. ADMINISTRATIVE REQUIREMENTS AND STAND- 17 ARDS.

18 Section 644(g) of the Head Start Act (42 U.S.C.  
19 9839(g)) is amended by striking paragraph (3).

#### 20 SEC. 14. PARTICIPATION IN HEAD START PROGRAMS.

21 Section 645(a)(1)(B) of the Head Start Act (42  
22 U.S.C. 9840(a)(1)(B)) is amended—

23 (1) by striking “that programs” and inserting  
24 “that (i) programs”; and

1 (2) by striking the period and inserting the fol-  
 2 lowing:  
 3 “, and (ii) a child who has been determined to meet the  
 4 low-income criteria and who is participating in a Head  
 5 Start program in a program year shall be considered to  
 6 continue to meet the low-income criteria through the end  
 7 of the succeeding program year. In determining, for pur-  
 8 poses of this paragraph, whether a child who has applied  
 9 for enrollment in a Head Start program meets the low-  
 10 income criteria, an entity may consider evidence of family  
 11 income during the 12 months preceding the month in  
 12 which the application is submitted, or during the calendar  
 13 year preceding the calendar year in which the application  
 14 is submitted, whichever more accurately reflects the needs  
 15 of the family at the time of application.”.

16 **SEC. 15. EARLY HEAD START PROGRAMS FOR FAMILIES**  
 17 **WITH INFANTS AND TODDLERS.**

18 (a) PROGRAM.—Section 645A of the Head Start Act  
 19 (42 U.S.C. 9840a) is amended—

20 (1) in the section heading, by inserting “**EARLY**  
 21 **HEAD START**” before “**PROGRAMS FOR**”;

22 (2) in subsection (a)—

23 (A) in paragraph (1) by striking “; and”  
 24 and inserting a period;

25 (B) by striking paragraph (2); and

1 (C) by striking “for—” and all that follows  
 2 through “(1)”, and inserting “for”;

3 (3) in subsection (b)(5), by inserting “(includ-  
 4 ing programs for infants and toddlers with disabil-  
 5 ities)” after “community”;

6 (4) in subsection (c)—

7 (A) by striking “(a)(1)” and inserting  
 8 “(a)”; and

9 (B) in paragraph (2), by striking “(or  
 10 under” and all that follows through “(e)(3))”;  
 11 (5) in subsection (d)—

12 (A) in paragraph (1), by inserting “and”  
 13 at the end;

14 (B) by striking paragraph (2); and

15 (C) in paragraph (3)—

16 (i) by inserting “or for-profit” after  
 17 “nonprofit”; and

18 (ii) by redesignating such paragraph  
 19 as paragraph (2);

20 (6) by striking subsection (e);

21 (7) by redesignating subsections (f) and (g) as  
 22 subsections (e) and (f), respectively;

23 (8) in subsection (e) (as redesignated in para-  
 24 graph (7))—

(A) in the subsection heading, by striking  
"OTHER"; and

(B) by striking "From the balance remain-  
ing of the portion specified in section 640(a)(6),  
after making grants to the eligible entities spec-  
ified in subsection (e)," and inserting "From  
the portion specified in section 640(a)(6),";  
(9) by striking subsection (h); and

(10) by adding at the end the following:

"(g) MONITORING, TRAINING, TECHNICAL ASSIST-  
ANCE, AND EVALUATION.—

"(1) REQUIREMENT.—In order to ensure the  
successful operation of programs assisted under this  
section, the Secretary shall use funds from the por-  
tion specified in section 640(a)(6) to monitor the op-  
eration of such programs, evaluate their effective-  
ness, and provide training and technical assistance  
tailored to the particular needs of such programs.

"(2) TRAINING AND TECHNICAL ASSISTANCE  
ACCOUNT.—

"(A) IN GENERAL.—Of the amount made  
available to carry out this section for any fiscal  
year, not less than 5 percent and not more than  
10 percent shall be reserved to fund a training  
and technical assistance account.

"(B) ACTIVITIES.—Funds in the account  
may be used for purposes including—

"(i) making grants to, and entering  
into contracts with, organizations with spe-  
cialized expertise relating to infants, tod-  
dlers, and families and the capacity needed  
to provide direction and support to a na-  
tional training and technical assistance  
system, in order to provide such direction  
and support;

"(ii) providing ongoing training and  
technical assistance for regional and pro-  
gram staff charged with monitoring and  
overseeing the administration of the pro-  
gram carried out under this section;

"(iii) providing ongoing training and  
technical assistance for existing recipients  
of grants under subsection (a) and support  
and program planning and implementation  
assistance for new recipients of such  
grants; and

"(iv) providing professional develop-  
ment and personnel enhancement activi-  
ties, including the provision of funds to re-  
cipients of grants under subsection (a) for

the recruitment and retention of qualified staff with an appropriate level of education and experience.”.

(b) CONFORMING AMENDMENT.—Section 640(a)(5)(D) of the Head Start Act (42 U.S.C. 9835(a)(5)(D)) is amended by striking “section 645(a)(1)(A)” and inserting “section 645(a)”.

**SEC. 16. TECHNICAL ASSISTANCE AND TRAINING.**

Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking “and” at the end;

(B) in paragraph (2), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(3) ensure the provision of technical assistance to assist Head Start agencies, entities carrying out other child care and early childhood programs, communities, and States in collaborative efforts to provide quality full-working-day, full-calendar-year services, including technical assistance related to identifying and assisting in resolving barriers to collaboration.”; and

(2) in subsection (c)—

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

“(1) give priority consideration to—

“(A) activities to correct program and management deficiencies identified through reviews pursuant to section 641A(e) (including the provision of assistance to local programs in the development of quality improvement plans under section 641A(d)(2)); and

“(B) assisting Head Start agencies in—

“(i) ensuring the school readiness of children; and

“(ii) meeting the education performance standards described in this subchapter;”;

(B) in paragraph (2) by inserting “supplement amounts provided under section 640(a)(3)(C)(ii),” after “(2)”;

(C) in paragraph (4)—

(i) by inserting “and implementing” after “developing”; and

(ii) by striking “a longer day” and inserting the following: “the day, and assist the agencies and programs in expediting the sharing of information about innovative

models for providing full-working-day, full-calendar-year services for children”;

(D) in paragraph (7), by striking “and” at the end;

(E) in paragraph (8), by striking the period at the end and inserting “; and”;

(F) by redesignating paragraphs (3) through (8) as paragraphs (5) through (10), respectively; and

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

“(3) assist Head Start agencies in the development of collaborative initiatives with States and other entities within the States, to foster effective early childhood professional development systems;

“(4) assist classroom and non-classroom staff, including individuals in management and leadership capacities, to understand the components of effective family literacy services, gain knowledge about proper implementation of such services within a Head Start program, and receive assistance to achieve successful collaboration agreements with other service providers

that allow the effective integration of family literacy services with the Head Start program”;

### SEC. 17. FAMILY LITERACY SERVICES.

The Head Start Act (42 U.S.C. 9831 et seq.) is amended by inserting after section 648A the following:

#### “SEC. 648B. FAMILY LITERACY SERVICES.

“From funds reserved under section 639(b)(4), the Secretary—

“(1) shall provide grants through a competitive process, based upon the quality of the family literacy service proposal and taking into consideration geographic and urban/rural representation, for not more than 100 Head Start agencies to initiate provision of family literacy services through collaborative partnerships with entities that provide adult education services, entities carrying out Even Start programs under part B of chapter 1 of title 1 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 274 et seq.), or entities that provide other services deemed necessary for the provision of family literacy services; and

“(2) may—

“(A) provide training and technical assistance to Head Start agencies that already provide family literacy services;

“(B) designate as mentor programs, and provide financial assistance to, Head Start agencies that demonstrate effective implementation of family literacy services, based on improved outcomes of children and their parents, to enable such agencies to provide training and technical assistance to other agencies that seek to implement, or improve implementation of, family literacy services; and

“(C) award grants or make other assistance available to facilitate training and technical assistance to programs for development of collaboration agreements with other service providers.

In awarding such grants or assistance, the Secretary shall give special consideration to an organization that has experience in the development and operation of successful family literacy services.”.

**SEC. 18. PROFESSIONAL REQUIREMENTS.**

Section 648A of the Head Start Act (42 U.S.C. 9843a) is amended—

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

“(a) CLASSROOM TEACHERS.—

“(1) PROFESSIONAL REQUIREMENTS.—The Secretary shall ensure that each Head Start classroom in a center-based program is assigned 1 teacher who has demonstrated competency to perform functions that include—

“(A) planning and implementing learning experiences that advance the intellectual and physical development of children, including improving readiness of children for school by developing their literacy and phonemic, print, and numeracy awareness, their understanding and use of oral language, their understanding and use of increasingly complex and varied vocabulary, their appreciation of books and their problem solving abilities;

“(B) establishing and maintaining a safe, healthy learning environment;

“(C) supporting the social and emotional development of children; and

“(D) encouraging the involvement of the families of the children in a Head Start program and supporting the development of relationships between children and their families.

“(2) DEGREE REQUIREMENTS.—The Secretary shall ensure that not later than September 30, 2003,

the majority of all Head Start classrooms in a center-based program are assigned 1 teacher who has an associate, baccalaureate, or an advanced degree in early childhood education or development and shall require Head Start agencies to demonstrate continuing progress each year to reach that result. In the remaining balance of such classrooms, there shall be assigned one teacher who has—

“(A) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

“(B) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential; or

“(C) a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.”; and

(2) in subsection (b)(2)(B)—

(A) by striking “staff,” and inserting “staff or”; and

(B) by striking “, or that” and all that follows through “families”.

# SEC. 19. RESEARCH AND EVALUATION.

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

(1) in subsection (c)(1)(C) by striking “the multicultural” and all that follows through “programs and”;

(2) in subsection (d)—

(A) in paragraph (6), by striking “and” at the end;

(B) in paragraph (7) by striking the period at the end and inserting “; and”;

(C) by redesignating paragraphs (2) through (7) as paragraphs (3) through (8), respectively;

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

“(2) over a 5-year period, lead to the development and rigorous evaluation of models for the integration of family literacy services with Head Start programs, that demonstrate the ability to make positive gains for children participating in Head Start programs and their parents, and dissemination of information about such models.”; and

(E) by adding at the end the following:

“(9) study the experiences of small, medium, and large States with Head Start programs in order

1 to permit comparisons of children participating in  
2 the programs with eligible children who did not participate in the programs, which study—

4 “(A) may include the use of a data set  
5 that existed prior to the initiation of the study;  
6 and

7 “(B) shall compare the educational  
8 achievement, social adaptation, and health status of the participating children and the eligible  
9 nonparticipating children.

11 The Secretary shall ensure that an appropriate entity carries out a study described in paragraph (9), and prepares  
12 and submits to the appropriate committees of the Congress a report containing the results of the study, not later  
13 than September 30, 2002.”; and

16 (3) by adding at the end the following:

17 “(g) NATIONAL HEAD START IMPACT RESEARCH.—

18 “(1) ANALYSES OF DATA BASES.—The Secretary shall obtain analyses of the following existing  
19 databases to guide the evaluation recommendations  
20 of the expert panel appointed under paragraph (2)  
21 and to provide Congress with initial reports of potential Head Start outcomes—

24 “(A) by use of The Survey of Income and  
25 Program Participation (SIPP) conduct an anal-

1 ysis of the different income levels of Head Start  
2 participants compared to comparable persons  
3 who did not attend Head Start;

4 “(B) by use of The National Longitudinal  
5 Survey of Youth (NLSY) which began gathering  
6 data on children who attended Head Start  
7 from 1988 on, examine the wide range of outcomes measured within the Survey, including  
8 cognitive, socio-emotional, behavioral, and academic development;

11 “(C) by use of The Survey of Program Dynamics, the new longitudinal survey required by  
12 the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, to begin annual reporting, through the duration of the  
13 Survey, on Head Start attendees’ academic readiness performance and improvements; and

18 “(D) to ensure that The Survey of Program Dynamics be linked with the NLSY at  
19 least once by the use of a common performance test, to be determined by the expert panel, for  
20 the greater national usefulness of the NLSY database.

24 “(2) EXPERT PANEL.—

1           “(A) IN GENERAL.—The Secretary shall  
2           appoint an independent panel consisting of ex-  
3           perts in program evaluation and research, edu-  
4           cation, and early childhood programs—

5                   “(i) to review, and make recommenda-  
6           tions on, the design and plan for the re-  
7           search (whether conducted as a single as-  
8           sessment or as a series of assessments),  
9           described in paragraph (3), within 1 year  
10          after the date of enactment of the Human  
11          Services Reauthorization Act of 1998;

12                   “(ii) to maintain and advise the Sec-  
13          retary regarding the progress of the re-  
14          search; and

15                   “(iii) to comment, if the panel so de-  
16          sires, on the interim and final research re-  
17          ports submitted under paragraph (8).

18          “(B) TRAVEL EXPENSES.—The members  
19          of the panel shall not receive compensation for  
20          the performance of services for the panel, but  
21          shall be allowed travel expenses, including per  
22          diem in lieu of subsistence, at rates authorized  
23          for employees of agencies under subchapter I of  
24          chapter 57 of title 5, United States Code, while  
25          away from their homes or regular places of

1          business in the performance of services for the  
2          panel. Notwithstanding section 1342 of title 31,  
3          United States Code, the Secretary may accept  
4          the voluntary and uncompensated services of  
5          members of the panel.

6                   “(3) GENERAL AUTHORITY.—After reviewing  
7          the recommendations of the expert panel the Sec-  
8          retary shall enter into a grant, contract, or coopera-  
9          tive agreement with an organization to conduct inde-  
10         pendent research that provides a national analysis of  
11         the impact of Head Start programs. The Secretary  
12         shall ensure that the organization shall have exper-  
13         tise in program evaluation, and research, education,  
14         and early childhood programs.

15                   “(4) DESIGNS AND TECHNIQUES.—The Sec-  
16         retary shall ensure that the research uses rigorous  
17         methodological designs and techniques (based on the  
18         recommendations of the expert panel), including lon-  
19         gitudinal designs, control groups, nationally recog-  
20         nized standardized measures, and random selection  
21         and assignment, as appropriate. The Secretary may  
22         provide that the research shall be conducted as a  
23         single comprehensive assessment or as a group of co-  
24         ordinated assessments designed to provide, when

1 taken together, a national analysis of the impact of  
2 Head Start programs.

3 “(5) PROGRAMS.—The Secretary shall ensure  
4 that the research focuses primarily on Head Start  
5 programs that operate in the several States, the  
6 Commonwealth of Puerto Rico, or the District of  
7 Columbia and that do not specifically target special  
8 populations.

9 “(6) ANALYSIS.—The Secretary shall ensure  
10 that the organization conducting the research—

11 “(A)(i) determines if, overall, the Head  
12 Start programs have impacts consistent with  
13 their primary goal of increasing the social com-  
14 petence of children, by increasing the everyday  
15 effectiveness of the children in dealing with  
16 their present environments and future respon-  
17 sibilities, and increasing their school readiness;

18 “(ii) considers whether the Head Start  
19 programs—

20 “(I) enhance the growth and develop-  
21 ment of children in cognitive, emotional,  
22 and physical health areas;

23 “(II) strengthen families as the pri-  
24 mary nurturers of their children; and

1 “(III) ensure that children attain  
2 school readiness; and

3 “(iii) examines—

4 “(I) the impact of the Head Start  
5 programs on increasing access of children  
6 to such services as educational, health, and  
7 nutritional services, and linking children  
8 and families to needed community services;  
9 and

10 “(II) how receipt of services described  
11 in subclause (I) enriches the lives of chil-  
12 dren and families participating in Head  
13 Start programs;

14 “(B) examines the impact of Head Start  
15 programs on participants on the date the par-  
16 ticipants leave Head Start programs, at the end  
17 of kindergarten, and at the end of first grade,  
18 by examining a variety of factors, including  
19 educational achievement, referrals for special  
20 education or remedial course work, and absen-  
21 teeism;

22 “(C) makes use of random selection from  
23 the population of all Head Start programs de-  
24 scribed in paragraph (5) in selecting programs  
25 for inclusion in the research; and

“(D) includes comparisons of individuals who participate in Head Start programs with control groups (including comparison groups) composed of—

“(i) individuals who participate in other early childhood programs (such as preschool programs and day care); and

“(ii) individuals who do not participate in any other early childhood program.

“(7) CONSIDERATION OF SOURCES OF VARIATION.—In designing the research, the Secretary shall, to the extent practicable, consider addressing possible sources of variation in impact of Head Start programs, including variations in impact related to such factors as—

“(A) Head Start program operations;

“(B) Head Start program quality;

“(C) the length of time a child attends a Head Start program;

“(D) the age of the child on entering the Head Start program;

“(E) the type of organization (such as a local educational agency or a community action agency) providing services for the Head Start program;

“(F) the number of hours and days of program operation of the Head Start program (such as whether the program is a full-working-day full-calendar-year program, a part-day program or a part-year program); and

“(G) other characteristics and features of the Head Start program (such as geographic location, location in an urban or a rural service area, or participant characteristics), as appropriate.

“(8) REPORTS.—

“(A) SUBMISSION OF INTERIM REPORTS.—

The organization shall prepare and submit to the Secretary 2 interim reports on the research. The first interim report shall describe the design of the research, and the rationale for the design, including a description of how potential sources of variation in impact of Head Start programs have been considered in designing the research. The second interim report shall describe the status of the research and preliminary findings of the research, as appropriate.

“(B) SUBMISSION OF FINAL REPORT.—

The organization shall prepare and submit to

the Secretary a final report containing the findings of the research.

“(C) TRANSMITTAL OF REPORTS TO CONGRESS.—

“(i) IN GENERAL.—The Secretary shall transmit, to the committees described in clause (ii), the first interim report by September 30, 1999, the second interim report by September 30, 2001, and the final report by September 30, 2003.

“(ii) COMMITTEES.—The committees referred to in clause (i) are the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

“(9) DEFINITION.—In this subsection, the term ‘impact’, used with respect to a Head Start program, means a difference in an outcome for a participant in the program that would not have occurred without the participation in the program.

“(h) QUALITY IMPROVEMENT STUDY.—

“(1) STUDY.—The Secretary shall conduct a study regarding the use and effects of use of the

quality improvement funds made available under section 640(a)(3) since fiscal year 1991.

“(2) REPORT.—The Secretary shall prepare and submit to Congress not later than September 2000 a report containing the results of the study, including—

“(A) the types of activities funded with the quality improvement funds;

“(B) the extent to which the use of the quality improvement funds has accomplished the goals of section 640(a)(3)(B);

“(C) the effect of use of the quality improvement funds on teacher training, salaries, benefits, recruitment, and retention; and

“(D) the effect of use of the quality improvement funds on the cognitive and social development of children receiving services under this subchapter.”.

#### SEC. 20. REPEAL OF CONSULTATION REQUIREMENT.

Section 657A of the Head Start Act (42 U.S.C. 9852a) is repealed.

#### SEC. 21. CONFORMING AMENDMENTS.

After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Secretary of Health and Human Services

1 shall prepare recommended legislation containing tech-  
2 nical and conforming amendments to reflect the changes  
3 made by this Act.

4 **SEC. 22. REPEAL OF HEAD START TRANSITION PROJECT**  
5 **ACT.**

6 The Head Start Transition Project Act (42 U.S.C.  
7 9855-9855g) is repealed.

8 **SEC. 23. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.**

9 (a) **EFFECTIVE DATE.**—Except as provided in sub-  
10 section (b), this Act and the amendments made by this  
11 Act shall take effect on the date of the enactment of this  
12 Act.

13 (b) **APPLICATION OF AMENDMENTS.**—The amend-  
14 ments made by this Act shall not apply with respect to  
15 any fiscal year ending before October 1, 1998.

○



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE GENERAL COUNSEL

August 4, 1998

NOTE TO: Ann O'Leary, ODS  
Bill Wooten, OESE  
Mary Jean LeTendre, OESE  
Susan Wilhelm, OESE  
Pat McKee, OESE  
Tom Corwin, OUS/BS  
Lonna Jones, OUS/BS  
Sandra Cook, OLCA  
Kay Rigling  
Miriam Whitney

RE: Head Start reauthorization: Senate Committee report

Attached, for your information, are excerpts from the Senate Committee Report on S. 2206 that relate to the Head Start program. (The bill would also amend the Community Services Block Grant program and the Low-Income Home Energy Assistance Program, and creates an Assets-for-Independence program.)

If you would like a copy of the entire committee report in booklet form, fax a request for "Senate Report 105-256, on S. 2206" to the Senate Document Room (228-2815), with your mailing address.

  
Paul Riddle

Attachment

cc: Greg March, OSERS (see pp. 20, 23-24)  
Carol Cichowski, OUS/BS (see pp. 20, 23-24)  
Richard Mellman (see pp. 18-20)  
Leslie Somerville

## HUMAN SERVICES REAUTHORIZATION ACT OF 1998

JULY 21, 1998.—Ordered to be printed

Mr. JEFFORDS, from the Committee on Labor and Human  
Resources, submitted the following

## REPORT

together with

## ADDITIONAL VIEWS

[To accompany S. 2206]

The Committee on Labor and Human Resources, to which was referred the bill (S. 2206) to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill (as amended) do pass.

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## I. SUMMARY OF THE BILL

The Human Services Reauthorization Act of 1998 reauthorizes and makes improvements in the Head Start Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981. The legislation also establishes demonstration projects that provide an opportunity for persons with limited means to accumulate assets.

Title I of the bill reauthorizes the Head Start Act at such sums as may be necessary for fiscal years 1999, 2000, 2001, 2002, and 2003. The bill contains provisions to further strengthen and expand the Head Start program. It improves the quality of existing programs by maintaining the 25 percent set-aside for quality improvements, establishing a major programmatic focus on school readiness, and improving collaboration with other community-based child care programs. The legislation requires the establishment of outcome based performance measures, requiring additional and more specific educational performance standards. Barriers to collaboration are removed and the reauthorization includes increased incentives and additional opportunities for early childhood care and education collaboration. A national study of the impact of Head Start on children and families is authorized. Funding for Early Head Start is dramatically increased with provisions to insure the quality of programs through the establishment of a minimum 5 percent quality set aside within the Early Head Start program.

Title II of the bill reauthorizes the Community Services Block Grant at \$625 million for fiscal year 1999, and then such sums as may be necessary for fiscal years 2000, 2001, 2002, and 2003. The bill requires each recipient of CSBG funds to participate in the performance measurement system established by the Secretary of the Department of Health and Human Services by October 1, 2001, to measure how CSBG funds are used to promote self-sufficiency, family stability, and community revitalization. The legislation protects local control by requiring public entities to administer their programs through a tri-partite board structure or through another mechanism designed by the State to ensure low income citizen participation in the decision-making, planning and administration of CSBG programs. Program quality will be improved by requiring on-site compliance reviews, enhancing opportunities for training and technical assistance where deficiencies are noted and providing opportunities for quality improvement plans and corrective action where warranted. The bill reauthorizes the Community Economic Development and Rural Community Facilities programs. It also creates a new Neighborhood Innovation Project to provide grants to neighborhood-based private non-profit organizations for the development of new approaches to overcoming problems which are contributing to community breakdown. The National Youth Sports Program and the Community Food and Nutrition Program are reauthorized at current funding levels. The legislation requires the National Youth Sports grant recipient to enter into formal partnerships with youth serving organizations or other appropriate social service entities in order to link program participants with year-round services in their home communities.

Title III authorizes the Low Income Home Energy Assistance Program at \$2 billion for fiscal years 2000 through 2004. In addition, it authorizes a \$600 million emergency fund for each fiscal year and includes new language defining the circumstances under which natural disasters and other emergencies warrant the release of additional funding. It authorizes the leveraging incentive program at \$30 million for fiscal years 2000 through 2004 and retains language allowing States to target the households with the highest energy burdens.

Title IV authorizes a 5-year, \$125 million demonstration program of Individual Development Accounts for low income working families and individuals. Individual development Accounts are dedicated, matching savings accounts that can be used for purchasing a first home, education, capitalizing a business or in certain defined hardship cases. Under the IDA program, non-profit organizations or State and local governments enter partnerships with low income individuals who deposit what he or she can from their earned income in the account. The sponsoring organization will match the individual's deposit with funds provided by non-federal sources which can include local churches, service organizations, corporations, foundations, or local governments.

## II. BACKGROUND AND NEED FOR THE LEGISLATION

On June 22, 1998, a bill to reauthorize the Head Start Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981, and to establish the Assets for Independence Act was introduced by Senators Coats, Dodd, Jeffords and Kennedy. The bill, S. 2206, was referred to the Committee on Labor and Human Resources.

### TITLE I—HEAD START ACT

Head Start developed as part of the War on Poverty in 1964, and remains one of its most popular efforts. The program currently serves 830,000 children through 16,000 centers and 595 home-based programs. It provides comprehensive educational, medical, nutritional, mental health, dental, and social services to low-income children and their families in all 50 states, the District of Columbia, Puerto Rico, and the U.S. territories, as well as services for migrant and Native American populations. Unlike other Federal social service programs that are funded through States, the Department of Health and Human Services awards Head Start grants directly to local agencies, called grantees, which deliver program services. Grantees, estimated at 1,456 in fiscal year 1997, may contract with other organizations, called delegate agencies, to run all or part of their programs. Grantees had such contracts with approximately 517 delegate agencies in fiscal year 1997. Grantees and delegate agencies include public and private school systems, community action agencies and other private nonprofit organizations, local governments, and Indian tribes.

Since the inception of Head Start nearly 35 years ago, the face of poverty has changed dramatically. Single parent families headed by women accounted for about one-third of the poor in 1966; now they represent more than half of those living in poverty. Children

have now replaced the elderly as the group most likely to be poor. One child in five in the United States lives in poverty. Disadvantaged children who are part of a racial or ethnic minority group face even harsher realities; 44 percent of all African American children, and 38 percent of all Hispanic children, are poor. Sixty-percent of Head Start families earn less than \$9,000 per year. Forty-five percent receive benefits under the TANF program.

As the needs of children and families changed, so has Head Start. Head Start was first enacted into law in 1966 as a summer program with a budget of \$352 million. In 1994, an appropriation of \$3.3 billion allowed more than 2,000 locally run Head Start programs to serve more than 730,000 children and their families. Today, the average amount of funds available per child in Head Start programs in the 1996-97 program year was \$5,186 with an average of \$4,637 of this amount coming from Federal Head Start funds. Total funds per child varied widely by program, ranging from \$1,081 to \$17,029 per child. Before using Head Start funds for services, local agencies are required by Head Start regulations to identify, secure, and use community resources to provide a wide variety of services to children and their families.

By its nature, Head Start requires community input in order to be responsive to community needs. Local programs may adapt their services to serve Indian tribes or migrant worker communities; target homeless children or children of drug-addicted parents or help families transitioning off welfare. While most Head Start programs are center-based, home-based models fulfill the special needs of families in certain communities. Today Head Start programs respond to the complex needs of families in myriad ways, from acting as resource and referral agencies, to providing parenting and child discipline courses, to helping parents improve their self esteem, literacy and job skills.

As researchers and policy makers seek to respond to the growing problems of crime, drug dependency, and the cycle of poverty, the importance of early and comprehensive services for children becomes more clear. Early intervention can improve the lives of children. Quality programs pay for themselves for reduced reliance on social services and reduced crime and its associated costs.

The Head Start Expansion and Quality Act of 1990 directly addressed these needs with a quality set-aside of 25 percent of all new funds. Half of these "quality monies" were to be spent on improving teacher salaries and helping programs recruit and retain quality staff. Funds could also be spent on providing transportation, improving facilities, and expanding staff training and development.

The National Head Start Association reports that the quality set-aside continues to have an important impact on improving the way Head Start programs across the country deliver services to children and their families. Recently a U.S. Department of Education study of comparable early education and preschool programs for low-income children, found that Head Start centers were notable for their consistently high quality.

In 1993, Secretary of Health and Human Services Donna Shalala appointed an Advisory Committee on Head Start Quality and Expansion to examine closely the Head Start program and to make

recommendations for the future. The committee noted that despite the generally high quality of most programs, some continue to have difficulty providing appropriate facilities, living wages for staff, and the comprehensive services that are critical to meeting family needs. The recommendations of the advisory committee focused on three important areas: (1) the need to improve quality; (2) the need to expand services; and (3) the need to forge partnerships with other community providers, including closer coordination with elementary schools, State, and locally sponsored programs, cooperating with the private sector and linking Head Start with other national initiatives.

The Head Start Act Amendments of 1994 reauthorizes the program and made significant strides to implement the advisory committee's recommendations. The legislation balanced the need to strengthen current services with the need to broaden those services and provide more children access to them.

This 1998 reauthorization builds on that existing framework and continues to place an appropriate focus on continued program quality and the achievement of important outcomes for children and their families.

## ~~TITLE II - COMMUNITY SERVICES BLOCK GRANT ACT~~

The Community Services Block Grant (CSBG) dates back to 1964, when the Economic Opportunity Act established the War on Poverty and authorized the independent Office of Economic Opportunity (OEO). One of the most significant OEO programs was Community Action, under which a nationwide network of local Community Action Agencies (CAAs) was developed. The law stipulated that each Community Action Program must provide services and activities having a "measurable and potentially major" impact on alleviating the causes and effects of poverty. The law further required that each CAA be governed by a tripartite board, composed equally of local elected officials; low income people from the community; and local business, labor, religious and other community leaders. The local boards identify the causes of local poverty problems and design services they believe have the greatest potential for success in dealing with the problems of poverty.

In 1975, OEO was renamed the Community Services Administration (CSA) and continued to operate as an independent agency with its chief function being the administration of the nationwide network of CAAs. In 1981, CSA was abolished and replaced by the CSBG, to be administered by HHS. When CSA was abolished, it was administering nearly 900 CAAs, about 40 local Community Development Corporations, and several small categorical programs that were typically operated by local CAAs.

The CSBG Act was established in 1981 as a partial response to President Reagan's proposal to consolidate CSA with 11 other social services programs into a block grant to states. Congress rejected this proposal and instead created two new block grants—the Social Services Block Grant, under Title XX of the Social Security Act; and the CSBG, which consists of activities previously administered by CSA. The CSBG Act was enacted as part of the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35), and has been reauthorized four times—in 1984 under P.L. 98-558, in 1986 under P.L.

based organizations and a dozen States are running or supporting IDA programs.

In some respects, IDAs are like Individual Retirement Accounts for the working poor. IDAs are dedicated savings accounts that can be used for purchasing a first home, paying for post-secondary education, or capitalizing a business. These investments are associated with extremely high rates of return that have the potential to bring a new level of economic and personal security to families and communities. Participants also are able to make emergency withdrawals in limited circumstances and must pay back such withdrawals within 12 months.

The individual or family deposits whatever dollar amount they can save (typically \$5 to \$20 a month) into the account. The sponsoring organization matches that deposit with funds provided by local churches and service organizations, corporations, foundations, and State or local governments. The sponsoring organization determines the ratio at which they will match an individual's contribution (not less than \$0.50 and not more than \$4 for every \$1).

The intent of this demonstration program is to encourage participants to develop and reinforce strong habits for saving money. To assist this, sponsor organizations provide participating individuals and families intensive financial counseling and counseling to develop investment plans for education, home ownership, and entrepreneurship.

In addition, participating welfare and low-income families build assets whose high return on investment has the capacity for propelling them into independence and stability. The community also benefits from the significant return on investment in IDAs: we expect rolls to be reduced, tax receipts to increase, employment to increase, and local enterprises and builders can expect local businesses to benefit from increased activity. Neighborhoods will be rejuvenated as new micro-enterprises and increased home renovation and building drive increased employment and community development.

In fact, it is estimated that an investment of \$125 million in assets building through these individual accounts will generate 7,050 new businesses, 68,799 new jobs, \$730 million in additional earnings, 12,000 new or rehabilitated homes, \$287 million in savings and matching contributions and earnings on those accounts, \$188 million in increased assets for low-income families, 6,600 families removed from welfare rolls, 12,000 youth graduates from vocational education and college programs, 20,000 adults obtaining high school, vocational, and college degrees.

IDAs are planned or now available on a small scale across the country, including Indiana, Illinois, Virginia, Oregon, Iowa, and Vermont. The Assets for Independence Act has been developed after a review of numerous, similar, successful programs, and most notably one run by the Eastside Community Investments community development corporation in Indianapolis, Indiana. This legislation incorporates a number of protections developed with their assistance and based on their experience.

To sponsor an IDA demonstration site, an organization must secure non-federal matching dollars at least equal to the amount of Federal matching dollars they are seeking from HHS. Organiza-

tions can receive up to \$1 million per year in Federal matching dollars as part of the IDA demonstration. IDA accounts must be maintained at federally-insured financial institutions and the sponsor organizations must co-sign any withdrawal of funds. Withdrawals are strictly limited to home purchase, education, and business capitalization.

Sponsors who do not operate their programs consistent with the Act may be terminated from the grant program. Individuals who misuse their IDA funds are penalized.

The Assets for Independence Act is authorized at \$125 million: ~~\$25 million each year from 1990 through 2003.~~

### III. HISTORY OF LEGISLATION AND COMMITTEE ACTION

On June 22, 1998, Senators Coats, Dodd, Jeffords and Kennedy introduced S. 2206, the Human Services Reauthorization Act of 1998, a bill to reauthorize the Head Start program, the Community Services Block Grant, the Low Income Home Energy Assistance Program, and to authorize the Assets for Independence Act. On June 24, 1998 the Committee on Labor and Human Resources met in executive session to consider S. 2206. Following opening statements, two amendments were offered.

The first was offered by Senators Warner, Kennedy, Jeffords and Dodd to change the name of the legislation from the "Human Services Reauthorization Act of 1998" to the "Community Opportunities, Accountability, Training and Educational Services" (COATS) Act of 1998.

The second amendment was offered by Senator Dodd. It provided, with respect to the designation of Head Start grantees, that "If the Secretary determines that a non-profit and a for profit have submitted applications of equivalent quality, the Secretary may give priority to the non-profit."

Both amendments were adopted by a unanimous voice vote.

After the amendments were considered, S. 2206 was voted favorably out of the committee by a roll call of 18 yeas and 0 nays.

#### *Hearings and testimony—summary of witnesses*

On March 26, 1998, the Senate Subcommittee on Children and Families and the House Subcommittee on Early Childhood, Youth and Families held a Joint Hearing entitled, "Head Start: It is making a Difference? Can It Be Improved?". The hearing provided background informing members on some of the key issues of the 1998 reauthorization legislation.

The committees heard from the Assistant Secretary of the Administration for Children and Families, Olivia Golden, who oversees Head Start within the Department of Health and Human Services. Ms. Golden provided an update on the status and reach of Head Start and Early Head Start. In particular, her testimony focused on the Department of Health and Human Services' implementation of the 1994 Reauthorization, which included strong quality measures and accountability standards for local Head Start programs. The Administration has used this authority to promote continuous improvement and a stronger focus on outcomes in local Head Start programs; their efforts have included defunding nearly 90 programs. Her testimony called for a four-year reauthorization

with no major changes beyond the administration's recommendation to increase the Early Head Start set-aside from the current statutory 5 percent to 10 percent by 2002.

The hearing's second panel included researchers on the impact of local Head Start programs. The committee heard from Carlotta Joyner for the General Accounting Office. In preparation for the reauthorization, the GAO has completed several research projects focused on Head Start; Ms. Joyner's testimony focused on the GAO's report entitled, "Head Start: Research Provides Little Information on Impact of Current Program." The GAO examined the extensive body of literature on Head Start with a focus on studies providing program impact data. The GAO found that this research was limited and suffered to some extent from methodological and design weaknesses, making it difficult to assess the impact of Head Start. Ms. Joyner presented recommendations on how further research could be designed to better answer this central question.

Robert G. St. Pierre from Abt Associations, Inc. testified on his study examining the Comprehensive Child Development Program (CCDP), which was funded by the Administration on Children, Youth and Families and terminated with the beginning of Early Head Start. The Abt study found little evidence of CCDP producing any important positive effects on participating families.

Mr. St. Pierre concluded that on average, positive changes in many areas were observed in the lives of families both in CCDP and in the control group that did not receive any CCDP services. The Abt study noted the importance of impact research and concluded, that "Instead of being advocates for a particular program, we need to be advocates for solving the problem. Instead of advocating in the absence of research evidence, we need to be intellectually curious about finding the best approaches."

The committees also heard testimony from Dr. Stanley Greenspan, a leading child researcher and pediatrician. Dr. Greenspan reviewed the recent research on brain development of infants and toddlers and emphasized the importance of meeting the needs of these very young children. Dr. Greenspan recommended increased funding for Early Head Start, as well as an enhanced focus on comprehensive services, quality improvement and proper evaluation in the program. Finally, the committee heard from E.D. Hirsch, a researcher in education, about the importance of emphasizing cognitive thinking in Head Start. Dr. Hirsch recommended increasing the standards for Head Start in the area and providing adequate support and funding to ensure that these goals can be reached by local programs.

The hearing also included testimony from several witnesses who have been directly involved in Head Start. Jean Malachi, from Stamford, Connecticut, discussed her and her family's involvement in Head Start. Beyond the positive changes she has seen in her children because of their participation in Head Start, Ms. Malachi also testified about how the program has benefitted her personally. She began as a volunteer in the program when her child started in Head Start. After further training and experience, she joined the staff of the program as an assistant teacher, which made it possible for her to move from welfare to work. The committees also heard from Elizabeth Kares, the Program Director of Head Start in Lee

County, Florida. Ms. Kares shared her personal experiences with Head Start and the families in her program. Ms. Kares sees Head Start as a positive force in the lives of these families.

Finally the committees heard from Sarah Greene, the President of the National Head Start Association. Ms. Greene cited several studies, as well as personal experiences, that demonstrate the enduring success of Head Start. In addition, she encouraged modest changes in the program during this year's reauthorization. In particular, she expressed her support for a focus on seamless service for children and families from birth to school age.

~~On May 5, 1998, the Senate Subcommittee on Children and Families held a hearing entitled, "The Community Services Block Grant: Expanding Opportunities for Community and Neighborhood Partnerships." The hearing provided members with information regarding a number of key aspects of the 1998 Community Service Block Grant (CSBG) program reauthorization effort.~~

~~The subcommittee heard from Director of Office of Community Services of the Department of Health and Human Services, Don Sykes. Director Sykes conveyed the Administration's hope for a four-year reauthorization of the CSBG program. Director Sykes then offered a summary of CSBG program accomplishments and administrative initiatives. Foremost among these initiatives is the ROMA strategy designed to respond to the increasing demands for accountability within the CSBG program. ROMA, the Results-Oriented Management and Accountability program, consists of a six-step approach toward increasing the effectiveness and accountability of Community Action Agencies (CAAs). The ROMA program is designed to provide CAAs with outcome-oriented performance measures that still ensure maximum flexibility at the local level. Director Sykes testified that the ROMA approach should help agencies identify cost-effective strategies for reducing gaps in services and greatly increase CAA accountability. Although voluntary, 42 States have utilized the ROMA program, according to Director Sykes.~~

~~The hearing's second panel included testimony from Evelyn Harris, CSBG Director of the Division of Community Services of the State of New York. Ms. Harris testified that the CSBG program works well for the low-income residents of New York and asked for its four-year reauthorization at a funding level of \$650 million. Ms. Harris also expressed Governor Patiki's strong support of the CSBG program. The flexibility of the CSBG program is a major key to its success, according to Ms. Harris. Flexibility allows the program to react quickly to provide emergency services such as occurred this past winter during New England's severe ice storm. In addition, Ms. Harris stressed the suitability of the CSBG program in assisting welfare reform. Again due to its flexibility, the CSBG program is particularly well-suited to adapt to the specific needs of local communities' welfare reform efforts.~~

~~Gloria Clark, Director of the City of Los Angeles' Department of Housing and Neighborhood Services, testified that her Community Action Agency (CAA) has used CSBG funds for a variety of programs to achieve the empowerment of families in poverty through custom-designed methods that fit each specific community. Ms. Clark stated that her CAA serves 5,800 families by providing them~~

with a continuum of support and family development activities until public support is no longer needed. In addition, the structure of the CSBG allows the CAA to devote funds to both personal and community-wide crises. Ms. Clark discussed two specific programs that she was able to initiate due to the flexibility of the CSBG: The Mobile Home Transitional Housing Program, which provides hours to homeless mothers and children and training in saving money, and LA Bridges, which works to prevent at-risk teens from joining gangs.

E. Phillip McKain, President of CTE Inc. in Stamford, CT outlined the more than 30 programs that CTE provides to Stamford's inner city residents. These programs include child care, a residential home for unwed teenage mothers, health and dental services, and employment and training services. Further, Mr. McKain highlighted the creation of a new enterprise zone within the Stamford community. The enterprise zone was designated by the State legislature, and CTE works closely with the Stamford mayor's office to connect low income residents to developing businesses in the enterprise zone. To date, CTE has placed more than 100 residents in permanent jobs. Mr. McKain also spoke of the vital nature of the Low Income Home Energy Assistance Program (LIHEAP) that provides heating and energy assistance to Connecticut residents and asked for continued and increased funding for the program.

Jerry Rickett, President of the Kentucky Highlands Investment Corporation discussed the Community Economic Development (CED) program from which his Community Development Corporation receives its funds. CED is a unique Federal program that provides flexible capital to community organizations to finance private business enterprises and community development projects. Mr. Rickett stated that no less than 75 percent of the jobs created by the CED program must be targeted to low-income individuals. The most impressive aspect of this program, according to Mr. Rickett, is its success in attracting private capital to the poorest communities in the country. Grantees leveraged or raised almost twice the amount of money that they had received in CED grants from other sources from FY91-FY95.

Finally, the subcommittee heard from a third panel of witnesses regarding the participation of faith-based community action programs within the CSBG program and Individual Development Accounts (IDAs). Robert Woodson, Sr., President of the National Center for Neighborhood Enterprise, lent his support to efforts to alleviate poverty that promote self-help and faith-inspired solutions to the problems of youth crime and violence. Mr. Woodson further called for incentive programs within CSBG to reward those models of service exceeding expectations. Mr. Woodson additionally requested charitable tax credits to encourage direct support of effective CSBG grassroots programs.

Additionally Tyrone Parker, President of The Alliance of Concerned Men, spoke of his organization's mission to save the lives of at-risk youth residing in high-crime areas of Washington, DC. Mr. Parker believes that Community Action Agencies should use their funds to foster partnerships between community-based organizations. Specifically, Mr. Parker discussed a program designed to instill respect for law enforcement among youth may be wanted for

a crime and want to accept responsibility for their actions. Operation Freshstart is based on coordination among key partners, specifically the Metropolitan Police Department and members of the Alliance for Concerned Men or the National Center for Neighborhood Enterprise. This concept encompasses self-initiated aspects of crime suppression, intervention, and prevention. In addition, it builds trust in the police that fosters a feeling of mutual respect between troubled youth and law enforcement officials.

Lastly, the subcommittee heard from Robert E. Friedman, chairman of the Corporation for Enterprise Development. Mr. Friedman discussed the idea and success of Individual Development Accounts (IDAs). IDAs are funded through a combination of local and state government funds, as well as private donations. Mr. Friedman's nonprofit economic development firm is currently running a program called the "Down payments on the American Dream Policy Demonstration," which will serve as the first test of the efficacy of IDAs as a tool for economic independence. Mr. Friedman supports the Assets for Independence Act, introduced by Senators Coats and Harkin, that would provide more than \$100 million to the Department of Health and Human Services over four years to support nonprofit, community-based IDA programs in selected sites throughout the country through a competitive grant process. Raising the economic level of low-income individuals throughout the country, according to Mr. Friedman, will benefit society on the level of the individual, the family, the employer, the neighborhood, and the community.

#### IV. EXPLANATION OF THE BILL AND COMMITTEE VIEWS

##### *Purpose of Head Start*

Head Start was created in 1964 and built on the premise that effective intervention in the lives of children can be best accomplished through family and community involvement. Fundamental to this notion was that communities should be given considerable latitude to develop their own Head Start programs. The primary goal of Head Start is to improve the social competence of children in low-income families. Because social competence involves the interrelatedness of cognitive and intellectual development, physical and mental health, nutritional needs, and other factors, Head Start programs provide a broad array of services determined to be necessary, based on an assessment of family need.

While these services are important, the committee understands that to compete in the 21st century, schools expect and children deserve to enter school with strong language and cognitive skills and with a motivation to learn to read. School readiness is therefore an appropriate and important goal of any early childhood program. To build this foundation for reading, home and preschool settings should provide rich language and literacy environments and opportunities that direct children's attention to the sound structure of spoken words, and other activities that highlight the relationship between print and speech.

While the committee agrees that social competence continues to be an important goal of Head Start, we are committed to broadening the articulation of that goal to include a primary focus on help-

ing low income children achieve school readiness. Section 636 of the legislation describes how this new focus will be achieved in part through the provision of health, education, nutritional, social and other services that are determined to be necessary to help children reach this goal.

#### *Funding*

Section 106 of the Act authorizes the Head Start program at such sums for fiscal years 1999 through 2003. The committee affirms its commitment to serving all eligible families who seek Head Start Services and has authorized such sums as may be necessary to enhance program quality and expand Head Start services for these purposes.

#### *Funding for U.S. territories*

At the time Project Head Start was initiated in 1965, the United States was administering the United Nations Trusteeship of the Pacific Islands (Micronesia), a strategic region that had been placed under the jurisdiction of the UN Security Council after World War II. As Trustee, the United States was responsible not only for the security of this vast region, but also to foster the social, political and economic advancement of its island inhabitants. It was not long until United States officials charged with carrying out this responsibility saw that the Head Start program would be ideal for addressing the basic educational needs of many Micronesian children. Thus, the Head Start program was extended to the Trust Territory in the late 1960's. Ever since then it has been one of the most successful social programs supported by the United States in Micronesia.

In 1986, the Trusteeship was terminated, but the United States and the newly-formed Micronesian countries, Palau, the Republic of the Marshall Islands and the Federated States of Micronesia, south to preserve and extend indefinitely the ties of friendship and mutual self-interest that had been established among them. This was achieved through the Compacts of Free Association (P.L. 99-239).

The Head Start program is not mentioned in the Compacts, but in view of the continuing relationships and the continuing need, Congress, after 1986, replaced the reference in the Head Start Act to the Trust Territory, with references to the Freely Associated States.

The Committee has included the Freely Associated States in this year's reauthorization as in the past so that Head Start services may continue to be provided to the more than 6,000 children in these Territories. We are informed that Department of Health and Human Services reviews of these programs confirm that they meet the same standards required of all Head Start programs.

#### *Migrants and seasonal Head Start services*

The committee has included a number of provisions to improve the access to Head Start services by children of migrant and seasonal farm workers. Migrant Head Start program offer Head Start services to migrant farm worker families during the peak agricultural months (May to October). These programs serve children 0 to

5 years of age, 5 days per week with full day services, allowing families to work extended hours as needed by their employers.

In the June 11, 1998, hearing before the Employment and Training Subcommittee, Barbara Mainster, Executive Director of Redlands Christian Migrant Association, discussed Migrant Head Start, Head Start and other child care programs, and stated that funding for these programs also "helps children prepare for success in school, allows employers to have a better work force, and helps the economy."

A migrant family that stays in a given community longer than 24 months is considered a "seasonal" farm worker family and, therefore, is no longer eligible to participate in Migrant Head Start. This happens even if the family continues in agricultural labor and continues to live and work alongside other migrant farm worker families who are eligible for Migrant Head Start services.

Children of migrant farm worker families who stay in a community longer than 24 months may be eligible for the regular Head Start program. However, traditional Head Start, for the most part, serves only 3- and 4-year-olds and children attend the program 3 to 4 days per week for 3 to 4 hours per day. Additionally, most Head Start program do not operate during the summer months.

The committee is aware that while less than 50 percent of children eligible for the regular Head Start program receive services, only about 10 percent of children eligible for Migrant Head Start actually participate in the program. In addition, while overall Head Start spending has more than doubled—from approximately \$1.6 billion in FY 1990 to almost \$3.9 billion in FY 1997—spending for the Migrant Head Start program has increased by more than half, going from approximately \$85 million in FY 1990 to \$154 million in FY 1997.

To help close the gap between the number of migrant children eligible for services and those who actually receive services, the committee has authorized the Secretary of Health and Human Services to consult with appropriate resources to determine the precise need and demand for migrant and seasonal programs each year. Due to the constantly changing nature of the agricultural labor market, the committee bill expands the eligibility for Head Start to include the children of eligible seasonal farm workers, and clarifies at all appropriate points in the Act that services are to be made available to both "migrant and seasonal" families.

The committee wants to make clear that the Secretary of Health and Human Services is authorized to provide Head Start services for the children of eligible seasonal farm workers only after determining that there is an adequate level of such services available at the local level for the children of eligible migrant farm workers. In making such a determination, the Secretary should consider a grantee community assessment.

The committee has also included language to increase the amount of funds reserved for Indians and Migrant Head Start program in Section 640 from the FY 1994 level to the FY 1998 level. The law reserves 13 percent of the funds available for Head Start for the activities authorized in section 640, which includes services for farm workers, Native Americans, disabled children, certain trust territories, and technical assistance. The committee notes

look @ the accountability process

that the 13 percent reserved for section 640 should be viewed as a floor on funding for these activities, not a ceiling.

The committee has also included language authorizing the Secretary of Health and Human Services, after taking into account adjustments for inflation for all Head Start programs, to allocate a portion of the remaining additional funds, if any, for the activities specified under section 640. These funds may be used to provide for an increase in funding for Head Start services for migrant and seasonal farm workers, if the Secretary has determined that such an increase is warranted.

#### *Quality improvement*

Quality programs contribute significantly to children's development. There is growing recognition that participation in high quality early children education and care program are important indicators of later school success and of children's later success in life. This is due in part to the fact that these programs impact children precisely at the point when children's development is rapid, dramatic, and multi-dimensional.

The 1994 reauthorization placed a significant emphasis on program quality. In the years since that reauthorization, and for the first time in 30 years, close to 100 poor quality programs were closed and marginal centers put on probation and received technical assistance to improve the quality of care. After more than two decades, the programs's performance standards have been revised to reflect new knowledge and best practices. The committee continues to be very supportive and committed to maintaining and further improving the quality of the Head Start program.

#### *Disability training*

The committee believes there may be a need for additional training of Head Start personnel regarding early screening, assessment and identification of possible developmental delays in Head Start children. Research has demonstrated the correlation between factors such as poverty, low birth weight, very young parents, and developmental delays. The committee is concerned that some Head Start children who could benefit from early intervention and special education services are not being identified at the earliest possible time. As a result, some Head Start children may not be receiving the necessary services and supports they need to prevent or correct development deficiencies. Head Start Performance Standards require grantees to have an interagency agreement with local education agencies describing collaborative efforts to assure that Head Start children with disabilities receive the special education and related services called for in a child's Individualized Education Program (IEP). The committee encourages interagency agreements to include opportunities for coordinated training in the identification of early developmental delays. Such training should be conducted in consultation and collaboration with the Local Education Agency (LEA), the State's Lead agency for the program for infants and toddlers with disabilities and other special education programs.

#### *On site inspections*

Head Start uses several processes to assess and enforce local Head Start agencies' compliance with program regulations. On-site inspections, conducted at least once during each 3-year period, are the main enforcement mechanism. The committee is aware that both ACF regional staff and outside researchers have raised concerns about the consistency of on-site inspections. In 1993, a study prepared under contract for ACF noted wide variation among regions in the number of OSPRI items for which grantees were judged as out of compliance. A study in 1996 by the same contractor also identified ensuring consistency in interpreting inspection results as a major challenge for Head Start. The committee is concerned that inconsistent inspections could lead to uneven treatment of grantees as well as vast inconsistencies in program quality. The committee urges the Secretary to provide additional guidance, training and technical assistance as necessary to narrow the differences in the conduct and interpretation of the OSPRI reviews.

#### *Financial audit reports*

In addition to conducting on-site inspections, regional ACF staff also monitor grantees' compliance with regulations by annually reviewing their financial audit reports. Auditors may select and review samples of financial transactions to determine whether a grantee has followed established procedures and program regulations. If a grantee administers more than one Federal grant—as is often the case with large nonprofit agencies, school districts, and municipalities—relatively small grants may not be reviewed in much detail.

In addition to a lack of detail, financial audit reports may not provide timely information for monitoring current grantee operations. Grantees have nine months to submit financial audit reports for any given year. It may take several additional months before officials in the HHS Office of Inspector General review the audit report, summarize the findings and submit the findings to the appropriate regional officials. Grantees that are classified as "high risk" do not face termination of their funding unless they are also classified as deficient, which usually involves an on-site inspection. As a result, ACF may wait up to three years until the next regularly-scheduled triennial inspection before it classifies a high-risk grantee as deficient and requires it to develop a quality improvement plan and face possible termination from the program.

The committee is very concerned about this process and encourages the Secretary to adopt additional measures that would permit an annual review of grantee financial status.

#### *Collaboration*

Head Start has a long history of providing comprehensive child development and support services to young children and families with incomes at or below the poverty level. However, in recent years, States have begun to expand their own early childhood development initiatives in part as a response to welfare reform. With so many different early childhood programs providing services to the same target population, some States have endeavored to improve coordination and collaboration among the programs. The goal

is to create a system that is more responsive to the needs of working parents, and that supports opportunities for children to participate in high-quality programs that involve communities in the planning and implementation of service delivery.

Already authorized in law, Head Start collaboration projects have an unlimited potential for improving services to needy children and their families. Existing law states that the Head Start community should be involved in developing these collaboration projects. Unfortunately, access to the planning process on the part of the Head Start community historically has been limited, despite the general agreement that much can be learned from the Head Start experience, not only in providing comprehensive services, but also in educating policy makers and the public about the need to invest in young children and their families.

Despite a number of federal and state initiatives integrating early care and education services for young children, significant barriers to these collaborative efforts remain. Federal, State, and local officials must be encouraged to work together where possible to create a common vision across early care and education programs. This vision should focus on the development of the child, parental involvement in early childhood education, and support for the work effort of families.

Another barrier to collaboration is the difficulty of combining the funding streams of the various early childhood programs in a way that is acceptable to auditors and administrators of the various programs. The National Conference of State Legislatures reported in 1995 that the following states used their own funds to supplement Head Start: Alaska, Connecticut, District of Columbia, Florida, Hawaii, Illinois, Maine, Massachusetts, Minnesota, New Hampshire, North Carolina, Ohio, Rhode Island, Washington, and Wisconsin. In addition, at least 38 States operate their own State preschool programs.

Early childhood programs also vary in their eligibility requirements. While Head Start requires that at least 90 percent of children enrolled in the program must be from families with incomes at or below the poverty level. Eligibility for subsidized early childhood development programs varies widely by program and by state, though most subsidies are used by families below poverty.

Head Start, and many school-based early childhood programs, are not allowed to charge parents a fee for participation. In contrast, most subsidized child care programs use a sliding-fee scale based on the parents' ability to pay. In integrated service models that provide both Head Start and child care and operate on a tight budget, the inability to charge parent fees for child care can be problematic.

Early childhood programs also vary in their governance structures. More efforts are needed to involve a broad range of entities, including State Head Start Associations and local Head Start programs, in these collaborations.

The committee commends the work thus far of the Administration for Children, Youth, and Families in trying to send a strong message to both individual grantees and regional offices about the importance of collaboration, but we believe statutory changes, and in particular Federal incentives, are necessary to ensure that this

happens. Section 107(D) provides that the Secretary make supplemental grants to States that (in consultation with their State Head Start Association), develop statewide, regional, or local unified plans for early childhood education and child care.

The committee has also included language requiring the Secretary to review, on an ongoing basis, evidence of barriers to effective collaboration between Head Start programs and other Federal child care and early childhood education programs and resources; develop initiatives, including providing additional training and technical assistance and making regulatory changes, in necessary cases, to eliminate barriers to the collaboration; and develop a mechanism to resolve administrative and programmatic conflicts between such programs that would be a barrier to the provision of unified services.

The committee further believes that states should have an opportunity to provide direct input on decisions about funding new grantees, or refunding or expanding existing grantees. To ensure that Head Start programs are an integral part of the larger early care and education systems, States should have an opportunity to provide direct input on decisions about funding new grantees or refunding or expanding existing grantees. The committee has included such language in section 108.

The committee believes it is essential to safeguard the health and safety of children enrolled in Head Start programs and facilities and has added language to ensure that Head Start grantees comply with State health and safety laws of general applicability to child care programs as well as with Federal Head Start requirements. Programs or facilities found to be in violation of such State laws should be provided an opportunity to correct such violations in an expeditious manner. The committee does not intend that such state policies pre-empt Federal laws and regulations applicable to Head Start grantees, but rather that they compliment Federal law and regulation where appropriate.

Additionally, the committee has eliminated barriers to collaboration, such as restrictions on charging for services on a sliding-fee scale for blended or merged full-day, full-year programs, regulatory requirements pertaining to recruitment which may prevent some families transitioning off welfare from being eligible for Head Start services, and barriers to families that are slightly over income who received a prior year's service, from being subsequently disqualified. The committee has also included language requiring the Secretary to develop a mechanism whereby administrative rules and regulations which are identified as barriers to effective collaboration, can be addressed.

Finally the committee would like to further encourage Head Start grantees to collaborate with the programs under the Individuals with Disabilities Education Act that serve children with disabilities between the ages of birth and 5 years. More than 186,000 infants and toddlers (birth to age 2) are served by IDEA's early intervention program, and more than 560,000 preschoolers (ages 3 to 5 years) are served by IDEA's preschool program. The 1997 IDEA Amendments enhanced Head Start and IDEA collaboration in several ways. For example, Head Start is now a participant on the IDEA state interagency coordinating councils. Similarly, Head

Start collaboration grants must ensure Head Start collaboration with IDEA's programs for young children with disabilities.

#### *Early Head Start expansion and quality*

Infants and toddlers have different needs and those operating programs serving very young children and their families require a different knowledge base and different skill sets from providers of services for 3- and 4-year olds. If we are to maximize the effectiveness of this investment, the committee believes that appropriate training and technical assistance is essential at every level. It is for this reason that the committee has created a special training and technical assistance fund to expand and enhance the existing program's support at the Federal, regional, and grantee level.

The committee has included new requirements in section 114 for training and technical assistance of not less than 5 percent and not more than 10 percent of the funding available for the EHS. The committee intends that these funds be used to (1) support a national training and technical assistance system for providers of Early Head Start, (2) provide ongoing training and technical assistance for regional and program staff charged with monitoring and overseeing the administration of the early head start program as well as for existing recipients of grants, and (3) support for professional development and personnel enhancement activities, including funds to pay salaries, and for recruitment and retention of qualified staff with an appropriate level of education and experience.

First and foremost, the committee believes that the Early Head Start Program should be implemental and monitored, at the Federal level, by a full-time Early Head Start program director with education and expertise in the area of early childhood service delivery. In addition, the committee believes that the regional office staff who are intricately involved in management of this program, also should have the specialized knowledge needed. To that end, the committee encourages the Secretary to designate in each regional office, an infant and toddler specialist with a degree and demonstrated competence in the area of infant and toddler development.

In delivering training and technical assistance, the committee believes that the efforts should be preventative rather than corrective in nature. To the extent feasible, a peer-based effort that takes advantage of model existing programs to demonstrate effective implementation may prove useful. In keeping with this proactive strategy, the committee believes that the Department should, to the maximum extent practicable, monitor grantees annually. In particular, the committee feels strongly that comprehensive technical assistance visits to each new grantee in the first year of implementation can help to ensure that programs get off to a solid start and prevent later difficulties.

Finally, as in the overall Head Start program and perhaps most critical here, the committee believes that Early Head Start Programs should recruit staff with the specialized expertise needed to provide quality services to infants, toddlers and their families. In addition, existing staff should be encouraged to continually en-

hance their skills. These funds should be used as incentives for this purpose.

#### *Regular Head Start expansion grants*

The need for early education and child care beyond the home has increased dramatically in the last 30 years due to changes in family structure, increasing numbers of mothers working outside the home, and the demand for preschool education. The proportion of children under age 6 in single parent households has also increased. Welfare reform legislation (TANF), passed in 1996, may further intensify families' needs for full-day, full-year programs. Under TANF, States must place 25 percent of adults receiving TANF benefits in work and work-related activities in fiscal year 1997 to avoid financial penalties. The required participation rate rises to 50 percent in fiscal year 2002. Head Start's own data show that about 38 percent of Head Start families needed full-day, full-year child care services in 1997.

This legislation reaffirms the committee's commitment to expanding the Head Start program. Currently, fewer than 40 percent of eligible 3- and 4-year old children are served by the program. However, while the committee is committed to seeing Head Start serve additional children, we are equally concerned that Head Start continues to be predominantly a part-day, part-year program. Local programs should continue to ask themselves fundamental questions about how they will operate in an environment in which more parents are working.

The committee notes that while some programs have received State or other funds to "wrap around" Head Start and extend the hours of care, this funding is often limited and difficult to obtain. The committee recognizes that some children may be prevented from attending Head Start because their parents' work or school schedules require them to be in full-day, full-year programs.

The committee is aware that many local Head Start agencies have developed a wide range of successful approaches to working with local child care centers, family child care providers and child care funding streams to maximize the quality and quantity of services provided to Head Start families. In these partnerships, Head Start staff and resources complement child care funding and services, so that children and families receive the full range of Head Start services in a full-day, full-year form. The committee is encouraged that the Head Start Bureau, in awarding expansion grants in 1997, recognized this need for full-day, full-year services, and gave special priority for those services. The committee has included language in the legislation continuing that policy and making it a statutory priority for expansion grants.

#### *Designation of Head Start agencies*

Expanding the universe of organizations eligible to compete to run Head Start programs is an important step in the effort for continued improvement in Head Start programs. Yet, under the Head Start Act, only public or private nonprofit agencies are eligible to compete for Head Start funding. There is no justification for continuing to limit provider participation in Head Start based simply on the tax status of the entity. In an open, competitive environ-

ment, all providers, both for-profits and not-for-profits, must offer quality programs, instruction and care to be awarded a grant. Additionally, with the changes included in the 1994 reauthorization and in this year's bill, all grant recipients will be subject to rigorous assessment through outcome based performance measures.

Recent studies specifically in the area of child care and development have shown no difference in the quality of care provided by for-profit versus not-for-profit child care centers. In fact, despite philosophical opposition on the part of many human service professionals, for profits have become successful and apparently very satisfactory providers of child welfare services.

Many Federal and State programs already have recognized the role of for-profit programs. For example:

Under the Child Care and Development Block Grant (CCDBG), federal law does not restrict assistance to a particular type of provider. Child care benefits under the CCDBG are provided to eligible families, either in the form of vouchers or certificates that parents may use to purchase child care, or through grants or contracts to eligible providers, to purchase slots on behalf of eligible families.

Under the Child and Adult Care Food Program (CACFP), for profit child care centers can participate if they meet minimum standards for enrolling lower-income children. A pilot project is operating in Iowa and Kentucky that has more liberal rules governing for-profit centers' participation in the CACFP. In addition, the Social Services Block Grant (SSBG) is used by most States to support child care, and there are no provisions in the Federal statute restricting the ability of for-profit organizations to receive Federal SSBG funds.

Under welfare reform legislation enacted in 1996 (P.L. 104-193), the Federal foster care program authorized under Title IV-E of the Social Security Act was amended to allow for-profit providers to participate. Specifically, the definition of "child care institution" was revised to include private for-profit institutions. Previously, the definition had been limited to private non-profit and public institutions although for-profit agencies were used extensively for service delivery with non-federal funds.

In addition, the State of Georgia, which initiated universal preschool education in 1995, included both for profit and non-profit centers. All centers have to meet State educational standards. The committee is also aware that in the State of Ohio for-profit providers already provides services for Head Start, and have done so effectively.

The committee has therefore included new authority for the Secretary to designate for-profit organizations as Head Start grantees. For-profit grantees would be subject to all Head Start requirements, including local governance structure, parental involvement, quality standards and focus on recruiting and serving the most disadvantaged children and families. The Committee adopted an amendment by Senator Dodd clarifying that the Secretary may give priority to non-profit organizations when applications from for-and non-profit organizations are equivalent in quality and scope of services. It is the expectation of the committee that the Secretary will continue to carefully monitor all grantees with particular focus on recruitment and enrollment of the most vulnerable children; staff

training, benefits, and compensation; implementation of local, independent parent governance structures; and the provision of comprehensive services as needed

#### *Head Start performance standards*

As a national laboratory for early childhood development, Head Start has always been concerned with the quality of its programs and its effects on children and families. Since 1975, Head Start has focused on the quality of services provided and has assessed quality through "process" indicators, such as the number of teachers with early education degrees or Child Development Credentials. These indicators have been measured primarily through compliance with the Head Start Performance Standards using the On-Site Program Review Instrument (OSPRI) once every three years. Process indicators will continue to be important to Head Start because of the belief that the quality and quantity of services provided are inextricably linked to the effects of the program.

In 1995, Head Start joined efforts throughout the Federal Government to develop performance measures to promote accountability through the assessment of program quality and outcomes. These performance measures will help Head Start change its focus from "process" to "outcomes" and toward results-oriented evaluation in accordance with the Government Performance and Results Act of 1993 (P.L. 103-620), the recommendations of the 1993 Advisory Committee on Head Start Quality and Expansion and the mandate of section 641A(b) of the 1994 Reauthorization of the Head Start Act.

The performance measures developed in response to enhanced Federal focus will provide methods and procedures for assessing annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies.

The Department has developed the FACES survey to collect information at the national level about program impact. At the local level however, HHS does not require individual Head Start agencies to demonstrate that they have achieved program outcomes. They are only held accountable for achieving the objectives linked specifically to activities, such as providing a developmentally appropriate educational environment.

While the performance standards establish a minimally acceptable level of services, they do not directly measure program quality or effectiveness. Head Start's performance measures, on the other hand, which provide a measure of program quality and effectiveness, have not generally been applied to local grantees; rather, they have been used to gauge a national picture of Head Start program quality. The committee has included a provision requiring the current national performance measures to be applied locally and specifically, to be applied as part of the monitoring and triennial compliance review.

Additionally, the committee is directing the Secretary to develop additional performance measures to assess the educational achievement of children in Head Start. Current objectives in Head Start include a goal that children demonstrate: (1) improved emergent literacy, numeracy, and language skills; (2) improved general cognitive skills; and (3) improved positive attitudes toward learning.

Section 109 instructs the Secretary to develop additional educational performance standards and measures to ensure the school readiness of children participating in a Head Start program, on completion of the Head Start program and prior to entering school. The committee intends that these performance standards ensure that Head Start children at a minimum (1) develop phonemic, print and numeracy awareness, (2) understand and use oral language to communicate needs, wants and thoughts, (3) understand and use increasingly complex and varied vocabulary, (4) develop and demonstrate an appreciation of books and (5) in the case non-English background children, progress toward acquisition of the English language. The committee intends this list to be illustrative, but not exhaustive. Additional specified performance standards are encouraged to be developed at the local level in consultation with current elementary school readiness expectations and best practices.

In 1994, the committee recognized the need for an equitable process which allowed Head Start programs an opportunity to address quality deficiencies, but which terminated programs that could not meet minimum requirements. It is the intent of the committee that these additional performance measures, as well as others which have been or may be developed, be applied as part of that quality determination, and that continued failure to meet those minimal competencies be grounds for corrective action and potential termination.

The committee recognizes the need for program continuity and stability within communities but also for high quality in programs which potentially affect our most vulnerable children. We are supportive of continued eligibility for the best performers, but urge the Secretary not to renew grants, without competition, where deficiencies have been noted and remain unaddressed, and where programs continue to lag behind in outcome-based performance measures.

#### *Eligibility*

Head Start is authorized to serve children at any age before the age of compulsory school attendance; however, most children enter the program at age 4. In the 1996-97 program year, most children were either 3 (31 percent) or 4 (63 percent) years old. Most spend only one year in the Head Start program.

Historically, the committee has recognized that providing services to children for more than one year may be important in improving outcomes for children and serving community needs. In 1994, the committee added language clarifying that Head Start programs shall be permitted to provide more than a single year of services. The committee wishes to reaffirm that commitment and to further indicate its support for multiple years of service by instructing local grantees to give a priority to children who have received a prior year in Head Start but who are now over income.

#### *Staff qualifications*

Head Start programs are operating in a highly competitive job market due to the Nation's economic strength. Head Start employs over 145,000 dedicated staff members to provide the comprehensive array of social services which comprise the Head Start program.

The quality of Head Start programs is dependent upon staff quality, and staff development continues to be a high priority of this committee.

Programs must be able to attract and retain qualified staff despite competition for skilled workers from a wide range of industries beyond child development and educational service areas. To develop and retain the qualified work force needed to ensure Head Start program quality, the committee maintains its strong commitment to the 25 percent quality improvement set-aside and to providing competitive wages to all Head Start staff, and particularly teachers. The committee is aware that despite the flexibility in the current set-aside, many Head Start staff continue to be paid less than adequate wages, \$17,437 for teachers and \$11,351 for teacher's aids.

The committee recognizes that a well-designed classroom reading program delivered by a competent teacher is vital for later reading proficiencies and school readiness. Head Start teachers must be equipped with an understanding of how literacy develops the children and how parental and classroom instruction and involvement can optimize that development. Teachers need professional development that spans their training and careers to address reading instruction needs.

While the committee recognizes the importance of post-secondary degrees, we also recognize that teachers, in particular need to be able to demonstrate specific competencies that include (1) planning and implementing learning experiences that advance the intellectual and physical development of children and their school readiness, (2) establishing and maintaining a safe, healthy learning environment, (3) supporting the social and emotional development of children, and (4) encouraging the involvement of the families of children in Head Start and the development of relationships between children and their families.

The Department of Health and Human Services reports that 90 percent of all Head Start teachers have met the statutory requirement for professional credentials. Of 36,256 teachers, 18,082 have a CDA credential, 10,134 have a 2- or 4-year degree in elementary education, 2,134 have a state preschool certificate and 2,176 have a certificate or degree in a related field. The committee encourages the Secretary to continue her work in this area and toward the goal that every Head Start classroom have a teacher with the statutorily mandated credential.

Because this goal is so important, the committees has included language limiting situations in which the Secretary may grant a 180 day waiver of the professional credential requirement to situations in which the grantee can demonstrate that they have pursued but been unsuccessful at recruiting a qualified applicant with the credentials required under the Act. Under the new provisions, waivers may only be granted to when an agency can demonstrate that it has unsuccessfully attempted to recruit an individual who has a credential, certificate or degree described in the Act and that said individual is enrolled in a program that grants such a credential, certificate or degree and will receive such a credential, certificate or degree not later than 180 days after beginning employment as a teacher with such agency.

The committee is supportive of efforts to promote programs which provide student loan forgiveness for child care professionals who pursue post-secondary degrees in early childhood development and use those degrees to better serve children in a child care or Head Start setting. The committee supports efforts to enhance program quality by encouraging the educational enhancement of early childhood teachers and other staff.

#### *Transition*

It is no surprise that the highest quality Head Start programs can not inoculate children against the disadvantages of poverty. Many parents, educators and political leaders have now come to recognize the critical nature of the transition from Head Start to public school.

The committee recognizes that transition activities are a partnership in which the Head Start and local education agencies must cooperate; therefore compatible transition requirements are outlined both in the Head Start statute and in the Elementary and Secondary Education Act.

Previously, the committee provided a set-aside to fund 31 demonstration projects designed to identify and replicate best practices for extending a Head Start-like model of comprehensive services into kindergarten and the first three grades of elementary school, thereby facilitating the transition of Head Start children into their local school systems. Based on the success of this initiative, two Information Memos sharing project results were disseminated to all Head Start grantees. In addition, three training guides have been developed and numerous training opportunities made available to assist grantees in incorporating best practices identified by this effort.

These demonstration projects were discontinued in FY 1996 consistent with the terms of their original awards. Because the committee feels strongly about the continuation of the transition activities which have been demonstrated to be effective and should not be an integral part of every Head Start program, we have continued this set aside specifically for transition activities of all grantees.

The committee commends the administration's efforts to foster an environment in which transition activities are integrated into program operations in a manner similar to each of the other vital services provided to families. It is the committee's intent that those efforts continue and that grantees are provided continued training and technical assistance to make that goal a reality.

#### *National impact study and other comparative studies of Head Start effectiveness*

Since its inception more than 30 years ago, Head Start has served over 16 million children at a total cost of more than \$38 billion. Annual funding for the program has grown substantially in recent years—from \$1.5 billion to almost \$4 billion between fiscal year 1990 and 1997. Although Head Start has long enjoyed both congressional and public support, opinions about the program's impact have been somewhat divided.

In 1997, the General Accounting Office reported the results of their work on identifying what existing studies suggest about Head Start's impact. After locating and screening 600 studies and consulting with many early childhood researchers and officials at the Head Start Bureau, GAO identified only 22 studies that met relevant criteria.

Of these 22 studies, many had individual methodological and design weaknesses, such as noncomparability of comparison groups, which raised questions about the usefulness of the findings. The noncomparability of children in comparison groups limits the ability to assess Head Start's impact. Without comparable groups, outcomes could be mistakenly attributed to Head Start participation, when in fact, these outcomes were really caused by other factors related to differences in the comparison groups.

According to the GAO and other researchers, no matter how extensive the efforts to document the equivalency of groups formed in other ways, the groups' equivalency will remain uncertain. If the groups are not equivalent, outcomes attributed to Head Start will be in doubt. For example, a recent evaluation of the Comprehensive Child Development Program found positive change in participating families. The study compared participants with comparable non-participants, and researchers discovered that nonparticipating families had positive changes similar to the participating families. They concluded, therefore, that the positive changes could not be attributed to program participation. Researchers in this study had confidence that the groups were comparable because participants had been randomly assigned to groups.

The committee shares the concerns raised by the GAO. While the committee applauds the Department's recent FACES initiative which will provide a limited focus on outcomes, we are concerned that HHS's plans for additional future research efforts do not include plans for a research study or set of studies that will definitively compare the outcomes achieved by Head Start children and their families with those achieved by similar non-Head Start children and families.

The committee has therefore included several provisions in section 117 to improve the data available on the Head Start program and its effectiveness. The committee is aware that impact research can be costly and time consuming but notes that the Federal Government has made a considerable financial investment in the Head Start program which is ample justification for an additional investment in high quality research on the program's impact.

#### ~~TITLE II—COMMUNITY SERVICES BLOCK GRANT~~

##### ~~Purposes~~

~~The committee has added a new purposes statement to make clear that the core mission of the block grant funded activities is to serve low income neighborhoods and local communities by providing community based programs through private non-profit, eligible entities controlled by local residents. The committee has found that the CSBG program and the eligible entities that deliver its programs remain effective and important elements of the Federal effort to fight poverty.~~

a national demonstration on IDAs but will also measure the success or failure of efforts to establish effective IDA programs.

Investing in homes, education and small business has generated great social and economic returns to America, as well as to individual asset holders. No one can deny that America is stronger because we have educated our children, owned our homes and created jobs and services through businesses. It is the Committee's belief that enabling the poor to make these investments—investments which have build a large and successful middle class in this country—will both help individuals and the country at large.

According to Michael Sherraden, "Few people have ever spent their way out of poverty. Those who escape do so through saving and investing in long term goals." An asset-based economic development strategy, like IDAs, is based on the belief that accumulation of assets is the key to development of poor households. For the vast majority of households, the pathway out of poverty is not through consumption, but through savings accumulation. Accumulating assets leads to important psychological and social effects that are not achieved in the same degree by receiving and spending an equivalent amount of regular income.

IDAs are spreading throughout the country at an unparalleled rate. The Corporation for Enterprise Development (CFED), one of the pioneer organizations supporting IDAs and related asset development policies, estimates that there are IDA projects in at least 43 States. Some States have relatively mature community-based programs, others contain young but ambitious programs, while others have displayed great interest and are pulling together the resources to start a program. While no exact count exists, CFED estimates that there are about 100 existing and developing IDA programs in the country, up from about 30-35 just a year ago.

In addition to the proliferation of community based IDA programs, states themselves are embracing IDAs at a rapid pace. To date, 25 States have decided as part of their Temporary Assistance for Needy families (TANF) plans, to allow welfare recipients to open IDAs—although States are not required to fund them.

As further evidence of the growing interest in IDAs around the country, CFED received 233 letters of intent and 99 full proposals to participate in a privately funded IDA demonstration that was launched in 1997.

While limited funding permitted only 13 sites to participate in the demonstration, the response demonstrated the demand for funding to initiate community based IDA programs.

The committee believes it is time for the Federal Government to invest in strengthening the emerging field of IDA programs around the country and assist the field in demonstrating the impact that IDAs can have on individuals and their communities.

The committee is aware that software has been specifically designed to monitor and help evaluate IDA programs, and that such software is presently being used in a large and growing number of IDA programs throughout the country. To ensure consistency in data collection for purposes of monitoring and evaluation among IDA programs authorized under this demonstration, as well as to help ensure that IDA programs operating under this demonstration are consistent with and reflect best practices in the existing IDA

field, the committee strongly recommends that IDA programs authorized under this Act utilize such IDA monitoring and evaluation software.

In order to prevent participating individuals from being penalized as a result of their utilization of an IDA account, the committee intends that funds (including interest accruing from those funds) deposited in individual development accounts shall not be considered to be income for purposes of determining eligibility for, or the amount of assistance furnished under, any Federal or federally assisted program (such as food stamps) based on need.

#### V. ADMINISTRATION VIEWS

THE SECRETARY OF HEALTH AND HUMAN SERVICES,  
Washington, DC, June 24, 1998.

Hon. JAMES M. JEFFORDS,  
*Chairman, Committee on Labor and Human Resources,*  
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: We take this opportunity to inform you of the Department's views on S. 2206, the Human Services Reauthorization Act of 1998. The Administration supports the work of your Committee to gain enactment of bipartisan legislation to reauthorize the Head Start program, the Low-Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG) program this year as well as to create a demonstration program for Individual Development Accounts (IDA). Based on our understanding of the provisions included in S. 2206, which you have sponsored with Senators Kennedy, Coats and Dodd, we support the improvements that the bill makes to these essential human services programs.

#### HEAD START

We are pleased that you bill maintains the critical improvements to the Head Start program initiated by the historic bipartisan legislation enacted in 1994 and incorporates many of the Administration's proposals submitted this year. We fully support the five-year reauthorization of the program contained in S. 2206 and its specific authority to increase the exciting new Early Head Start program over the next five years. We support provisions in your bill that build upon the promising efforts begun in 1994 and provide greater emphasis on collaboration with States and other providers of preschool services; full-day, full-year services; school readiness, literacy training and related teacher qualifications; and services for children with disabilities.

We also fully support efforts to learn more about the Head Start program and measure the outcomes for Head Start children. Since 1994, we have undertaken a wealth of new initiatives and systems to promote stronger accountability and program quality, including the Head Start Quality Research Consortium and the groundbreaking Family and Child Experience Study (FACES). As you know, FACES is an ambitious effort to assess the performance of the Head Start program on an ongoing basis through a national longitudinal study of a representative sample of Head Start children and families. We look forward to convening the expert panel

of researchers and reviewing their recommendations on the best approach to carry out the research initiatives outlined in your bill.

We will work with the Committee to address remaining issues relating to the Head Start title of the bill.

#### CSBG

We commend your efforts to strengthen accountability in the Community Services Block Grant program by improving the program's existing performance measurement system. We also appreciate your commitment to a fundamental aspect of the Community Services Block Grant program: the tripartite governing board. The tripartite board has been an important way for low-income persons to participate in planning services and activities to improve the conditions in which they live. Your bill expands the role of private, nonprofit organizations in a number of ways but we have concerns about ensuring the essential and historic role of the existing community services network and preserving the role of low-income persons in the planning and administration of the programs administered by these funds. We also have technical concerns, including concerns with the provision for the designation and redesignation of eligible entities in unserved areas, and the time frame for reviewing determinations by State agencies. We look forward to working with your staff on these and other issues.

#### LIHEAP

We support the reauthorization of the LIHEAP program. We believe that the bill's increased availability of resources for the administration of the program in the smaller States, Tribes and territories will make the program more effective. Additionally, the increased resources for technical assistance, training, and compliance reviews will also be crucial to improving the effectiveness of the program.

#### IDA

We also are pleased that the bill includes a new demonstration project designed to encourage low-income persons to establish individual development accounts for the purpose of accumulating assets to be used for postsecondary education, home ownership and micro enterprise development expenses. The Clinton Administration has supported the concept of individual development accounts and looks forward to the increased utilization of such accounts that this legislation would create. The Administration will continue its discussions with the Committee about provisions regarding this new effort.

We greatly appreciate the leadership and cooperation with which your Committee and staff have approached the reauthorization of these vital programs, and will provide you with further comments as we continue to review S. 2206. We hope to work with you in the weeks ahead to gain Senate approval and final passage of legislation that takes Head Start, Community Services and the Low-Income Home Energy Assistance programs into the 21st century.

## VI. COST ESTIMATE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, July 20, 1998.

Hon. JAMES M. JEFFORDS,  
Chairman, Committee on Labor and Human Resources,  
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2206, the Humans Services Reauthorization Act of 1998.

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

Sincerely,

JAMES L. BLUM  
(For June E. O'Neill, Director).

Enclosure.

### S. 2206—Human Services Reauthorization Act of 1998

Summary: S. 2206 would reauthorize the Head Start, Low-Income Home Energy Assistance, and Community Service Block Grant programs. It would also authorize a new demonstration program designed to encourage saving by individuals with low income and assets. Assuming appropriation of the authorized amounts, outlays for these programs would total \$38 billion over the 1999–2003 period, including adjustments for inflation. Without adjustments for inflation, outlays would total \$37 billion. Because enactment of S. 2206 would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

S. 2206 contains no intergovernmental or private sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would, however, impose new data collection and monitoring requirements on state, local, and tribal governments that administer community service programs. CBO estimates that the costs of meeting these requirements would total about \$1 million annually. Under UMRA, such conditions of federal assistance are not mandates.

Estimated cost to the Federal Government: The estimated budgetary effect of S. 2206 is summarized in Table 1. The costs of this legislation fall within budget function 500 (education, training, employment, and social services) and function 600 (income security).

TABLE 1. SUMMARY OF ESTIMATED BUDGETARY EFFECTS OF S. 2206

|                                            | By fiscal year, in millions of dollars |       |       |       |       |       |
|--------------------------------------------|----------------------------------------|-------|-------|-------|-------|-------|
|                                            | 1998                                   | 1999  | 2000  | 2001  | 2002  | 2003  |
| SPENDING SUBJECT TO APPROPRIATION          |                                        |       |       |       |       |       |
| Without Adjustments for Inflation          |                                        |       |       |       |       |       |
| Authorizations under current law:          |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup> | 6,197                                  | 2,650 | 0     | 0     | 0     | 0     |
| Estimated outlays                          | 5,767                                  | 4,917 | 923   | 47    | 0     | 0     |
| Changes:                                   |                                        |       |       |       |       |       |
| Es authorization level <sup>1</sup>        |                                        | 5,050 | 7,700 | 7,700 | 7,700 | 7,700 |
| Estimated outlays                          |                                        | 2,041 | 6,640 | 7,502 | 7,557 | 7,551 |

TABLE 1. SUMMARY OF ESTIMATED BUDGETARY EFFECTS OF S. 2206—Continued

|                                            | By fiscal year, in millions of dollars |       |       |       |       |       |
|--------------------------------------------|----------------------------------------|-------|-------|-------|-------|-------|
|                                            | 1998                                   | 1999  | 2000  | 2001  | 2002  | 2003  |
| <b>Authorizations under S. 2206:</b>       |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup> | 6,197                                  | 7,700 | 7,700 | 7,700 | 7,700 | 7,700 |
| Estimated outlays                          | 5,767                                  | 6,958 | 7,463 | 7,549 | 7,557 | 7,551 |
| <b>With Adjustments for Inflation</b>      |                                        |       |       |       |       |       |
| <b>Authorizations under current law:</b>   |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup> | 6,197                                  | 2,650 | 0     | 0     | 0     | 0     |
| Estimated outlays                          | 5,767                                  | 4,917 | 923   | 47    | 0     | 0     |
| <b>Proposed changes:</b>                   |                                        |       |       |       |       |       |
| Estimated authorization level              |                                        | 5,146 | 7,916 | 8,041 | 8,166 | 8,302 |
| Estimated outlays                          |                                        | 2,078 | 6,670 | 7,741 | 7,925 | 8,048 |
| <b>Authorizations under S. 2206:</b>       |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup> | 6,197                                  | 7,796 | 7,916 | 8,041 | 8,166 | 8,302 |
| Estimated outlays                          | 5,767                                  | 6,995 | 7,593 | 7,788 | 7,925 | 8,048 |

<sup>1</sup> The 1998 level is the amount appropriated for that year.

Basis of estimate: Tables 2 and 3 detail the estimated impact of S. 2206 on spending subject to appropriation by title, with and without adjustments for inflation. In general, CBO assumes current spending patterns in estimates of outlays.

**Title I: Head Start.** S. 2206 would reauthorize Head Start, a program which provides comprehensive early child development services to low-income children, at such sums as are necessary for 1999–2003. Title I contains increased research requirements that would raise the estimated authorization level, along with several program changes that would not affect the resources necessary to run the program. CBO estimates authorizations would equal the 1998 appropriation plus \$5 million a year to meet the new research requirements. Estimated authorizations under Title I of S. 2206 would total \$4.36 billion in fiscal year 1999 and \$21.8 billion for fiscal years 1999–2003, not including adjustments for inflation.

S. 2206 authorizes \$5 million each year for 1999 through 2003 for a new national study of the impact of Head Start. The Secretary would use the funds to contract with an organization to conduct the research and to pay the expenses of an expert panel to review and advise on the research. CBO assumes that the funds would be spent at the same rate as funds in similar research programs.

S. 2206 would make several other program changes, but CBO estimates they would not have a significant budgetary effect. The major changes are an increase in the set-aside for the Early Head Start program, an emphasis on educational performance measures, and encouragement of collaboration between Head Start and child care agencies to provide full-day, full-year services. The bill would also reserve a portion of the Early Head Start funds for training and technical assistance and make for-profit organizations eligible to compete for Head Start grants.

~~**Title II: Community Services Block Grant.** S. 2206 would reauthorize CSBG and related programs. CSBG is a grant to states to provide a wide variety of anti-poverty activities. Authorizations would total \$665 million in 1999 and \$3.3 billion for 1999 through 2003, not including adjustments for inflation.~~

The bill would authorize CSBG at \$625 million in 1999 and such sums as necessary for the following four years. It would make several changes to the program that CBO estimates would have no budgetary effect including allowing states to recapture and reobligate funds that had been passed through to local agencies and remain unspent for a given period of time, clarifying that nonprofit organizations include faith-based organizations, requiring states to participate in a performance measurement system, and establishing a new program of grants to neighborhood-based nonprofit organizations.

TABLE 2. ESTIMATED EFFECTS OF S. 2206 ON AUTHORIZATIONS OF APPROPRIATIONS, WITHOUT ADJUSTMENTS FOR INFLATION

|                                               | By fiscal year, in millions of dollars |       |       |       |       |       |
|-----------------------------------------------|----------------------------------------|-------|-------|-------|-------|-------|
|                                               | 1998                                   | 1999  | 2000  | 2001  | 2002  | 2003  |
| <b>Authorizations Under Current Law</b>       |                                        |       |       |       |       |       |
| <b>Head Start programs:</b>                   |                                        |       |       |       |       |       |
| Budget authority                              | 4,355                                  | 0     | 0     | 0     | 0     | 0     |
| Estimated outlays                             | 4,067                                  | 2,678 | 261   | 0     | 0     | 0     |
| <b>Community service block grant program:</b> |                                        |       |       |       |       |       |
| Budget authority                              | 542                                    | 0     | 0     | 0     | 0     | 0     |
| Estimated outlays                             | 542                                    | 232   | 23    | 0     | 0     | 0     |
| <b>Low-income home energy assistance:</b>     |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup>    | 1,300                                  | 2,650 | 0     | 0     | 0     | 0     |
| Estimated outlays                             | 1,158                                  | 2,008 | 639   | 47    | 0     | 0     |
| <b>Total authorizations:</b>                  |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup>    | 6,197                                  | 2,650 | 0     | 0     | 0     | 0     |
| Estimated outlays                             | 5,767                                  | 4,917 | 923   | 47    | 0     | 0     |
| <b>Changes Under S. 2206</b>                  |                                        |       |       |       |       |       |
| <b>Head Start programs:</b>                   |                                        |       |       |       |       |       |
| Estimated authorization level                 | 4,360                                  | 4,360 | 4,360 | 4,360 | 4,360 | 4,360 |
| Estimated outlays                             | 1,656                                  | 4,098 | 4,360 | 4,360 | 4,360 | 4,360 |
| <b>Community service block grant program:</b> |                                        |       |       |       |       |       |
| Estimated authorization level                 | 665                                    | 665   | 665   | 665   | 665   | 665   |
| Estimated outlays                             | 908                                    | 589   | 654   | 663   | 663   | 665   |
| <b>Low-income home energy assistance:</b>     |                                        |       |       |       |       |       |
| Estimated authorization level                 | 0                                      | 2,650 | 2,650 | 2,650 | 2,650 | 2,650 |
| Estimated outlays                             | 75                                     | 1,835 | 2,453 | 2,500 | 2,500 | 2,500 |
| <b>Assets for independence:</b>               |                                        |       |       |       |       |       |
| Estimated authorization level                 | 25                                     | 25    | 25    | 25    | 25    | 25    |
| Estimated outlays                             | 3                                      | 19    | 35    | 34    | 26    |       |
| <b>Total changes:</b>                         |                                        |       |       |       |       |       |
| Estimated authorization level                 | 5,050                                  | 7,700 | 7,700 | 7,700 | 7,700 | 7,700 |
| Estimated outlays                             | 2,041                                  | 6,540 | 7,502 | 7,557 | 7,551 |       |
| <b>Total Authorizations Under S. 2206</b>     |                                        |       |       |       |       |       |
| <b>Total authorizations:</b>                  |                                        |       |       |       |       |       |
| Estimated authorization level <sup>1</sup>    | 6,197                                  | 7,700 | 7,700 | 7,700 | 7,700 | 7,700 |
| Estimated outlays                             | 5,767                                  | 6,958 | 7,463 | 7,549 | 7,557 | 7,551 |

<sup>1</sup> The 1998 level is the amount appropriated for that year.

TABLE 3. ESTIMATED EFFECTS OF S. 2206 ON AUTHORIZATIONS OF APPROPRIATIONS, WITHOUT ADJUSTMENTS FOR INFLATION

|                                         | By fiscal year, in millions of dollars |      |      |      |      |      |
|-----------------------------------------|----------------------------------------|------|------|------|------|------|
|                                         | 1998                                   | 1999 | 2000 | 2001 | 2002 | 2003 |
| <b>Authorizations Under Current Law</b> |                                        |      |      |      |      |      |
| <b>Start on</b>                         |                                        |      |      |      |      |      |
| Budget authority                        | 4,355                                  | 0    | 0    | 0    | 0    | 0    |

annually. Under UMRA, such conditions of federal assistance are not mandates. For fiscal 1998, CBO estimates that state, local, and tribal governments will receive approximately \$2.8 billion in grants from the programs being reauthorized under the bill. Some of these funds will be distributed to individuals and nonprofit organizations.

Estimated impact on the private sector: H.R. 3874 contains no private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: Sheila Dacey; Impact on State, Local, and Tribal Governments; Marc Nicole; and Impact on the Private Sector: Bruce Varrichuk

Estimate approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.

## VII. APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1, the Congressional Accountability Act (CAA) requires a description of the application of this bill to the legislative branch. S. 2206 authorizes various federal human services programs and does not amend any act that applies to the legislative branch.

## VIII. REGULATORY IMPACT STATEMENT

~~The committee has determined that there will be minimal increases in the regulatory burden imposed by this bill.~~

## IX. SECTION-BY-SECTION ANALYSIS

### TITLE I—HEAD START

#### Section 101. Short title

Provides the short title, "Head Start Amendments of 1998."

#### Section 102. References

Provides that, unless otherwise noted, any references to sections or provisions of law are to sections or provisions of the Head Start Act (hereafter referred to as the Act).

#### Section 103. Statement of purpose

Amends section 636 of the Act to revise the statement of purpose to promote school readiness by enhancing the social and cognitive development of low income children.

#### Section 104. Definitions

Amends section 637 of the Act to revise the definitions of "family literacy services" and "full-working-day;" to revise the definitions of "migrant Head Start program" to include "seasonal;" and to add definitions of "child with a disability," and "reliable and replicable" (when used with respect to research).

#### Section 105. Financial assistance for Head Start programs

Provide that financial assistance will be provided to Head Start programs that enable children to attain school readiness, as well as to attain their full potential.

## Section 106. Authorization of appropriations

Authorizes the appropriation of such sums as necessary for an additional five years, from FY 1999 through FY 2003, and to require the Secretary to make available in each of those years; not more than \$35 million, and not less than provided in FY 1998, for Head Start transition activities (authorized under a new section 642A); not more than \$5 million for impact studies (authorized under a new section 649(f) of the Act) and not more than \$12 million of other research and evaluation activities, including longitudinal studies (authorized under section 649 of the Act).

## Section 107. Allotment of funds

Makes technical amendments to section 640(a)(2) of the Act (13 percent set-aside for specified priorities); also amends the subsection with regard to funding for Indian and migrant and seasonal Head Start programs; allows set-aside funds to be used for activities related to correcting deficiencies and conducting proceedings to terminate the designation of Head Start agencies, and for research and evaluation under section 649 of the Act; and requires the Secretary to continue the administrative arrangement for meeting the needs of migrant and Indian children and to assure that appropriate funds are provided to meet the needs of such children.

Makes several amendments to section 640(a)(3) of the Act (quality improvement funds), regarding the use of these funds for children with disabilities, to encourage staff training, and for staff training related to promotion of language skills and literacy growth of children and the acquisition of English for children from non-English-speaking backgrounds.

Section 107(a)(3) requires that each state initially receive an amount of Head Start funds equal to the amount the state received in FY 1998 (instead of FY 1981, as in current law).

Section 107(a)(4) specifies that collaboration grants are intended to encourage Head Start agencies to actively collaborate with other entities to meet the needs of low-income children and families; to add the appropriate regional office of the federal Administration for Children and Families to the list of agencies and individuals that the state liaison must coordinate with; to delete "national service activities" from, and add "services for homeless children" to, the list of services and activities that Head Start must be coordinated with; and to acquire that states receiving collaboration grants must include representatives of the state Head Start Association and local Head Start agencies in unified planning regarding early care and education services at the state and local level. In addition, this subsection requires the Secretary to provide supplemental funding to states that (in consultation with the state Head Start associations) develop unified plans for early childhood education and child care that include participation of Head Start agencies, and to states that engage in other innovative collaborations. The Secretary must review barriers to collaboration, develop initiatives to eliminate such barriers, and develop a mechanism to resolve conflicts between programs.

Section 107(a)(5) amends section 640(a)(6) of the Act to increase the amount of funds set-aside for Early Head Start to 7.5 percent in FY 1999, 8 percent in FY 2000, 9 percent in FY 2001, 10 percent

in FY 2002, and 10 percent in FY 2003. The Secretary may reduce these amounts, if necessary to avoid a reduction in Head Start services or quality, subject to certain conditions.

Section 107(b) makes technical amendments to section 640(d) of the Act (enrollment of children with disabilities).

Section 107(c) amends section 640(g) of the Act (expansion funds) to require the Secretary to consider, in awarding expansion funds, an applicant's performance history in providing services under other federal programs, the extent to which the applicant has conducted planning and needs assessments involving other agencies serving children with disabilities, the applicant's ability to collaborate and participate with other providers to provide full-day and full-year services, and the extent to which the applicant proposes to enhance its resource capacity through partnerships with other providers.

Section 107 (d) and (e) make technical and conforming amendments to section 641 and section 644(f)(2) of the Act.

#### *Section 108. Designation of Head Start agencies*

Section 108 amends section 641 of the Act (designation of Head Start agencies) to allow designation of for-profit organizations; to require the Secretary to consult with the chief executive officer of a state in making designations within that state; to require the Secretary to give priority in designations to existing Head Start grantees or their successors, unless the Secretary determines that the agency has failed to meet certain requirements; to require the Secretary to give priority to Head Start agencies that have met or exceeded performance standards and performance measures; to require the Secretary to consider an applicant's plan to seek parent involvement both at home and in the center, where practicable, and to meet the needs of non-English background children and children with disabilities; and authorizes the Secretary to designate an interim Head Start grantee until a qualified applicant from the community is designated.

#### *Section 109. Quality standards*

Section 109 amends section 641A(a) of the Act (quality standards) to require the establishment of education performance standards to ensure school readiness and that children develop a minimum level of literacy awareness and understanding; amends section 641A(b) of the Act (performance measures) to require that such measures assess the impact of the services provided to children and their families; amends section 641A(c) of the Act (monitoring of local agencies and programs) to require that review teams include individuals knowledgeable about the needs of children with disabilities, and that the reviews include a review and assessment of program effectiveness in accordance with outcome-based performance measures and performance standards; and amends section 641A(d) of the Act to require Head Start agencies to immediately correct any identified deficiencies, that threaten health or safety or the integrity of federal funds; to correct a deficiency within 90 days of being informed, if the Secretary determines that 90 days is reasonable; and to develop and obtain approval for a quality improvement plan, if required by the Secretary.

#### *Section 110. Powers and functions of Head Start agencies*

Section 110 amends section 642 of the Act (powers and functions of Head Start agencies) to add a reference to for-profit organizations; updates a reference to federal child care programs; and makes other minor revisions.

#### *Section 111. Head Start transition*

Section 111 establishes a new section 642A of the Act (Head Start transition), requiring each Head Start agency to coordinate with the local education agency and schools in which participating Head Start children will enroll.

#### *Section 112. Submission of plans to Governors*

Section 112 amends section 643 of the Act (submission of plans to Governors), to allow the chief executive officer of a state 45 days in which to disapprove any plan to carry out a Head Start program within the state through contract, agreement, grant, or other assistance. The Secretary may not overrule the Governor's disapproval in cases in which the disapproval is because of failure to comply with state health, safety and child care laws (including regulations) applicable to comparable programs within the state.

#### *Section 113. Participation in Head Start programs*

Section 113 amends section 645 of the Act (participation in Head Start), regarding the continuing eligibility of children who have participated in the Head Start program and whose families have met the low-income criteria; regarding the use of a sliding fee scale for extended day services in full-day programs that operate through collaborations with other agencies or entities; and requiring continuous recruitment and acceptance of applications for Head Start throughout the year.

#### *Section 114. Early Head Start programs for families with infants and toddlers*

Section 114 amends section 645A (Early Head Start), to eliminate outdated references; to add a reference to infants and toddlers with disabilities; to limit eligibility to pregnant women and families with children under age 3; and to require the use of Early Head Start funds for monitoring, training, technical assistance, and evaluation.

#### *Section 115. Technical assistance and training*

Section 115 amends section 648 of the Act (technical assistance and training), to require the Secretary to ensure provision of technical assistance to Head Start agencies, other entities and states in collaborative efforts to promote full-day, full-year services; and to require the Secretary to assist Head Start agencies and programs in expediting information sharing about innovative models for providing full-day, full-year services; and to require the Secretary to assist Head Start agencies in ensuring school readiness of children and meeting education performance standards.

### *Section 116. Staff qualifications and training*

Section 116 amends section 648A of the Act (staff qualifications and developments) to ensure that each Head Start classroom has a teacher with demonstrated competency to perform certain functions (in addition to certificate and degree requirements already contained in current law); and require the Secretary to grant a 180-day waiver of degree requirements for Head Start teachers, upon request, if the Head Start agency has unsuccessfully attempted to recruit an individual with the required credential, certificate or degree. Such a waiver would be for an individual who is enrolled in a program that grants the appropriate credential, and who will receive the appropriate credential within 180 days of beginning employment as a Head Start teacher.

### *Section 117. Research, demonstration, and evaluation*

Section 117 amends section 649 (research, demonstrations and evaluation), to require comparative studies of children participating Head Start with eligible children who did not participate, and to require national Head Start impact research and a quality improvement study.

## ~~TITLE II - COMMUNITY SERVICE BLOCK GRANT PROGRAM~~

### *Section 201. Reauthorization*

Section 201 amends the Community Services Block Grant Act (hereafter referred to as the Act) as follows:

Section 671 of the Act provides the short title, "Community Services Block Grant Act."

Section 672 of the Act establishes the purposes and goals.

Section 673 of the Act establishes definitions of "eligible entity," "poverty line," "private nonprofit organization," "Secretary," and "state."

Section 674 of the Act authorizes appropriations of \$625 million for FY 1999 and such sums as may be necessary for each of FYs 2000 through 2003 to carry out the Act (other than sections 681 and 682). Of annual appropriations, the Secretary must reserve half of 1 percent for payments to territories, not less than half of 1 percent and not more than 1 percent for training and technical assistance and other activities under section 678A, and 9 percent for discretionary activities under section 680.

Section 675 of the Act authorizes the Secretary to establish a community services block grant program and to make grants through the program to states to ameliorate the causes of poverty in communities within the states.

Section 675A of the Act authorizes the Secretary to apportion reserved funds among the territories on the basis of need, and requires each territory wishing to receive a grant to submit to the Secretary, and obtain approval of, an application that describes the program for which assistance is sought.

Section 675B of the Act establishes provisions for allotment and payment of funds to states.

Section 675C of the Act establishes provisions for the use of funds by states, including a requirement that not less than 90 per-

cent of the funds used by the state to make grants to eligible entities.

Section 676 of the Act requires each state wishing to receive an allotment of funds to designate a lead agency to carry out state activities under the Act, and to submit an application and plan to the Secretary, containing specified assurances and information.

Section 676A of the Act establishes provisions regarding the designation and redesignation by states of eligible entities in unserved areas of the state.

Section 676B establishes provisions regarding tripartite boards for eligible entities.

Section 677 of the Act establishes provisions regarding direct payment of funds by the Secretary to Indian tribes and tribal organizations.

Section 678 of the Act requires the Secretary to carry out functions of the Act through an Office of Community Services, and through grants, contracts, or cooperative agreements.

Section 678A of the Act establishes provisions regarding the use of funds, set-aside under section 674, by the Secretary for training, technical assistance, planning, evaluation, and data collection activities.

Section 678B of the Act establishes provisions for state monitoring of eligible entities to determine whether such entities meet performance goals, administrative standards, financial management requirements, and other requirements of the state.

Section 678C of the Act establishes provisions for corrective action, termination and reduction of funding, in cases where a state determines that an eligible entity materially fails to comply with the terms of an agreement or the state plan, or to meet appropriate standards, goals, and other requirements established by the state.

Section 678D of the Act establishes provisions for fiscal controls, audits, and withholding of federal funds.

Section 678E of the Act establishes state and federal accountability and reporting provisions, requiring states and eligible entities to participate in a performance measurement system established by the Secretary; requiring states to submit an annual report to the Secretary on the performance of eligible entities within the state; and requiring the Secretary to submit to Congress an annual report containing specified information.

Section 678F of the Act establishes limitations on the use of funds for construction of facilities and political activities and establishes nondiscrimination provisions.

Section 679 of the Act establishes provisions regarding the participation of faith-based organizations in programs under the Act.

Section 680 of the Act establishes provisions regarding the use of funds, set-aside under section 674, by the Secretary for specified discretionary activities: community economic development; rural community development; and neighborhood innovation projects.

Section 681 of the Act authorizes appropriations and establishes provisions for community food and nutrition programs.

Section 682 of the Act authorizes appropriations and establishes provisions for national or regional programs designed to provide instructional activities for low-income youth (i.e., the National Youth Sports Program).

## X. ADDITIONAL VIEWS

In general, I am very pleased with the direction the committee has taken in reauthorizing the Head Start program, which has improved the lives of millions of children and their families. However, in a significant departure from past policies, this bill allows for for-profit entities to directly participate in Head Start. While clearly children should have access to the best local provider of early childhood services, I have concerns about the potential conflict between the mission of Head Start to serve the most vulnerable children and the mission of for-profit entities to show a financial gain.

Recent and past studies have indicated cause for some concern in this area as they have found that the quality of non-profit child care centers was higher than the quality of care in for-profit centers. Most recently, a study entitled, "Cost, Quality, and Child Outcomes Study," found that teacher turnover was higher in for-profit programs. In addition, this four State study found that the non-profit centers had a better child to staff ratio than for-profit entities, suggesting that children in non-profit centers have a better opportunity for one on one attention. A study by the Center for the Child Care Workforce found that the wages in for-profit centers are significantly lower than those in non-profit centers, which may contribute to turnover problems. Finally, a 1990 study entitled, "A Profile of Child Care Settings: Early Education And Care in 1990," demonstrated that for-profit programs that are a part of national chains have particular problems with quality, including higher number of children per staff members, high teacher turnover rates and the lowest wages.

I believe it is critical that the expansion of grantees to include for-profit programs be closely monitored. While the Secretary should exercise appropriate oversight over all grantees, I anticipate that any for-profit grantees will be carefully monitored in these critical quality areas. In addition, I am pleased that the committee adopted my amendment giving the Secretary clear authority to give priority consideration to non-profit applicants over for-profits where the applications are equivalent.

CHRIS DODD.

## XI. CHANGES IN EXISTING LAW

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

### HEAD START ACT

#### [STATEMENT OF PURPOSE AND POLICY

\*( \* \* \* \* \*)  
[SEC. 636. (a) In recognition of the role which Project Head Start has played in the effective delivery of comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families, it is the purpose of this subchapter to extend the authority for the appropriation of funds for such program.

[(b) In carrying out the provisions of this subchapter, the Secretary of Health and Human Services shall continue the administrative arrangement responsible for meeting the needs of migrant, non-English language background, and Indian children and shall assure that appropriate funding is provided to meet such needs.]

#### SEC. 636. STATEMENT OF PURPOSE.

*It is the purpose of this subchapter to promote school readiness by enhancing the social and cognitive development of low-income children through the provision, to low-income children and their families, of health, educational, nutritional, social, and other services that are determined to be necessary, based on family needs assessments.*

#### DEFINITIONS

#### SEC. 637. For purposes of this subchapter:

(1) \* \* \*

\*( \* \* \* \* \*)  
(3) The term "child with a disability" means—

(A) a child with a disability, as defined in section 602(3) of the Individuals with Disabilities Education Act; and

(B) an infant or toddler with a disability, as defined in section 632(5) of such Act.

[(3)] (4) The term "financial assistance" includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reim-

bursement with necessary adjustments on account of overpayments or underpayments.

[(4)] The term "family literacy services" means services and activities that include interactive literacy activities between parents and their children, training for parents on techniques for being the primary teacher of their children and full partners in the education of their children, parent literacy training (including training in English as a second language), and early childhood education.]

(5) The term "family literacy services" means services that—

(A) are provided to participants who receive the services on a voluntary basis;

(B) are of sufficient intensity, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing dependence on income-based public assistance); and

(C) integrate each of—

(i) interactive literacy activities between parents and their children;

(ii) training for parents on being partners with their children in learning;

(iii) parent literacy training, including training that contributes to economic self-sufficiency; and

(iv) appropriate instruction for children of parents receiving the parent literacy training.

[(5)] (6) The term "full calendar year" means all days of the year other than Saturday, Sunday, and a legal public holiday.

[(6)] (7) The term "full-working-day" means not less than 10 hours per day. *Nothing in this paragraph shall be construed to require an agency to provide services to a child who has not reached the age of compulsory school attendance for more than the number of hours per day permitted by State law (including regulation) for the provision of services to such a child.*

[(7)] (8) The term "Head Start classroom" means a group of children supervised and taught by two paid staff members (a teacher and a teacher's aide or two teachers) and, where possible, a volunteer.

[(8)] (9) The term "Head Start family day care" means Head Start services provided in a private residence other than the residence of the child receiving such services.

[(9)] (10) The term "home-based Head Start program" means a Head Start program that provides Head Start services in the private residence of the child receiving such services.

[(10)] (11) The term "Indian tribe" means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)) or established pursuant to such Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

[(11)] (12) The term "local educational agency" has the meaning giving such term in the Elementary and Secondary Education Act of 1965.

[(12)] The term "migrant Head Start program" means a Head Start program that serves families who are engaged in agricultural work and who have changed their residence from one geographical location to another in the preceding 2-year period.]

(13) The term "migrant or seasonal Head Start program" means—

(A) with respect to services for migrant farmworkers, a Head Start program that serves families who are engaged in agricultural labor and who have changed their residence from one geographic location to another in the preceding 2-year period; and

(B) with respect to services for seasonal farmworkers, a Head Start program that serves families who are engaged primarily in seasonal agricultural labor and who have not changed their residence to another geographic location in the preceding 2-year period.

[(13)] (14) The term "mobile Head Start program" means the provision of Head Start services utilizing transportable equipment set up in various community-based locations on a routine, weekly schedule, operating in conjunction with home-based Head Start programs, or as a Head Start classroom.

[(14)] (15) The term "poverty line" means the official poverty line (as defined by the Office of Management and Budget)—

(A) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; and

(B) adjusted for family size.

(16) The term "reliable and replicable", used with respect to research, means an objective, valid, scientific study that—

(A) includes a rigorously defined sample of subjects, that is sufficiently large and representative to support the general conclusions of the study;

(B) relies on measurements that meet established standards of reliability and validity;

(C) is subjected to peer review before the results of the study are published; and

(D) discovers effective strategies for enhancing the development and skills of children.

#### FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS

SEC. 638. The Secretary may, upon application by an agency which is eligible for designation as a Head Start agency pursuant to section 641, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Head Start program focused primarily upon the children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, education, parental involvement, nutritional, social, and other services as will [aid the] enable the children to attain their full potential[;] and attain school readiness; and (2) will provide for direct participation

of the parents of such children in the development, conduct, and overall program direction at the local level.

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 639. (a) There are authorized to be appropriated for carrying out the provisions of this subchapter such sums as may be necessary for fiscal years [1995 through 1998] 1999 through 2003.

(b) From the amount appropriated under subsection (a), the Secretary shall make available—

[(1) \$35,000,000 for each of the fiscal years 1995 through 1998 to—

[(A) carry out the Head Start Transition Project Act; and

[(B) carry out activities authorized under section 642(d); and

[(2) not more than \$3,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998, to carry out longitudinal research under section 649(e).]

(1) for each of fiscal years 1999 through 2003 to carry out activities authorized under section 642A, not more than \$35,000,000 but not less than was made available for such activities for fiscal year 1998;

(2) not more than \$5,000,000 for each of fiscal years 1999 through 2003 to carry out impact studies under section 649(g); and

(3) not more than \$12,000,000 for fiscal year 1999, and such sums as may be necessary for each of fiscal years 2000 through 2003, to carry out other research, demonstration, and evaluation activities, including longitudinal studies, under section 649.

#### ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 640. (a)(1) \* \* \*

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities—

(A) Indian and migrant Head Start programs and services for [handicapped children] *children with disabilities*, except that there shall be made available for each fiscal year for use by Indian and [migrant Head Start programs] *migrant or seasonal Head Start programs*, on a national wide basis, not less than the amount that was obligated for use by Indian and [migrant Head Start programs] *migrant or seasonal Head Start programs* for fiscal year [1994] 1998;

(C) training and technical assistance activities which are sufficient to meet the needs associated with program expansion and to foster program and management improvement activities as described in section 648 of this subchapter, in an amount for each fiscal year which is not less than 2 percent of the amount appropriated for such fiscal year; [and]

(D) discretionary payments made by the Secretary (including payments for all costs (other than compensation of Federal employees) of reviews of Head Start agencies and programs under section 641A(c), and of activities [related to the development and implementation of quality improvement plans under section 641A(d)(2)].] *carried out under paragraph (1), (2), or (3) of section 641A(d) related to correcting deficiencies and conducting proceedings to terminate the designation of Head Start agencies; and*

(E) *payments for research, demonstration, and evaluation activities under section 649.*

*In carrying out this subchapter, the Secretary shall continue the administrative arrangement responsible for meeting the needs of migrant or seasonal farmworker and Indian children and shall assure that appropriate funding is provided to meet such needs.*

No funds reserved under this paragraph or paragraph (3) may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purpose of this subchapter. *In determining the need and demand for migrant and seasonal Head Start programs, and services provided through such programs, the Secretary shall consult with appropriate entities, including providers of services for seasonal and migrant Head Start programs. The Secretary shall, after taking into consideration the need and demand for migrant and seasonal Head Start programs, and such services, ensure that there is an adequate level of such services for the children of eligible migrant farmworkers before approving an increase in the allocation provided for children of eligible seasonal farmworkers.*

(3)(A)(i) \* \* \*

(ii) Ensuring that such programs have [adequate qualified staff] *adequate number of qualified staff* and that such staff are furnished adequate training, including developing skills in working with children with non-English language background and children with disabilities, when appropriate.

(iv) Using salary increases to improve staff qualifications, and to assist with the implementation of career development programs, for the staff of Head Start programs, and to encourage the staff to continually improve their skills and expertise by informing the staff of the availability of State and Federal incentive and loan forgiveness programs for professional development and by providing for preferences in the awarding of salary increases, in excess of cost of living allowances, to staff who obtain additional training or education related to their responsibilities as employees of a Head Start program or to advance their careers within the Head Start program.

(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to chil-

dren and families[.], and are physically accessible to children with disabilities and their parents.

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

[(vii)] (viii) Making such other improvements in the quality of such programs as the Secretary may designate.

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

(i)(I) Not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) [of staff] of classroom teachers not other staff of Head Start agencies and thereby enhance recruitment and retention of [such staff] qualified staff, including recruitment and retention pursuant to section 648A(a). The expenditure of funds under this clause shall be subject to section 653.

[(ii)] (ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.]

(ii) To supplement amounts provided under paragraph (2)(C) to provide training to classroom teachers and other staff on proven techniques that promote—

(I) language and literacy growth; and

(II) the acquisition of the English language for non-English background children and families.

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

[(iii)] (iv) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

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

[(v)] (vi) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the accessibility or availability, or enhance the quality, of Head Start programs.

(D)(i) Funds reserved under subparagraph (A) shall be allotted by the Secretary as follows:

(I) \* \* \*

(II) 20 percent of such funds shall be allotted among the States, geographical areas specified in subsection (a)(2)(B) and Indian and [migrant Head Start programs] migrant or seasonal Head Start programs, and used to make grants to Head Start agencies, at the discretion of the Secretary.

(4) Subject to section 639(b), the Secretary shall allot the remaining amounts appropriated in each fiscal year among the States, in accordance with latest satisfactory data so that—

(A) each State receives an amount which is equal to the amount the State received for fiscal year [1981] 1998; and

(5)(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall reserve such sums as may be necessary to award the collaboration grants described in [subparagraph (B)] subparagraph (B) and (D).

(B) From the reserved sums, the Secretary may award a collaboration grant to each State to facilitate collaboration regarding activities carried out in the State under this subchapter, and other activities carried out in, and by, the State that are designed to benefit low-income children and families and encourage Head Start agencies to collaborate with entities involved in State and local planning processes (including the State lead agency administering the financial assistance received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) and the entities providing resource and referral services in the State) in order to better meet the needs of low-income children and families.

(C) A State that receives a grant under subparagraph (B) shall—

(i) appoint an individual to serve as a State liaison between—

(I) the appropriate regional office of the Administration for Children and Families and agencies and individuals carrying out Head Start programs in the State; and

(iii) ensure that the individual holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies; [and]

(iv) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, [education, and national service activities,] education, and community service activities, family literacy services, [and activities] activities relating to children with disabilities[.], and services for homeless children; and

(v) include representatives of the State Head Start Association and local Head Start agencies in unified planning regarding early care and education services at both the State and local levels, including collaborative efforts to plan for the provision of full-working-day, full calendar year early care and education services for children.

(D) Following the award of collaboration grants described in subparagraph (B), the Secretary shall provide, from the reserved sums, supplemental funding for collaboration grants—

(i) to States that (in consultation with their State Head Start Associations) develop statewide, regional, or local unified plans for early childhood education and child care that include the participation of Head Start agencies; and

(ii) to States that engage in other innovative collaborative initiatives, including plans for collaborative training and career development initiatives for child care, early childhood education, and Head Start service managers, providers, and staff.

(E)(i) The Secretary shall—

(I) review on an ongoing basis evidence of barriers to effective collaboration between Head Start programs and other Federal child care and early childhood education programs and resources;

(II) develop initiatives, including providing additional training and technical assistance and making regulatory changes, in necessary cases, to eliminate barriers to the collaboration; and

(III) develop a mechanism to resolve administrative and programmatic conflicts between such programs that would be a barrier to service providers, parents, or children related to the provision of unified services and the consolidation of funding for child care services.

(ii) In the case of a collaborative activity funded under this subchapter and another provision of law providing for Federal child care or early childhood education, the use of equipment and nonconsumable supplies purchased with funds made available under this subchapter or such provision shall not be restricted to children enrolled or otherwise participating in the program carried out under that subchapter or provision, during a period in which the activity is predominantly funded under this subchapter or such provision.

[(D)] (F) As used in this paragraph, the term "low-income", used with respect to children or families, shall not be considered to refer only to children or families that meet the low-income criteria prescribed pursuant to section 645(a)(1)(A).

(6)(A) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a), a portion of the combined total of such amounts equal to [3 percent for fiscal year 1995, 4 percent for each of fiscal years 1996 and 1997, and 5 percent for fiscal year 1998, of the amount appropriated pursuant to section 639(a).] 7.5 percent for fiscal year 1999, 8 percent for fiscal year 2000, 9 percent for fiscal year 2001, 10 percent for fiscal year 2002, and 10 percent for fiscal year 2003, of the amount appropriated pursuant to section 639(a), except as provided in subparagraph (B).

(B)(i) For any fiscal year for which the Secretary determines that the amount appropriated under section 639(a) is not sufficient to permit the Secretary to reserve the portion described in subparagraph (A) without reducing the number of children served by Head Start programs or negatively impacting the quality of Head Start services, relative to the number of children served and the quality of the services during the preceding fiscal year, the Secretary may

reduce the percentage of funds required to be reserved for the portion described in subparagraph (A) for the fiscal year for which the determination is made, but not below the percentage required to be so reserved for the preceding fiscal year.

(ii) For any fiscal year for which the amount appropriated under section 639(a) is lowered to a level that requires a reduction in the amount made available under this subchapter to Head Start agencies and entities described in section 645A, relative to the amount made available to the agencies and entities for the preceding fiscal year, adjusted as described in paragraph (3)(A)(ii), the Secretary shall proportionately reduce—

(I) the amounts made available to the entities for programs carried out under section 645A; and

(II) the amounts made available to Head Start agencies for Head Start programs.

\* \* \* \* \*

(d) The Secretary shall establish policies and procedures designed to assure that for fiscal year [1982] 1999 and thereafter no less than 10 percent of the total number of enrollment opportunities in Head Start programs in each State shall be available for children with disabilities [(as defined in section 602(a) of the Individuals with Disabilities Education Act)] and that services shall be provided to meet their special needs.

\* \* \*

(g)(1) \* \* \*

\* \* \* \* \*

(A) the quality of the applicant's programs (including Head Start and other child care or child development programs) in existence on the date of the allocation, including, in the case of Head Start programs in existence on the date of the allocation, the extent to which such programs meet or exceed performance standards and other requirements under this subchapter[;] and the performance history of the applicant in providing services under other Federal programs (other than the program carried out under this subchapter);

\* \* \* \* \*

(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations and public agencies serving children and families (including organizations serving families in whose homes English is not the language customarily spoken)[;] and organizations serving children with disabilities;

(D) the extent to which the family and community needs assessment of the applicant reflects a need to provide full-working-day or full calendar year services and the extent to which, and manner in which, the applicant demonstrates the ability to collaborate and participate with other local community providers of child care or preschool services to provide full working day, full calendar year services;

(E) the numbers of eligible children in each community who are not participating in a Head Start [program; and] or any other early childhood program;

(F) the concentration of low-income families in each community[.]; and

(G) the extent to which the applicant proposes to foster partnerships with other service providers in a manner that will enhance the resource capacity of the applicant.

\* \* \* \* \*

(4) Notwithstanding subsection (a)(2), after taking into account the provisions of paragraph (1), the Secretary may allocate a portion of the remaining additional funds under subsection (a)(2)(A) for the purpose of increasing funds available for the activities described in such subsection.

\* \* \* \* \*

(1) With funds made available under section 640(a)(2) to [migrant Head Start programs] migrant or seasonal Head Start programs, the Secretary shall give priority to [migrant Head Start programs] migrant or seasonal Head Start programs that serve eligible children of [migrant families] migrant or seasonal farm-worker families whose work requires them to relocate most frequently.

\* \* \* \* \*

#### DESIGNATION OF HEAD START AGENCIES

SEC. 641. (a) The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit or for-profit agency, within a community, which (1) has the power and authority to carry out the purposes of this subchapter and perform the functions set forth in section 642 within a community; and (2) is determined by the Secretary (in consultation with the chief executive officer of the State in which the community is located) to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

\* \* \* \* \*

(c)(1) In the administration of the provisions of this section (subject to paragraph (2)), the Secretary [shall give priority] shall, in consultation with the chief executive officer of the State, give priority in the designation of Head Start agencies to any local public or private nonprofit or for-profit agency which is receiving funds under any Head Start program on the date of the enactment of this Act [unless the Secretary makes a finding that the agency involved fails to meet program, financial management, and other requirements established by the Secretary.] unless the Secretary determines that the agency involved fails to meet program and financial management requirements, performance standards described in section 641A(a)(1), and other requirements established by the Secretary.

(2) If there is no agency of the type referred to in paragraph (1) because of any change in the assistance furnished to programs for economically disadvantaged persons, the Secretary [shall give priority] shall, in consultation with the chief executive officer of the State, give priority in the designation of Head Start agencies to any successor agency that is operating a Head Start program in substantially the same manner as the predecessor agency that did re-

ceive funds in the fiscal year preceding the fiscal year for which the determination is made.

(3) Notwithstanding any other provision of this subsection, the Secretary shall not give such priority to any agency with respect to which financial assistance has been terminated, or an application for refunding has been denied, under this subchapter by the Secretary after affording such agency reasonable notice and opportunity for a full and fair hearing in accordance with section 646(a)(3).

(d) If no entity in a community is entitled to the priority specified in subsection (c), then the Secretary may designate a Head Start agency from among qualified applicants in such community. In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to any qualified agency that functioned as a Head Start delegate agency in the community and carried out a Head Start program that the Secretary determines has met or exceeded the performance standards and outcome-based performance measures described in section 641A. In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

\* \* \* \* \*

(4) the plan of such applicant—

(A) to seek the involvement of parents of participating children in activities (at home and in the center involved where practicable) designed to help such parents become full partners in the education of their children;

\* \* \* \* \*

(7) the plan of such applicant to meet the needs of non-English background children and their families, including needs related to the acquisition of the English language;

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

[(7)] (9) the plan of such applicant to meet the needs of non-English language background children and their families in the community; and

[(8)] (10) the plan of such applicant who chooses to assist younger siblings of children who will participate in the proposed Head Start program to obtain health services from other sources.

[(e) If, in a community served by a Head Start program, there is no applicant qualified for designation as a Head Start agency to carry out such program, the Secretary may appoint an interim grantee to carry out such program until a qualified applicant is so designated.]

(e) If no agency in the community receives priority designation, and there is no qualified applicant in the community, the Secretary shall designate an agency to carry out the Head Start program in the community on an interim basis until a qualified applicant from the community is so designated.

\* \* \* \* \*

# SEC. 641A. QUALITY STANDARDS: MONITORING OF HEAD START AGENCIES AND PROGRAMS.

## (a) QUALITY STANDARDS.—

(1) ESTABLISHMENT OF STANDARDS.—The Secretary shall establish by regulation standards, *including minimum levels of overall accomplishment*, applicable to Head Start agencies, programs, and projects under this subchapter, including—

(A) performance standards with respect to services required to be provided, including health, [education,] parental involvement, nutritional, social, transition activities described in section 642(d), and other services;

(B)(i) *education performance standards to ensure the school readiness of children participating in a Head Start program, on completion of the Head Start program and prior to entering school; and*

(ii) *additional education performance standards to ensure that the children participating in the program, at a minimum—*

(I) *develop phonemic, print, and numeracy awareness;*

(II) *understand and use oral language to communicate needs, wants, and thoughts;*

(III) *understand and use increasingly complex and varied vocabulary;*

(IV) *develop and demonstrate an appreciation of books; and*

(V) *in the case of non-English background children, progress toward acquisition of the English language.*

[(B)] (C) administrative and financial management standards;

[(C)] (D) standards relating to the condition and location of facilities for such agencies, programs, and projects; and

[(D)] (E) such other standards as the Secretary finds to be appropriate.

[(2) MINIMUM REQUIREMENTS.—The regulations promulgated under this subsection shall establish the minimum levels of overall accomplishment that a Head Start agency shall achieve in order to meet the standards specified in paragraph (1).]

[(3)] (2) CONSIDERATIONS IN DEVELOPING STANDARDS.—In developing the regulations required under paragraph (1), the Secretary shall—

(A) \* \* \*

\* \* \* \* \*

(B) take into consideration—

\* \* \* \* \*

(iii) developments concerning best practices with respect to [child] *early childhood education and development*, children with disabilities, family services, program administration, and financial management;

\* \* \* \* \*

(C)(i) [not later than 1 year after the date of enactment of this section,] review and revise as necessary the per-

formance standards in effect under [section 651(b) on the day before the date of enactment of this section; and] *this subsection; and*

(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in the scope or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on [November 2, 1978] *the date of enactment of the Human Services Reauthorization Act of 1998.*

[(4)] (3) STANDARDS RELATING TO OBLIGATIONS TO DELEGATE AGENCIES.—In developing standards under this subsection, the Secretary shall describe the obligations of a Head Start agency to an agency (referred to in this subchapter as the “delegate agency”) to which the Head Start agency has delegated responsibility for providing services under this subchapter and determine whether the Head Start agency complies with the standards. The Secretary shall consider such compliance during the review described in subsection (c)(1)(A) and in determining whether to renew financial assistance to the Head Start agency under this subchapter.

## (b) OUTCOME-BASED PERFORMANCE MEASURES.—

(1) IN GENERAL.—[Not later than 1 year after the date of enactment of this section, the] *The Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of [child] early childhood education and development, family services, and program management, shall develop methods and procedures for measuring, annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies (referred to in this subchapter as “performance measures”)[.] and the impact of the services provided through the programs to children and their families. The performance measures shall include the performance standards described in subsection (a)(1)(B)(ii).*

(2) [DESIGN] CHARACTERISTICS OF MEASURES.—The performance measures developed under this subsection [shall be designed—] *shall—*

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

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

(C) *be developed for other program purposes as determined by the Secretary.*

\* \* \* \* \*

## (c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—

(1) IN GENERAL.—\* \* \*

\* \* \* \* \*

(B) are supervised by such an employees at the site of such Head Start agency[; and];

(C) are conducted by review teams that shall include individuals who are knowledgeable about Head Start programs and, to the maximum extent practicable, the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities) and their families[.]; and

(D) as part of the reviews of the programs, include a review and assessment of program effectiveness, as measured in accordance with the outcome-based performance measures developed pursuant to subsection (b) and with the performance standards established pursuant to subparagraphs (A) and (B) of subsection (a)(1).

(d) CORRECTIVE ACTION; TERMINATION.—

(1) DETERMINATION.—\* \* \*

\*(B) with respect to each identified deficiency, require the agency—

\*(i) to correct the deficiency immediately; or

\*(ii) at the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and]

\*(B) with respect to each identified deficiency, require the agency—

\*(i) to correct the deficiency immediately, if the Secretary finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds;

\*(ii) to correct the deficiency not later than 90 days after the identification of the deficiency if the Secretary finds, in the discretion of the Secretary, that such a 90-day period is reasonable, in light of the nature and magnitude of the deficiency; or

\*(iii) in the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency) to comply with the requirements of paragraph (2) concerning a quality improvement plan; and

\*(2) QUALITY IMPROVEMENT PLAN.—

\*(A) AGENCY RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, a Head Start agency that is the subject of a determination described in paragraph (1) (other than an agency able to correct a deficiency [immediately] immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

POWERS AND FUNCTIONS OF HEAD START AGENCIES

SEC. 642. (a) In order to be designated as a Head Start agency under this subchapter, an agency must have authority under its charter or applicable law to receive and administer funds under this subchapter, funds and contributions from private or local public sources which may be used in support of a Head Start program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit or for-profit agency (as the case may be) organized in accordance with this subchapter, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Head Start program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. The power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

\*(c) The head of each Head Start agency shall coordinate and collaborate with the State agency responsible for administering [section 402(g) of the Social Security Act, and other] the State program carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.), and other early childhood education and development programs, including Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.), serving the children and families served by the Head Start agency to carry out the provisions of this subchapter.

\*(d)(1) Each Head Start agency [shall carry out the actions specified in this subsection, to the extent feasible and appropriate in the circumstances (including the extent to which such agency is able to secure the cooperation of parents and schools) to enable children to maintain] shall take steps to ensure, to the maximum extent possible, that children maintain the [developmental] developmental and educational gains achieved in Head Start programs and [to build] build upon such gains in further schooling.

\*(2) The Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

\*(A) developing and implementing a systematic procedure for transferring, with parental consent, Head Start program records for each participating child to the school in which such child will enroll;

\*(B) establishing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, and health staff) to facilitate coordination of programs;

\*(C) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers

to discuss the developmental and other needs of individual children; and

[(D) organizing and participating in joint transition-related training of school staff and Head Start staff.]

[(3)] (2) A Head Start agency may take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

[(4)] (3) In order to promote the continued involvement of the parents of children that participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall—

[(5)] (4) The Secretary, in cooperation with the Secretary of Education, shall

#### SEC. 642A. HEAD START TRANSITION.

Each Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

(1) developing and implementing a systematic procedure for transferring, with parental consent, Head Start program records for each participating child to the school in which such child will enroll;

(2) establishing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, and health staff) to facilitate coordination of programs;

(3) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers to discuss the developmental and other needs of individual children;

(4) organizing and participating in joint transition-related training of school staff and Head Start staff;

(5) developing and implementing a family outreach and support program in cooperation with entities carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

(6) assisting families, administrators, and teachers in enhancing developmental continuity between Head Start services and elementary school classes.

#### SUBMISSION OF PLANS TO GOVERNORS

SEC. 643. In carrying out the provisions of this subchapter, no contract, agreement, grant, or other assistance shall be made for the purpose of carrying out a Head Start program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the chief executive

officer of the State, and such plan has not been disapproved by such officer [within 30 days] *within 45 days* of such submission, or, if [so disapproved,] *disapproved (for reasons other than failure of the program to comply with State health, safety, and child care laws, including regulations, applicable to comparable child care program within the State)* has been reconsidered by the Secretary and found by the Secretary to be fully consistent with the provisions and in furtherance of the purpose of this subchapter. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance

#### ADMINISTRATIVE REQUIREMENTS AND STANDARDS

##### SEC. 644. (a) \* \* \*

##### (f)(1) \* \* \*

(2) Except as provided in section [640(a)(3)(C)(v)] 640(a)(3)(C)(vi), financial assistance provided under his subchapter may not be used by a Head Start agency to purchase a facility (including paying the cost of amortizing the principal, and paying interest on, loans) to be used to carry out a Head Start program unless the Secretary approves a request that is submitted by such agency and contains—

#### PARTICIPATION IN HEAD START PROGRAMS

SEC. 645. (a)(1) The Secretary shall by regulation prescribe eligibility for the participation of persons in Head Start programs assisted under this subchapter. Except as provided in paragraph (2), such criteria may provide (A) that children from low-income families shall be eligible for participation in programs assisted under this subchapter if their families' incomes are below the poverty line, or if their families are eligible or, in the absence of child care, would potentially be eligible for public assistance; and (B) pursuant to such regulations as the Secretary shall prescribe, [that programs] *that (i) programs* assisted under this subchapter may include, to a reasonable extent, participation of children in the area served who would benefit from such programs but whose families do not meet the low-income criteria prescribed pursuant to clause (A)[.], and (ii) *a child who has been determined to meet the low-income criteria and who is participating in a Head Start program in a program year shall be considered to continue to meet the low-income criteria through the end of the succeeding program year. In determining, for purposes of this paragraph, whether a child who has applied for enrollment in a Head Start program meets the low-income criteria, an entity may consider evidence of family income during the 12 months preceding the month in which the application is submitted, or during the calendar year preceding the calendar*

*year in which the application is submitted, whichever more accurately reflects the needs of the family at the time of application.*

(b) The Secretary shall not prescribe any fee schedule or otherwise provide for the charging of any fees for participation in Head Start programs, unless such fees are authorized by legislation hereafter enacted. Nothing in this subsection shall be construed to prevent the families of children who participate in Head Start programs and who are willing and able to pay the full cost of such participation from doing so. *A Head Start agency that provides a Head Start program with full-working-day services in collaboration with other agencies or entities may collect a family copayment to support extended day services if a copayment is required in conjunction with the partnership. The copayment shall not exceed the copayment charged to families with similar incomes and circumstances who are receiving the services through participation in a program carried out by another agency or entity.*

(c) Each Head Start program operated in a community shall be permitted to provide more than 1 year of Head Start services to eligible children (age 3 compulsory school attendance) in the State. *Each Head Start program operated in a community shall be permitted to recruit and accept applications for enrollment of children throughout the year.*

#### SEC. 645A. EARLY HEAD START PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.

(a) IN GENERAL.—The Secretary shall make grants, in accordance with the provisions of this section [for—

[(1) programs providing] *for programs providing family-centered services for low-income families with very young children designed to promote the development of the children, and to enable their parents to fulfill their roles as parents and to move toward self-sufficiency[; and].*

[(2) provision of training and technical assistance to entities carrying out programs, and evaluation of programs, that were supported under the Comprehensive Child Development Act (42 U.S.C. 9881 et seq.), as in effect on the day before the date of enactment of this section.]

(b) SCOPE AND DESIGN OF PROGRAMS.—In carrying out a program described in subsection (a), an entity receiving assistance under this section shall—

(1) \* \* \*

(5) coordinate service with services provided by programs in the State and programs in the community *(including programs for infants and toddlers with disabilities)* to ensure a comprehensive array of services (such as health and mental health services);

(c) PERSONS ELIGIBLE TO PARTICIPATE.—Persons who may participate in programs described in [subsection (a)(1)] *subsection (a) include—*

(2) families with children under age [3 (or under age 5, in the case of children served by an entity specified in subsection (e)(3))]; 3;

(d) ELIGIBLE SERVICE PROVIDERS.—\* \* \*

[(2) entities that, on the day before the date of enactment of this section, were operating

[(A) Parent-Child Centers receiving financial assistance under section 640(a)(4), as in effect on such date; or

[(B) programs receiving financial assistance under the Comprehensive Child Development Act, as in effect on such date; and]

[(3)] (2) other public entities, and nonprofit private entities, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.

[(e) TIME-LIMITED PRIORITY FOR CERTAIN ENTITIES.—

[(1) IN GENERAL.—From amounts allotted pursuant to paragraphs (2) and (4) of section 640(a), the Secretary shall provide financial assistance in accordance with paragraphs (2) through (4).

[(2) PARENT-CHILD CENTERS.—The Secretary shall make financial assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that—

[(A) complies with subsection (b); and

[(B) received funding as a Parent-Child Center pursuant to section 640(a)(4), as in effect on the day before the date of enactment of this section, for fiscal year 1994.

[(3) COMPREHENSIVE CHILD DEVELOPMENT CENTERS.—

[(A) In the case of an entity that received a grant for fiscal year 1994 to operate a project under the Comprehensive Child Development Act, the Secretary

[(i) shall make financial assistance available under this section, in a comparable amount and scope to the assistance provided for fiscal year 1994, for the duration of the project period specified in the grant award to such entity under such Act; and

[(ii) shall permit such entity, in carrying out activities assisted under this section, to serve children from birth through age 5.

[(B) In the case of an entity that received a grant for fiscal year 1989 to operate a project under the Comprehensive Child Development Act, the Secretary shall make assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that complies with subsection (b).

[(4) EVALUATIONS, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall make financial assistance available under this section as necessary to provide for the evaluation of, and furnishing of training and technical assistance to, programs specified in paragraph (3)(A).]

[(f) (e) SELECTION OF [OTHER] GRANT RECIPIENTS.—[From the balance remaining of the portion specified in section 640(a)(6), after making grants to the eligible entities specified in subsection (e),] From the portion specified in section 640(a)(6), the Secretary shall award grants under this subsection on a competitive basis to applicants meeting the criteria specified in subsection (d) (giving priority to entities with a record of providing early, continuous, and comprehensive childhood development and family services).

[(g) (f) DISTRIBUTION.—In awarding grants to eligible applicants under this section, the Secretary shall—

- (1) ensure an equitable national geographic distribution of the grants; and
- (2) award grants to applicants proposing to serve communities in rural areas and to applicants proposing to serve communities in urban areas.

[(h) SECRETARIAL RESPONSIBILITIES.—

[(1) GUIDELINES.—Not later than September 30, 1994, the Secretary shall develop program guidelines concerning the content and operation of programs assisted under this section—

[(A) in consultation with experts in early childhood development, experts in health, and experts in family services; and

[(B) taking into consideration the knowledge and experience gained from other early childhood program, including programs under the Comprehensive Child Development Act, and from migrant Head Start programs that serve a large number of infants and toddlers.

[(2) STANDARDS.—Not later than December 30, 1994, the Secretary shall develop and publish performance standards for programs assisted under this section, and a grant announcement based on the guidelines developed under paragraph (1).

[(3) MONITORING, TRAINING, TECHNICAL ASSISTANCE, AND EVALUATION.—In order to ensure the successful operation of programs assisted under this section, the Secretary shall use funds from the balance described in subsection (f) to monitor the operation of such programs, evaluate their effectiveness, and provide training and technical assistance tailored to the particular needs of such programs.]

(g) MONITORING, TRAINING, TECHNICAL ASSISTANCE, AND EVALUATION.—In order to ensure the successful operation of programs assisted under this section, the Secretary shall use funds from the portion specified in section 640(a)(6) to monitor the operation of such programs, evaluate their effectiveness, and provide training and technical assistance tailored to the particular needs of such programs.

(h) TRAINING AND TECHNICAL ASSISTANCE ACCOUNT.—

(1) IN GENERAL.—Of the amount made available to carry out this section for any fiscal year, not less than 5 percent and not

more than 10 percent shall be reserved to fund a training and technical assistance account.

(2) ACTIVITIES.—Funds in the account may be used for purposes including—

(A) making grants to, and entering into contracts with, organizations with specialized expertise relating to infants, toddlers, and families and the capacity needed to provide direction and support to a national training and technical assistance system, in order to provide such direction and support;

(B) providing ongoing training and technical assistance for regional and program staff charged with monitoring and overseeing the administration of the program carried out under this section;

(C) providing ongoing training and technical assistance for existing recipients of grants under subsection (a) and support and program planning and implementation assistance for new recipients of such grants; and

(D) providing professional development and personnel enhancement activities, including the provision of funds to recipients of grants under subsection (a) for the recruitment and retention of qualified staff with an appropriate level of education and experience.

#### TECHNICAL ASSISTANCE AND TRAINING

SEC. 648. (a) \* \* \*

(1) ensure that the needs of local Head Start agencies and programs relating to improving program quality and to program expansion are addressed to the maximum extent feasible[; and];

(2) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the individuals and agencies carrying out Head Start programs[; and]

(3) ensure the provision of technical assistance to assist Head Start agencies, entities carrying out other child care and early childhood programs, communities, and States in collaborative efforts to provide quality full-working-day, full calendar year services, including technical assistance related to identifying and assisting in resolving barriers to collaboration.

(c) In allocating resources for technical assistance and training under this section, the Secretary shall—

(1) \* \* \*

(4) assist Head Start agencies and programs in [developing] developing and implementing full-working-day and full-calendar-year programs where community need is clearly identified and making the transition to such programs, with particular attention to involving parents and programming for children throughout [a longer day;] the day, and assist the agen-

*cies and programs in expediting the sharing of information about innovative models for providing full-working-day, full calendar year services for children;*

\* \* \* \* \*

(7) assist in efforts to secure and maintain adequate facilities for Head Start programs[; and];

(8) assist Head Start agencies in developing innovative program models, including mobile and home-based programs[.]; and

(9) assist Head Start agencies in—

(A) ensuring the school readiness of children; and

(B) meeting the education performance standards described in this subchapter.

\* \* \* \* \*

(e) The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to non-English language background children (including services to promote the acquisition of the English language), training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled children.

#### SEC. 648A. STAFF QUALIFICATIONS AND DEVELOPMENT.

(a) CLASSROOM TEACHERS.—

(1) DEGREE REQUIREMENTS.—The Secretary shall ensure that not later than September 30, 1996, each Head Start classroom in a center-based program is assigned one teacher who has—

(A) demonstrated competency to perform functions that include—

(i) planning and implementing learning experiences that advance the intellectual and physical development of children, including improving the readiness of children for school by developing their literacy and phonemic, print, and numeracy awareness, their understanding and use of oral language, their understanding and use of increasingly complex and varied vocabulary, their appreciation of books, and their problem solving abilities;

(ii) establishing and maintaining a safe, healthy learning environment;

(iii) supporting the social and emotional development of children; and

(iv) encouraging the involvement of the families of the children in a Head Start program and supporting the development of relationships between children and their families; and

[(A)] (B)(i) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

[(B)] (ii) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

[(C)] (iii) an associate, a baccalaureate, or an advanced degree in early childhood education; or

[(D)] (iv) a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.

[(2) WAIVER.—On request, the Secretary shall grant a 180-day waiver of the requirements of paragraph (1) with respect to an individual who—

[(A) is first employed after September 30, 1996, by a Head Start agency as a teacher for a Head Start classroom;

[(B) is enrolled in a program that grants any credential, certificate, or degree specified in subparagraph (A), (B), (C), or (D) of paragraph (1); and

[(C) will receive such credential under the terms of such program not later than 180 days after beginning employment as a teacher with such agency.]

(2) WAIVER.—On request, the Secretary shall grant a 180-day waiver of the requirements of paragraph (1)(B), for a Head Start agency that can demonstrate that the agency has unsuccessfully attempted to recruit an individual who has a credential, certificate, or degree described in paragraph (1)(B), with respect to an individual who—

(A) is enrolled in a program that grants any such credential, certificate, or degree; and

(B) will receive such credential, certificate, or degree under the terms of such program not later than 180 days after beginning employment as a teacher with such agency.

#### SEC. 649. RESEARCH, DEMONSTRATIONS, AND EVALUATION.

(a) IN GENERAL.—

(1) REQUIREMENT; GENERAL PURPOSES.— \* \* \*

(d) SPECIFIC OBJECTIVES.—The research, demonstration, and evaluation activities under this subchapter shall include components designed to—

(1) \* \* \*

(6) provide for disseminating and promoting the use of the findings from such research, demonstration, and evaluation activities[; and];

(7) promote exploration of areas in which knowledge is insufficient, and that will otherwise contribute to fulfilling the purposes of this subchapter[.]; and

(8) study the experiences of small, medium, and large States with Head Start programs in order to permit comparisons of children participating in the programs with eligible children who did not participate in the programs, which study—

(A) may include the use of a data set that existed prior to the initiation of the study; and

(B) shall compare the educational achievement, social adaptation, and health status of the participating children and the eligible nonparticipating children.

The Secretary shall ensure that an appropriate entity carries out a study described in paragraph (8), and prepares and submits to the appropriate committees of Congress a report containing the results of the study, not later than September 30, 2002.

\* \* \* \* \*

(g) NATIONAL HEAD START IMPACT RESEARCH.—

(1) EXPERT PANEL.—

(A) IN GENERAL.—The Secretary shall appoint an independent panel consisting of experts in program evaluation and research, education, and early childhood programs—

(i) to review, and make recommendations on, the design and plan for the research (whether conducted as a single assessment or as a series of assessments), described in paragraph (2), within 1 year after the date of enactment of the Human Services Reauthorization Act of 1998;

(ii) to maintain and advise the Secretary regarding the progress of the research; and

(iii) to comment, if the panel so desires, on the interim and final research reports submitted under paragraph (7).

(B) TRAVEL EXPENSES.—The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the panel.

(2) GENERAL AUTHORITY.—After reviewing the recommendations of the expert panel the Secretary shall enter into a grant, contract, or cooperative agreement with an organization to conduct independent research that provides a national analysis of the impact of Head Start programs. The Secretary shall ensure that the organization shall have expertise in program evaluation, and research, education, and early childhood programs.

(3) DESIGNS AND TECHNIQUES.—The Secretary shall ensure that the research uses rigorous methodological designs and techniques (based on the recommendations of the expert panel), including longitudinal designs, control groups, nationally recognized standardized measures, and random selection and assignment, as appropriate. The Secretary may provide that the research shall be conducted as a single comprehensive assessment or as a group of coordinated assessments designed to provide, when taken together, a national analysis of the impact of Head Start programs.

(4) PROGRAMS.—The Secretary shall ensure that the research focuses primarily on Head Start programs that operate in the 50 States, the Commonwealth of Puerto Rico, or the District of Columbia and that do not specifically target special populations.

(5) ANALYSIS.—The Secretary shall ensure that the organization conducting the research—

(A)(i) determines if, overall, the Head Start programs have impacts consistent with their primary goal of increasing the social competence of children, by increasing the everyday effectiveness of the children in dealing with their present environments and future responsibilities, and increasing their school readiness;

(ii) considers whether the Head Start programs—  
(I) enhance the growth and development of children in cognitive, emotional, and physical health areas;  
(II) strengthen families as the primary nurturers of their children; and  
(III) ensure that children attain school readiness; and

(iii) examines—

(I) the impact of the Head Start programs on increasing access of children to such services as educational, health, and nutritional services, and linking children and families to needed community services; and

(II) how receipt of services described in subclause (I) enriches the lives of children and families participating in Head Start programs;

(B) examines the impact of Head Start programs on participants on the date the participants leave Head Start programs, at the end of kindergarten, and at the end of first grade, by examining a variety of factors, including educational achievement, referrals for special education or remedial course work, and absenteeism;

(C) makes use of random selection from the population of all Head Start programs described in paragraph (4) in selecting programs for inclusion in the research; and

(D) includes comparisons of individuals who participate in Head Start programs with control groups (including comparison groups) composed of—

(i) individuals who participate in other early childhood programs (such as preschool programs and day care); and

(ii) individuals who do not participate in any other early childhood program.

(6) CONSIDERATION OF SOURCES OF VARIATION.—In designing the research, the Secretary shall, to the extent practicable, consider addressing possible sources of variation in impact of Head Start programs, including variations in impact related to such factors as—

(A) Head Start program operations;

(B) Head Start program quality;

(C) the length of time a child attends a Head Start program;

(D) the age of the child on entering the Head Start program;

(E) the type of organization (such as a local educational agency or a community action agency) providing services for the Head Start program;

(F) the number of hours and days of program operation of the Head Start program (such as whether the program is a full-working-day, full calendar year program, a part-day program, or a part-year program); and

(G) other characteristics and features of the Head Start program (such as geographic location, location in an urban or a rural service area, or participant characteristics), as appropriate.

**(7) REPORTS.—**

(A) **SUBMISSION OF INTERIM REPORTS.**—The organization shall prepare and submit to the Secretary 2 interim reports on the research. The first interim report shall describe the design of the research, and the rationale for the design, including a description of how potential sources of variation in impact of Head Start programs have been considered in designing the research. The second interim report shall describe the status of the research and preliminary findings of the research, as appropriate.

(B) **SUBMISSION OF FINAL REPORT.**—The organization shall prepare and submit to the Secretary a final report containing the findings of the research.

**(C) TRANSMITTAL OF REPORTS TO CONGRESS.—**

(i) **IN GENERAL.**—The Secretary shall transmit, to the committees described in clause (ii), the first interim report by September 30, 1999, the second interim report by September 30, 2001, and the final report by September 30, 2003.

(ii) **COMMITTEES.**—The committees referred to in clause (i) are the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(8) **DEFINITION.**—In this subsection, the term “impact”, used with respect to a Head Start program, means a difference in an outcome for a participant in the program that would not have occurred without the participation in the program.

**(g) QUALITY IMPROVEMENT STUDY.**

(1) **STUDY.**—The Secretary shall conduct a study regarding the use and effects of use of the quality improvement funds made available under section 640(a)(3) of the Head Start Act (42 U.S.C. 9835(a)(3)) since fiscal year 1991.

(2) **REPORT.**—The Secretary shall prepare and submit to Congress not later than September 2000 a report containing the results of the study, including—

(A) the types of activities funded with the quality improvement funds;

(B) the extent to which the use of the quality improvement funds has accomplished the goals of section 640(a)(3)(B);

(C) the effect of use of the quality improvement funds on teacher training, salaries, benefits, recruitment, and retention; and

(D) the effect of use of the quality improvement funds on the cognitive and social development of children receiving services under the this subchapter.

**SEC. 650. REPORTS.**

- \* \* \* \* \*
- (1) \* \* \*
- \* \* \* \* \*
- (13) a summary of information concerning the research, [demonstration,] and evaluation activities conducted under section 649, including—
- \* \* \* \* \*

**~~COMMUNITY SERVICES BLOCK GRANT ACT~~**

**[Subtitle B—Community Services Block Grant Program**

**[SHORT TITLE**

**[SEC. 671.** this subtitle may be cited as the “Community Services Block Grant Act.”

**[COMMUNITY SERVICES GRANTS AUTHORIZED**

**[SEC. 672.** (a) The Secretary is authorized to make grants in accordance with the provisions of this subtitle, to States to ameliorate the causes of poverty in communities within the State.

**[(b)** There are authorized to be appropriated \$451,500,000 for fiscal year 1990, \$451,500,000 for fiscal year 1991, \$460,000,000 for fiscal year 1992, \$480,000,000 for fiscal year 1993, and \$500,000,000 for fiscal year 1994 to carry out the provisions of this subtitle (other than section 681A).

**[DEFINITIONS**

**[SEC. 673.** For purposes of this subtitle:

**[(1)** The term “eligible entity” means any organization which was officially designated a community action agency or a community action program under the provisions of section 210 of the Economic Opportunity Act of 1964 for fiscal year 1981, or which came into existence during fiscal year 1982 as a direct successor in interest to such a community action agency or community action program and meets all the requirements under section 675(c)(3) of this Act with respect to the composition of the board, unless such community action agency or a community action program lost its designation under section 210 of such Act as a result of a failure to comply with the provisions of such Act. The term “eligible entity” also includes any



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE GENERAL COUNSEL

August 5, 1998

NOTE TO: Ann O'Leary, ODS  
Bill Wooten, OESE  
Mary Jean LeTendre, OESE  
Susan Wilhelm, OESE  
Pat McKee, OESE  
Tom Corwin, OUS/BS  
Lonna Jones, OUS/BS  
Sandra Cook, OLCA  
Kay Rigling  
Miriam Whitney

RE: Head Start reauthorization: HHS letters

Attached, for your information, are letters from HHS Secretary Shalala to the House and Senate authorizing committees on H.R. 4241 and S. 2206, bills to reauthorize the Head Start program.

The full Senate passed S. 2206 last week. The House has not yet acted on H.R. 4241, which the Committee on Education and the Workforce approved last Wednesday.

A handwritten signature in cursive script, reading "Paul R", is written over a horizontal line.

Paul Riddle

Attachments

cc: Leslie Somerville



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

July 29, 1998

The Honorable William F. Goodling  
Chairman, Committee on Education and the Workforce  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing to express the views of the Administration on H.R. 4241, the "Head Start Amendments of 1998", based upon the draft substitute that we understand will be considered by the Education and the Workforce Committee this week.

We are pleased with many of the provisions in the draft substitute, including the five year reauthorization, the priority on full-day/full-year services, new literacy demonstrations, a greater emphasis on school readiness and improved collaboration and research efforts. We also appreciate the elimination of several of the original provisions of H.R. 4241, such as the duplication of paternity establishment already required by the Temporary Assistance for Needy Families (TANF) program, and certificates and waivers that would have undermined accountability for the program and jeopardized further bipartisan cooperation. We would, however, strongly oppose the bill as currently drafted unless further important changes are made.

As you know, there has been a long and honored tradition of bipartisan cooperation regarding Head Start and its comprehensive services for disadvantaged children and their families. For years, Congressional leaders and Administration officials of both parties have worked hand in hand to ensure that Head Start continues its successful efforts to prepare low-income and disabled children for school and to help their families gain self-sufficiency. You will recall that in 1994, your staff played a vital role on the Advisory Committee on Head Start Quality and Expansion, and you sponsored the ensuing bipartisan legislation that won swift and overwhelming Congressional approval.

We believe your 1994 legislation created a blueprint for quality and expansion of Head Start and established a solid foundation for moving the program into the 21st century. We therefore strongly urge your Committee to approve bipartisan legislation that maintains this solid foundation and continues toward our goal of serving 1 million children by 2002 -- including double the number of infants and toddlers in Early Head Start.

We strongly oppose the provisions of the substitute bill that would freeze the growth in Early Head Start over the next three years and severely limit the expansion of Head Start to additional low-income and disabled infants, toddlers and preschoolers who would greatly benefit from the program's comprehensive services. Currently, Head Start serves approximately 40 percent of eligible

The Honorable William F. Goodling - Page 2

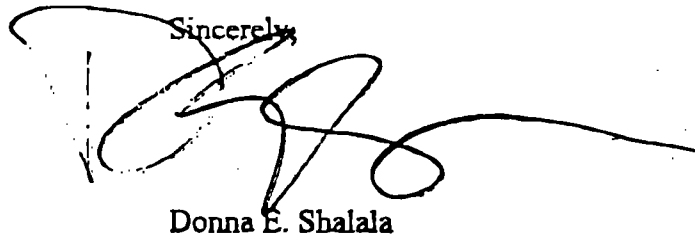
preschoolers and a much smaller proportion of eligible infants and toddlers. Despite the overwhelming need for Head Start, the valuable preparation it provides preschoolers and the benefits of early intervention for infants and toddlers, provisions of the substitute would greatly limit the growth in Early Head Start and prevent up to 40,000 additional disadvantaged children from enrolling in Head Start over the next two years alone. We strongly support efforts to maintain and improve the quality of Head Start services and are very proud of the program and the quality provisions in the existing law. We urge you to maintain these existing effective provisions and to drop the provisions in the bill that would disrupt this critical balance between expansion of services to additional children and quality activities forged by the bipartisan Advisory Committee on Head Start Quality and Expansion.

We also strongly oppose provisions in the substitute bill that would repeal the application of Davis-Bacon prevailing wage rates that provide essential protections for workers. This provision adds unnecessary political controversy to a Head Start program that has long enjoyed widespread support.

We cannot support legislation that includes these and other provisions that detract from efforts to move Head Start into the 21st century. We urge you to approve bipartisan legislation that will reauthorize Head Start and continue to strengthen this vital program for disadvantaged children and families before the 105th Congress adjourns.

The Office of Management and Budget has advised that there is no objection to the transmission of this letter from the standpoint of the Administration's program.

Sincerely,

A handwritten signature in black ink, appearing to be "Donna E. Shalala", written over a horizontal line.

Donna E. Shalala



THE SECRETARY OF HEALTH AND HUMAN SERVICES  
WASHINGTON, D.C. 20201

June 24, 1998

The Honorable James M. Jeffords  
Chairman  
Committee on Labor and Human Resources  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

We take this opportunity to inform you of the Department's views on S. 2206, the Human Services Reauthorization Act of 1998. The Administration supports the work of your Committee to gain enactment of bipartisan legislation to reauthorize the Head Start program, the Low-Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG) program this year as well as to create a demonstration program for Individual Development Accounts (IDA). Based on our understanding of the provisions included in S.2206, which you have sponsored with Senators Kennedy, Coats and Dodd, we support the improvements that the bill makes to these essential human services programs.

**Head Start**

We are pleased that your bill maintains the critical improvements to the Head Start program initiated by the historic bipartisan legislation enacted in 1994 and incorporates many of the Administration's proposals submitted this year. We fully support the five-year reauthorization of the program contained in S. 2206 and its specific authority to increase the exciting new Early Head Start program over the next five years. We support provisions in your bill that build upon the promising efforts begun in 1994 and provide greater emphasis on collaboration with States and other providers of preschool services; full-day, full-year services; school readiness, literacy training and related teacher qualifications; and services for children with disabilities.

We also fully support efforts to learn more about the Head Start program and measure the outcomes for Head Start children. Since 1994, we have undertaken a wealth of new initiatives and systems to promote stronger accountability and program quality, including the Head Start Quality Research Consortium and the ground-breaking Family and Child Experiences Study (FACES). As you know, FACES is an ambitious effort to assess the performance of the Head Start program on an ongoing basis through a national longitudinal study of a representative sample of Head Start children and families. We look forward to convening the expert panel of researchers and reviewing their recommendations on the best approach to carry out the research initiatives outlined in your bill.

Page 2 - The Honorable James M. Jeffords

We will work with the Committee to address remaining issues relating to the Head Start title of the bill.

### **CSBG**

We commend your efforts to strengthen accountability in the Community Services Block Grant program by improving the program's existing performance measurement system. We also appreciate your commitment to a fundamental aspect of the Community Services Block Grant program: the tripartite governing board. The tripartite board has been an important way for low-income persons to participate in planning services and activities to improve the conditions in which they live. Your bill expands the role of private, nonprofit organizations in a number of ways but we have concerns about ensuring the essential and historic role of the existing community services network and preserving the role of low-income persons in the planning and administration of the programs administered by these funds. We also have technical concerns, including concerns with the provision for the designation and redesignation of eligible entities in unserved areas, and the time frame for reviewing determinations by State agencies. We look forward to working with your staff on these and other issues.

### **LIHEAP**

We support the reauthorization of the LIHEAP program. We believe that the bill's increased availability of resources for the administration of the program in the smaller States, Tribes and territories will make the program more effective. Additionally, the increased resources for technical assistance, training, and compliance reviews will also be crucial to improving the effectiveness of the program.

### **IDA**

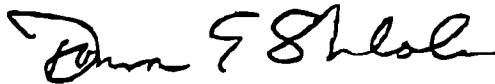
We also are pleased that the bill includes a new demonstration project designed to encourage low-income persons to establish individual development accounts for the purpose of accumulating assets to be used for postsecondary education, home ownership and micro enterprise development expenses. The Clinton Administration has supported the concept of individual development accounts and looks forward to the increased utilization of such accounts that this legislation would create. The Administration will continue its discussions with the Committee about provisions regarding this new effort.

We greatly appreciate the leadership and cooperation with which your Committee and staff have approached the reauthorization of these vital programs, and will provide you with further comments as we continue to review S. 2206. We hope to work with you in the weeks ahead to gain Senate approval and final passage of legislation that takes Head Start, Community Services and the Low-Income Home Energy Assistance programs into the 21st century.

Page 3 - The Honorable James M. Jeffords

The Office of Management and Budget has advised that there is no objection to the transmission of this letter from the standpoint of the Administration's program.

Sincerely,

A handwritten signature in cursive script, appearing to read "Donna E. Shalala".

Donna E. Shalala

Head Start Reauthorization

105TH CONGRESS  
2D SESSION

S. \_\_\_\_\_

Titles I + IV only

IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_ introduced the following bill: which was read twice and  
referred to the Committee on \_\_\_\_\_

**A BILL**

To amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Human Services Reau-  
5 thorization Act of 1998".

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—HEAD START PROGRAMS

- Sec. 101. Short title.
- Sec. 102. References.
- Sec. 103. Statement of purpose.
- Sec. 104. Definitions.
- Sec. 105. Financial assistance for Head Start programs.
- Sec. 106. Authorization of appropriations.
- Sec. 107. Allotment of funds.
- Sec. 108. Designation of Head Start agencies.
- Sec. 109. Quality standards.
- Sec. 110. Powers and functions of Head Start agencies.
- Sec. 111. Head Start transition.
- Sec. 112. Submission of plans to Governors.
- Sec. 113. Participation in Head Start programs.
- Sec. 114. Early Head Start programs for families with infants and toddlers.
- Sec. 115. Technical assistance and training.
- Sec. 116. Staff qualifications and development.
- Sec. 117. Research, demonstration, and evaluation.

TITLE II—COMMUNITY SERVICES BLOCK GRANT PROGRAM

- Sec. 201. Reauthorization.
- Sec. 202. Conforming amendments.
- Sec. 203. Repealers.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE

- Sec. 301. Authorization.
- Sec. 302. Definitions.
- Sec. 303. Natural disasters and other emergencies.
- Sec. 304. State allotments.
- Sec. 305. Administration.
- Sec. 306. Payments to States.
- Sec. 307. Residential Energy Assistance Challenge option.
- Sec. 308. Technical assistance, training, and compliance reviews.

TITLE IV—ASSETS FOR INDEPENDENCE

- Sec. 401. Short title.
- Sec. 402. Findings.
- Sec. 403. Purposes.
- Sec. 404. Definitions.
- Sec. 405. Applications.
- Sec. 406. Demonstration authority: annual grants.
- Sec. 407. Reserve fund.
- Sec. 408. Eligibility for participation.
- Sec. 409. Selection of individuals to participate.
- Sec. 410. Deposits by qualified entities.
- Sec. 411. Local control over demonstration projects.
- Sec. 412. Annual progress reports.
- Sec. 413. Sanctions.
- Sec. 414. Evaluations.
- Sec. 415. Treatment of funds.
- Sec. 416. Authorization of appropriations.

# **TITLE I—HEAD START PROGRAMS**

## **SEC. 101. SHORT TITLE.**

This title may be cited as the "Head Start Amendments of 1998".

## **SEC. 102. REFERENCES.**

Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Head Start Act (42 U.S.C. 9831 et seq.).

## **SEC. 103. STATEMENT OF PURPOSE.**

The Head Start Act is amended by striking section 636 (42 U.S.C. 9831) and inserting the following:

### **"SEC. 636. STATEMENT OF PURPOSE.**

"It is the purpose of this subchapter to promote school readiness by enhancing the social and cognitive development of low-income children through the provision to low-income children and their families, of health, educational, nutritional, social, and other services that are determined to be necessary, based on family needs assessments."

## **SEC. 104. DEFINITIONS.**

Section 637 (42 U.S.C. 9832) is amended—

1 (1) by redesignating paragraphs (3) through  
2 (14) as paragraphs (4) through (15), respectively;

3 (2) by inserting after paragraph (2) the follow-  
4 ing:

5 “(3) The term ‘child with a disability’ means—

6 “(A) a child with a disability, as defined in  
7 section 602(3) of the Individuals with Disabil-  
8 ities Education Act; and

9 “(B) an infant or toddler with a disability,  
10 as defined in section 632(5) of such Act.”;

11 (3) by striking paragraph (5) (as redesignated  
12 in paragraph (1)) and inserting the following:

13 “(5) The term ‘family literacy services’ means  
14 services that—

15 “(A) are provided to participants who re-  
16 ceive the services on a voluntary basis;

17 “(B) are of sufficient intensity, and of suf-  
18 ficient duration, to make sustainable changes in  
19 a family (such as eliminating or reducing de-  
20 pendence on income-based public assistance);  
21 and

22 “(C) integrate each of—

23 “(i) interactive literacy activities be-  
24 tween parents and their children;

1                   “(ii) training for parents on being  
2                   partners with their children in learning:

3                   “(iii) parent literacy training, includ-  
4                   ing training that contributes to economic  
5                   self-sufficiency; and

6                   “(iv) appropriate instruction for chil-  
7                   dren of parents receiving the parent lit-  
8                   eracy training.”:

9                   (4) in paragraph (7) (as redesignated in para-  
10                  graph (1)), by adding at the end the following:  
11                  “Nothing in this paragraph shall be construed to re-  
12                  quire an agency to provide services to a child who  
13                  has not reached the age of compulsory school attend-  
14                  ance for more than the number of hours per day  
15                  permitted by State law (including regulation) for the  
16                  provision of services to such a child.”:

17                  (5) by striking paragraph (13) (as redesignated  
18                  in paragraph (1)) and inserting the following:

19                  “(13) The term “migrant or seasonal Head  
20                  Start program” means—

21                  “(A) with respect to services for migrant  
22                  farmworkers, a Head Start program that serves  
23                  families who are engaged in agricultural labor  
24                  and who have changed their residence from 1

1 geographic location to another in the preceding  
2 2-year period; and

3 "(B) with respect to services for seasonal  
4 farmworkers: a Head Start program that serves  
5 families who are engaged primarily in seasonal  
6 agricultural labor and who have not changed  
7 their residence to another geographic location in  
8 the preceding 2-year period."; and

9 (6) by adding at the end the following:

10 "(16) The term 'reliable and replicable', used  
11 with respect to research, means an objective, valid,  
12 scientific study that—

13 "(A) includes a rigorously defined sample  
14 of subjects, that is sufficiently large and rep-  
15 resentative to support the general conclusions of  
16 the study;

17 "(B) relies on measurements that meet es-  
18 tablished standards of reliability and validity;

19 "(C) is subjected to peer review before the  
20 results of the study are published; and

21 "(D) discovers effective strategies for en-  
22 hancing the development and skills of chil-  
23 dren.".

1 SEC. 105. FINANCIAL ASSISTANCE FOR HEAD START PRO-  
2 GRAMS.

3 Section 638(1) (42 U.S.C. 9833(1)) is amended—

4 (1) by striking “aid the” and inserting “enable  
5 the”; and

6 (2) by striking the semicolon and inserting  
7 “and attain school readiness.”

8 SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

9 Section 639 (42 U.S.C. 9834) is amended—

10 (1) in subsection (a), by striking “1995 through  
11 1998” and inserting “1999 through 2003”; and

12 (2) in subsection (b), by striking all that follows  
13 “shall make available—” and inserting the following:

14 “(1) for each of fiscal years 1999 through 2003  
15 to carry out activities authorized under section  
16 642A, not more than \$35,000,000 but not less than  
17 was made available for such activities for fiscal year  
18 1998;

19 “(2) not more than \$5,000,000 for each of fis-  
20 cal years 1999 through 2003 to carry out impact  
21 studies under section 649(f); and

22 “(3) not more than \$12,000,000 for fiscal year  
23 1999, and such sums as may be necessary for each  
24 of fiscal years 2000 through 2003, to carry out  
25 other research, demonstration, and evaluation activi-

1 ties, including longitudinal studies, under section  
2 649."

3 **SEC. 107. ALLOTMENT OF FUNDS.**

4 (a) **ALLOTMENTS.**—Section 640(a) (42 U.S.C.  
5 9835(a)) is amended—

6 (1) in paragraph (2)—

7 (A) in subparagraph (A)—

8 (i) by striking "handicapped children"  
9 and inserting "children with disabilities";

10 (ii) by striking "migrant Head Start  
11 programs" each place it appears and in-  
12 serting "migrant or seasonal Head Start  
13 programs";

14 (iii) by striking "1994" and inserting  
15 "1998"; and

16 (iv) by adding at the end the follow-  
17 ing: "In determining the need and demand  
18 for migrant and seasonal Head Start pro-  
19 grams, and services provided through such  
20 programs, the Secretary shall consult with  
21 appropriate entities, including providers of  
22 services for seasonal and migrant Head  
23 Start programs. The Secretary shall, after  
24 taking into consideration the need and de-  
25 mand for migrant and seasonal Head Start

1 programs, and such services, ensure that  
2 there is an adequate level of such services  
3 for the children of eligible migrant farm-  
4 workers before approving an increase in  
5 the allocation provided for children of eligi-  
6 ble seasonal farmworkers.”;

7 (B) in subparagraph (C), by striking  
8 “and” at the end;

9 (C) in subparagraph (D), by striking “re-  
10 lated to the development and implementation of  
11 quality improvement plans under section  
12 641A(d)(2)” and inserting “carried out under  
13 paragraph (1), (2), or (3) of section 641A(d)  
14 related to correcting deficiencies and conducting  
15 proceedings to terminate the designation of  
16 Head Start agencies; and”;

17 (D) by inserting after subparagraph (D)  
18 the following:

19 “(E) payments for research, demonstration, and  
20 evaluation activities under section 649.”; and

21 (E) by adding at the end the following: “In  
22 carrying out this subchapter, the Secretary  
23 shall continue the administrative arrangement  
24 responsible for meeting the needs of migrant or  
25 seasonal farmworker and Indian children and

1 shall assure that appropriate funding is pro-  
2 vided to meet such needs.”:

3 (2) in paragraph (3)—

4 (A) in subparagraph (B)—

5 (i) in clause (ii)—

6 (I) by striking “adequate quali-  
7 fied staff” and inserting “adequate  
8 numbers of qualified staff”: and

9 (II) by inserting “and children  
10 with disabilities” before “. when”:

11 (ii) in clause (iv), by inserting before  
12 the period the following: “. and to encour-  
13 age the staff to continually improve their  
14 skills and expertise by informing the staff  
15 of the availability of State and Federal in-  
16 centive and loan forgiveness programs for  
17 professional development and by providing  
18 for preferences in the awarding of salary  
19 increases, in excess of cost of living allow-  
20 ances, to staff who obtain additional train-  
21 ing or education related to their respon-  
22 sibilities as employees of a Head Start pro-  
23 gram or to advance their careers within  
24 the Head Start program”:

1           (iii) in clause (vi), by striking the pe-  
2           riod and inserting “, and are physically ac-  
3           cessible to children with disabilities and  
4           their parents.”;

5           (iv) by redesignating clause (vii) as  
6           clause (viii); and

7           (v) by inserting after clause (vi) the  
8           following:

9           “(vii) Ensuring that such programs have quali-  
10          fied staff that can promote language skills and lit-  
11          eracy growth of children and that provide children  
12          with a variety of skills that have been identified,  
13          through research that is reliable and replicable, as  
14          predictive of later reading achievement.”;

15          (B) in subparagraph (C)—

16           (i) in clause (i)(I)—

17           (I) by striking “of staff” and in-  
18           serting “of classroom teachers and  
19           other staff”; and

20           (II) by striking “such staff” and  
21           inserting “qualified staff, including re-  
22           cruitment and retention pursuant to  
23           section 648A(a)”;

24           (ii) by striking clause (ii) and insert-  
25           ing the following:

“(ii) To supplement amounts provided under paragraph (2)(C) to provide training to classroom teachers and other staff on proven techniques that promote—

“(I) language and literacy growth; and

“(II) the acquisition of the English language for non-English background children and families.”;

(iii) in clause (v), by inserting “accessibility or” before “availability”;

(iv) to redesignate clauses (iii), (iv), (v), and (vi) as clauses (iv), (v), (vi), and (iii), respectively; and

(v) by inserting clause (iii) (as redesignated in clause (iv) of this subparagraph) after clause (ii); and

(C) in subparagraph (D)(i)(II), by striking “migrant Head Start programs” and inserting “migrant or seasonal Head Start programs”;

(3) in paragraph (4)(A), by striking “1981” and inserting “1998”;

(4) in paragraph (5)—

(A) in subparagraph (A), by striking “subparagraph (B)” and inserting “subparagraphs (B) and (D)”;

1 (B) in subparagraph (B). by inserting be-  
2 fore the period the following "and encourage  
3 Head Start agencies to collaborate with entities  
4 involved in State and local planning processes  
5 (including the State lead agency administering  
6 the financial assistance received under the Child  
7 Care and Development Block Grant Act of  
8 1990 (42 U.S.C. 9858 et seq.) and the entities  
9 providing resource and referral services in the  
10 State) in order to better meet the needs of low-  
11 income children and families";

12 (C) in subparagraph (C)—

13 (i) in clause (i)(I). by inserting "the  
14 appropriate regional office of the Adminis-  
15 tration for Children and Families and" be-  
16 fore "agencies";

17 (ii) in clause (iii). by striking "and"  
18 at the end;

19 (iii) in clause (iv)—

20 (I) by striking "education. and  
21 national service activities." and insert-  
22 ing "education. and community serv-  
23 ice activities.";

24 (II) by striking "and activities".  
25 and inserting "activities"; and

1 (III) by striking the period and  
2 inserting “. and services for homeless  
3 children: and”: and

4 (iv) by adding at the end the follow-  
5 ing:

6 “(v) include representatives of the State Head  
7 Start Association and local Head Start agencies in  
8 unified planning regarding early care and education  
9 services at both the State and local levels, including  
10 collaborative efforts to plan for the provision of full-  
11 working-day, full calendar year early care and edu-  
12 cation services for children.”:

13 (D) by redesignating subparagraph (D) as  
14 subparagraph (F): and

15 (E) by inserting after subparagraph (C)  
16 the following:

17 “(D) Following the award of collaboration grants de-  
18 scribed in subparagraph (B), the Secretary shall provide,  
19 from the reserved sums, supplemental funding for collabo-  
20 ration grants—

21 “(i) to States that (in consultation with their  
22 State Head Start Associations) develop statewide,  
23 regional, or local unified plans for early childhood  
24 education and child care that include the participa-  
25 tion of Head Start agencies: and

1           “(ii) to States that engage in other innovative  
2     collaborative initiatives, including plans for collabo-  
3     rative training and career development initiatives for  
4     child care, early childhood education, and Head  
5     Start service managers, providers, and staff.

6     “(E)(i) The Secretary shall—

7           “(I) review on an ongoing basis evidence of bar-  
8     riers to effective collaboration between Head Start  
9     programs and other Federal child care and early  
10    childhood education programs and resources;

11          “(II) develop initiatives, including providing ad-  
12    ditional training and technical assistance and mak-  
13    ing regulatory changes, in necessary cases, to elimi-  
14    nate barriers to the collaboration; and

15          “(III) develop a mechanism to resolve adminis-  
16    trative and programmatic conflicts between such  
17    programs that would be a barrier to service provid-  
18    ers, parents, or children related to the provision of  
19    unified services and the consolidation of funding for  
20    child care services.

21     “(ii) In the case of a collaborative activity funded  
22    under this subchapter and another provision of law provid-  
23    ing for Federal child care or early childhood education,  
24    the use of equipment and nonconsumable supplies pur-  
25    chased with funds made available under this subchapter

1 or such provision shall not be restricted to children en-  
2 rolled or otherwise participating in the program carried  
3 out under that subchapter or provision, during a period  
4 in which the activity is predominantly funded under this  
5 subchapter or such provision.”; and

6 (5) in paragraph (6)—

7 (A) by inserting “(A)” before “From”; and

8 (B) by striking “3 percent” and all that  
9 follows and inserting the following: “7.5 percent  
10 for fiscal year 1999, 8 percent for fiscal year  
11 2000, 9 percent for fiscal year 2001, 10 percent  
12 for fiscal year 2002, and 10 percent for fiscal  
13 year 2003, of the amount appropriated pursu-  
14 ant to section 639(a), except as provided in  
15 subparagraph (B).

16 “(B)(i) For any fiscal year for which the Secretary  
17 determines that the amount appropriated under section  
18 639(a) is not sufficient to permit the Secretary to reserve  
19 the portion described in subparagraph (A) without reduc-  
20 ing the number of children served by Head Start programs  
21 or negatively impacting the quality of Head Start services,  
22 relative to the number of children served and the quality  
23 of the services during the preceding fiscal year, the Sec-  
24 retary may reduce the percentage of funds required to be  
25 reserved for the portion described in subparagraph (A) for

1 the fiscal year for which the determination is made, but  
 2 not below the percentage required to be so reserved for  
 3 the preceding fiscal year.

4       “(ii) For any fiscal year for which the amount appro-  
 5 priated under section 639(a) is lowered to a level that re-  
 6 quires a reduction in the amount made available under  
 7 this subchapter to Head Start agencies and entities de-  
 8 scribed in section 645A, relative to the amount made avail-  
 9 able to the agencies and entities for the preceding fiscal  
 10 year, adjusted as described in paragraph (3)(A)(ii), the  
 11 Secretary shall proportionately reduce—

12           “(I) the amounts made available to the entities  
 13 for programs carried out under section 645A; and

14           “(II) the amounts made available to Head Start  
 15 agencies for Head Start programs.”.

16       (b) CHILDREN WITH DISABILITIES.—Section 640(d)  
 17 (42 U.S.C. 9835(d)) is amended—

18           (1) by striking “1982” and inserting “1999”;  
 19 and

20           (2) by striking “(as defined in section 602(a) of  
 21 the Individuals with Disabilities Education Act)”.

22       (c) INCREASED APPROPRIATIONS.—Section 640(g)  
 23 (42 U.S.C. 9835(g)) is amended—

24           (1) in paragraph (2)—

1 (A) in subparagraph (A), by striking the  
2 semicolon and inserting “, and the performance  
3 history of the applicant in providing services  
4 under other Federal programs (other than the  
5 program carried out under this subchapter);”;

6 (B) in subparagraph (C), by striking the  
7 semicolon and inserting “, and organizations  
8 serving children with disabilities.”;

9 (C) in subparagraph (D), by inserting be-  
10 fore the semicolon the following: “and the ex-  
11 tent to which, and manner in which, the appli-  
12 cant demonstrates the ability to collaborate and  
13 participate with other local community provid-  
14 ers of child care or preschool services to provide  
15 full working day, full calendar year services”;

16 (D) in subparagraph (E), by striking “pro-  
17 gram; and” and inserting “or any other early  
18 childhood program.”;

19 (E) in subparagraph (F), by striking the  
20 period and inserting “; and”; and

21 (F) by adding at the end the following:

22 “(G) the extent to which the applicant proposes  
23 to foster partnerships with other service providers in  
24 a manner that will enhance the resource capacity of  
25 the applicant.”; and

1 (2) by adding at the end the following:

2 “(4) Notwithstanding subsection (a)(2), after taking  
3 into account the provisions of paragraph (1), the Secretary  
4 may allocate a portion of the remaining additional funds  
5 under subsection (a)(2)(A) for the purpose of increasing  
6 funds available for the activities described in such sub-  
7 section.”.

8 (d) MIGRANT OR SEASONAL HEAD START PRO-  
9 GRAMS.—Section 640(l) (42 U.S.C. 9835(l)) is amend-  
10 ed—

11 (1) by striking “migrant Head Start programs”  
12 each place it appears and inserting “migrant or sea-  
13 sonal Head Start programs”: and

14 (2) by striking “migrant families” and inserting  
15 “migrant or seasonal farmworker families”.

16 (e) CONFORMING AMENDMENT.—Section 644(f)(2)  
17 (42 U.S.C. 9839(f)(2)) is amended by striking  
18 “640(a)(3)(C)(v)” and inserting “640(a)(3)(C)(vi).”

19 **SEC. 108. DESIGNATION OF HEAD START AGENCIES.**

20 Section 641 (42 U.S.C. 9836) is amended—

21 (1) in subsection (a)—

22 (A) in the matter preceding paragraph (1),  
23 by inserting “or for-profit” after “nonprofit”;  
24 and

1 (B) in paragraph (2). by inserting "(in  
2 consultation with the chief executive officer of  
3 the State in which the community is located)"  
4 after "the Secretary";

5 (2) in subsection (c)—

6 (A) in paragraph (1)—

7 (i) by striking "shall give priority"  
8 and inserting "shall, in consultation with  
9 the chief executive officer of the State, give  
10 priority";

11 (ii) by inserting "or for-profit" after  
12 "nonprofit"; and

13 (iii) by striking "unless the Secretary  
14 makes a finding" and all that follows and  
15 inserting the following: "unless the Sec-  
16 retary determines that the agency involved  
17 fails to meet program and financial man-  
18 agement requirements, performance stand-  
19 ards described in section 641A(a)(1), and  
20 other requirements established by the Sec-  
21 retary";

22 (B) in paragraph (2). by striking "shall  
23 give priority" and inserting "shall, in consulta-  
24 tion with the chief executive officer of the State,  
25 give priority"; and

1 (C) by aligning the margins of paragraphs  
2 (2) and (3) with the margins of paragraph (1);  
3 (3) in subsection (d)—

4 (A) in the matter preceding paragraph (1),  
5 by inserting after the first sentence the follow-  
6 ing new sentence: "In selecting from among  
7 qualified applicants for designation as a Head  
8 Start agency, the Secretary shall give priority  
9 to any qualified agency that functioned as a  
10 Head Start delegate agency in the community  
11 and carried out a Head Start program that the  
12 Secretary determines has met or exceeded the  
13 performance standards and outcome-based per-  
14 formance measures described in section 641A.";

15 (B) in paragraph (4)(A), by inserting "(at  
16 home and in the center involved where prac-  
17 ticable)" after "activities";

18 (C) by redesignating paragraphs (7) and  
19 (8) as paragraphs (9) and (10); and

20 (D) by inserting after paragraph (6) the  
21 following:

22 "(7) the plan of such applicant to meet the  
23 needs of non-English background children and their  
24 families, including needs related to the acquisition of  
25 the English language;

1           “(8) the plan of such applicant to meet the  
2           needs of children with disabilities.”; and

3           (4) by striking subsection (e) and inserting the  
4           following:

5           “(e) If no agency in the community receives priority  
6           designation, and there is no qualified applicant in the com-  
7           munity, the Secretary shall designate an agency to carry  
8           out the Head Start program in the community on an in-  
9           terim basis until a qualified applicant from the community  
10          is so designated.”.

11   **SEC. 109. QUALITY STANDARDS.**

12          (a) **QUALITY STANDARDS.**—Section 641A(a) (42  
13   U.S.C. 9836a(a)) is amended—

14           (1) in paragraph (1)—

15                (A) in the matter preceding subparagraph  
16                (A), by inserting “, including minimum levels of  
17                overall accomplishment.” after “regulation  
18                standards”;

19                (B) in subparagraph (A), by striking “edu-  
20                cation.”;

21                (C) by redesignating subparagraphs (B)  
22                through (D) as subparagraphs (C) through (E);  
23                and

24                (D) by inserting after subparagraph (A)  
25                the following:

1           “(B)(i) education performance standards  
2           to ensure the school readiness of children par-  
3           ticipating in a Head Start program, on comple-  
4           tion of the Head Start program and prior to  
5           entering school; and

6           “(ii) additional education performance  
7           standards to ensure that the children partici-  
8           pating in the program, at a minimum—

9                 “(I) develop phonemic, print, and  
10                numeracy awareness;

11               “(II) understand and use oral lan-  
12               guage to communicate needs, wants, and  
13               thoughts;

14               “(III) understand and use increas-  
15               ingly complex and varied vocabulary;

16               “(IV) develop and demonstrate an ap-  
17               preciation of books; and

18               “(V) in the case of non-English back-  
19               ground children, progress toward acquisi-  
20               tion of the English language.”;

21           (2) by striking paragraph (2);

22           (3) by redesignating paragraphs (3) and (4) as  
23           paragraphs (2) and (3); and .

24           (4) in paragraph (2) (as redesignated in para-  
25           graph (3))—

1 (A) in subparagraph (B)(iii). striking  
 2 "child" and inserting "early childhood edu-  
 3 cation and"; and

4 (B) in subparagraph (C)—

5 (i) in clause (i)—

6 (I) by striking "not later than 1  
 7 year after the date of enactment of  
 8 this section."; and

9 (II) by striking "section 651(b)"  
 10 and all that follows and inserting  
 11 "this subsection; and"; and

12 (ii) in subclause (ii). by striking "No-  
 13 vember 2, 1978" and inserting "the date  
 14 of enactment of the Human Services Reau-  
 15 thorization Act of 1998".

16 (b) PERFORMANCE MEASURES.—Section 641A(b)  
 17 (42 U.S.C. 9836a(b)) is amended—

18 (1) in the subsection heading, by inserting  
 19 "OUTCOME-BASED" before "PERFORMANCE";

20 (2) in paragraph (1)—

21 (A) by striking "Not later than 1 year  
 22 after the date of enactment of this section. the"  
 23 and inserting "The";

24 (B) by striking "child" and inserting  
 25 "early childhood education and";

1 (C) by striking the period and inserting “  
2 and the impact of the services provided through  
3 the programs to children and their families.”;  
4 and

5 (D) by adding at the end the following:  
6 “The performance measures shall include the  
7 performance standards described in subsection  
8 (a)(1)(B)(ii).”; and  
9 (3) in paragraph (2)—

10 (A) in the paragraph heading, by striking  
11 “DESIGN” and inserting “CHARACTERISTICS”;

12 (B) in the matter preceding subparagraph  
13 (A), by striking “shall be designed—” and in-  
14 serting “shall—”;

15 (C) in subparagraph (A), by striking “to  
16 assess” and insert “assess the impact of”;

17 (D) in subparagraph (B)—

18 (i) by striking “to”; and

19 (ii) by striking “and peer review” and  
20 inserting “, peer review, and program eval-  
21 uation”; and

22 (E) in subparagraph (C), by inserting “be  
23 developed” before “for other”.

24 (c) MONITORING.—Section 641A(c)(2) (42 U.S.C.  
25 9836a(c)(2)) is amended—

1 (1) in subparagraph (B), by striking “; and”  
2 and inserting a semicolon:

3 (2) in subparagraph (C)—

4 (A) by inserting “(including children with  
5 disabilities)” after “eligible children”; and

6 (B) by striking the period and inserting “;  
7 and”; and

8 (3) by adding at the end the following:

9 “(D) as part of the reviews of the pro-  
10 grams, include a review and assessment of pro-  
11 gram effectiveness, as measured in accordance  
12 with the outcome-based performance measures  
13 developed pursuant to subsection (b) and with  
14 the performance standards established pursuant  
15 to subparagraphs (A) and (B) of subsection  
16 (a)(1).”

17 (d) TERMINATION.—Section 641A(d) (42 U.S.C.  
18 9836a(d)) is amended—

19 (1) in paragraph (1)(B), to read as follows:

20 “(B) with respect to each identified defi-  
21 ciency, require the agency—

22 “(i) to correct the deficiency imme-  
23 diately, if the Secretary finds that the defi-  
24 ciency threatens the health or safety of

1 staff or program participants or poses a  
2 threat to the integrity of Federal funds:

3 "(ii) to correct the deficiency not later  
4 than 90 days after the identification of the  
5 deficiency if the Secretary finds, in the dis-  
6 cretion of the Secretary, that such a 90-  
7 day period is reasonable, in light of the na-  
8 ture and magnitude of the deficiency; or

9 "(iii) in the discretion of the Sec-  
10 retary (taking into consideration the seri-  
11 ousness of the deficiency and the time rea-  
12 sonably required to correct the deficiency)  
13 to comply with the requirements of para-  
14 graph (2) concerning a quality improve-  
15 ment plan; and": and

16 (2) in paragraph (2)(A), in the matter preced-  
17 ing clause (i), by striking "immediately" and insert-  
18 ing "immediately or during a 90-day period under  
19 clause (i) or (ii) of paragraph (1)(B)".

20 **SEC. 110. POWERS AND FUNCTIONS OF HEAD START AGEN-**  
21 **CIES.**

22 Section 642 (42 U.S.C. 9837) is amended—

23 (1) in subsection (a), by inserting "or for-prof-  
24 it" after "nonprofit";

25 (2) in subsection (c)—

1 (A) by inserting "and collaborate" after  
2 "coordinate"; and

3 (B) by striking "section 402(g) of the So-  
4 cial Security Act, and other" and inserting "the  
5 State program carried out under the Child Care  
6 and Development Block Grant Act of 1990 (42  
7 U.S.C. 9858 et seq.), and other early childhood  
8 education and development"; and

9 (3) in subsection (d)—

10 (A) in paragraph (1)—

11 (i) by striking "shall carry out" and  
12 all that follows through "maintain" and in-  
13 serting "shall take steps to ensure, to the  
14 maximum extent possible, that children  
15 maintain";

16 (ii) by striking "developmental" and  
17 inserting "developmental and educational";  
18 and

19 (iii) by striking "to build" and insert-  
20 ing "build";

21 (B) by striking paragraph (2); and

22 (C) by redesignating paragraphs (3)  
23 through (5) as paragraphs (2) through (4), re-  
24 spectively.

1 SEC. 111. HEAD START TRANSITION.

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

4 "SEC. 642A. HEAD START TRANSITION.

5 "Each Head Start agency shall take steps to coordi-  
6 nate with the local educational agency serving the commu-  
7 nity involved and with schools in which children participat-  
8 ing in a Head Start program operated by such agency will  
9 enroll following such program, including—

10 "(1) developing and implementing a systematic  
11 procedure for transferring, with parental consent,  
12 Head Start program records for each participating  
13 child to the school in which such child will enroll:

14 "(2) establishing channels of communication be-  
15 tween Head Start staff and their counterparts in the  
16 schools (including teachers, social workers, and  
17 health staff) to facilitate coordination of programs:

18 "(3) conducting meetings involving parents,  
19 kindergarten or elementary school teachers, and  
20 Head Start program teachers to discuss the devel-  
21 opmental and other needs of individual children:

22 "(4) organizing and participating in joint tran-  
23 sition-related training of school staff and Head Start  
24 staff:

25 "(5) developing and implementing a family out-  
26 reach and support program in cooperation with enti-

ties carrying out parental involvement efforts under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

“(6) assisting families, administrators, and teachers in enhancing developmental continuity between Head Start services and elementary school classes.”.

#### SEC. 112. SUBMISSION OF PLANS TO GOVERNORS.

The first sentence of section 643 (42 U.S.C. 9838) is amended—

(1) by striking “within 30 days” and inserting “within 45 days”; and

(2) by striking “so disapproved” and inserting “disapproved (for reasons other than failure of the program to comply with State health, safety, and child care laws, including regulations, applicable to comparable child care programs within the State)”.

#### SEC. 113. PARTICIPATION IN HEAD START PROGRAMS.

(a) REGULATIONS.—Section 645(a)(1) (42 U.S.C. 9840(a)(1)) is amended—

(1) in subparagraph (B), by striking “that programs” and inserting “that (i) programs”; and

(2) by striking the period at the end of subparagraph (B) and inserting the following: “. and (ii) a child who has been determined to meet the

1 low-income criteria and who is participating in a  
2 Head Start program in a program year shall be con-  
3 sidered to continue to meet the low-income criteria  
4 through the end of the succeeding program year. In  
5 determining, for purposes of this paragraph, whether  
6 a child who has applied for enrollment in a Head  
7 Start program meets the low-income criteria, an en-  
8 tity may consider evidence of family income during  
9 the 12 months preceding the month in which the ap-  
10 plication is submitted, or during the calendar year  
11 preceding the calendar year in which the application  
12 is submitted, whichever more accurately reflects the  
13 needs of the family at the time of application.”.

14 (b) SLIDING FEE SCALE.—Section 645(b) (42 U.S.C.  
15 9840(b)) is amended by adding at the end the following:

16 “A Head Start agency that provides a Head Start  
17 program with full-working-day services in collaboration  
18 with other agencies or entities may collect a family copay-  
19 ment to support extended day services if a copayment is  
20 required in conjunction with the partnership. The copay-  
21 ment shall not exceed the copayment charged to families  
22 with similar incomes and circumstances who are receiving  
23 the services through participation in a program carried  
24 out by another agency or entity.”.

1 (c) CONTINUOUS RECRUITMENT AND ACCEPTANCE  
2 OF APPLICATIONS.—Section 645(c) (42 U.S.C. 9840(c))  
3 is amended by adding at the end the following: “Each  
4 Head Start program operated in a community shall be  
5 permitted to recruit and accept applications for enrollment  
6 of children throughout the year.”.

7 **SEC. 114. EARLY HEAD START PROGRAMS FOR FAMILIES**  
8 **WITH INFANTS AND TODDLERS.**

9 Section 645A (42 U.S.C. 9840a) is amended—

10 (1) in the section heading, by inserting “**EARLY**  
11 **HEAD START**” before “**PROGRAMS FOR**”;

12 (2) in subsection (a)—

13 (A) by striking “for—” and all that follows  
14 through “programs providing” and inserting  
15 “for programs providing”;

16 (B) by striking “: and” and inserting a pe-  
17 riod: and

18 (C) by striking paragraph (2);

19 (3) in subsection (b)(5), by inserting “(includ-  
20 ing programs for infants and toddlers with disabil-  
21 ities)” after “community”;

22 (4) in subsection (c)—

23 (A) in the matter preceding paragraph (1),  
24 by striking “subsection (a)(1)” and inserting  
25 “subsection (a)”: and

1 (B) in paragraph (2), by striking "3 (or  
2 under" and all that follows and inserting "3";  
3 (5) in subsection (d)—

4 (A) by striking paragraph (2); and

5 (B) by redesignating paragraph (3) as  
6 paragraph (2);

7 (6) by striking subsection (e);

8 (7) by redesignating subsections (f) and (g) as  
9 subsections (e) and (f), respectively;

10 (8) in subsection (e) (as redesignated in para-  
11 graph (7))—

12 (A) in the subsection heading, by striking  
13 "OTHER"; and

14 (B) by striking "From the balance remain-  
15 ing of the portion specified in section 640(a)(6),  
16 after making grants to the eligible entities spec-  
17 ified in subsection (e)," and inserting "From  
18 the portion specified in section 640(a)(6)," and  
19 (9) by striking subsection (h) and inserting the

20 following:

21 "(h) MONITORING, TRAINING, TECHNICAL ASSIST-  
22 ANCE, AND EVALUATION.—In order to ensure the success-  
23 ful operation of programs assisted under this section, the  
24 Secretary shall use funds from the portion specified in sec-  
25 tion 640(a)(6) to monitor the operation of such programs.

1 evaluate their effectiveness, and provide training and tech-  
2 nical assistance tailored to the particular needs of such  
3 programs.

4       “(i) TRAINING AND TECHNICAL ASSISTANCE AC-  
5 COUNT.—

6               “(1) IN GENERAL.—Of the amount made avail-  
7 able to carry out this section for any fiscal year, not  
8 less than 5 percent and not more than 10 percent  
9 shall be reserved to fund a training and technical as-  
10 sistance account.

11              “(2) ACTIVITIES.—Funds in the account may  
12 be used for purposes including—

13                   “(A) making grants to, and entering into  
14 contracts with, organizations with specialized  
15 expertise relating to infants, toddlers, and fami-  
16 lies and the capacity needed to provide direction  
17 and support to a national training and technical  
18 assistance system, in order to provide such di-  
19 rection and support;

20                   “(B) providing ongoing training and tech-  
21 nical assistance for regional and program staff  
22 charged with monitoring and overseeing the ad-  
23 ministration of the program carried out under  
24 this section;

“(C) providing ongoing training and technical assistance for existing recipients of grants under subsection (a) and support and program planning and implementation assistance for new recipients of such grants; and

“(D) providing professional development and personnel enhancement activities, including the provision of funds to recipients of grants under subsection (a) for the recruitment and retention of qualified staff with an appropriate level of education and experience.”.

**SEC. 115. TECHNICAL ASSISTANCE AND TRAINING.**

(a) **FULL-WORKING-DAY, FULL CALENDAR YEAR SERVICES.**—Section 648(b) (42 U.S.C. 9843(b)) is amended—

(1) in paragraph (1), by striking “; and” and inserting a semicolon;

(2) in paragraph (2), by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(3) ensure the provision of technical assistance to assist Head Start agencies, entities carrying out other child care and early childhood programs, communities, and States in collaborative efforts to provide quality full-working-day, full calendar year serv-

1 ices, including technical assistance related to identi-  
2 fying and assisting in resolving barriers to collabora-  
3 tion.”.

4 (b) ALLOCATING RESOURCES.—Section 648(c) (42  
5 U.S.C. 9843(c)) is amended—

6 (1) in paragraph (4)—

7 (A) by striking “developing” and inserting  
8 “developing and implementing”; and

9 (B) by striking “a longer day:” and insert-  
10 ing the following: “the day, and assist the agen-  
11 cies and programs in expediting the sharing of  
12 information about innovative models for provid-  
13 ing full-working-day, full calendar year services  
14 for children:”.

15 (2) in paragraph (7), by striking “: and” and  
16 inserting a semicolon:

17 (3) in paragraph (8), by striking the period and  
18 inserting “: and”: and

19 (4) by adding at the end the following:

20 “(9) assist Head Start agencies in—

21 “(A) ensuring the school readiness of chil-  
22 dren: and

23 “(B) meeting the education performance  
24 standards described in this subchapter.”.

1 (c) SERVICES.—Section 648(e) (42 U.S.C. 9843(e))  
2 is amended by inserting “(including services to promote  
3 the acquisition of the English language)” after “non-Eng-  
4 lish language background children”.

5 **SEC. 116. STAFF QUALIFICATIONS AND DEVELOPMENT.**

6 Section 648A(a) (42 U.S.C. 9843a(a)) is amended—

7 (1) in paragraph (1)—

8 (A) by redesignating subparagraphs (B)  
9 through (D) as clauses (ii) through (iv), respec-  
10 tively;

11 (B) by striking “(A)” and inserting  
12 “(B)(i)”;

13 (C) by inserting before subparagraph (B)  
14 (as redesignated in subparagraph (B) of this  
15 paragraph) the following:

16 “(A) demonstrated competency to perform  
17 functions that include—

18 “(i) planning and implementing learn-  
19 ing experiences that advance the intellec-  
20 tual and physical development of children,  
21 including improving the readiness of chil-  
22 dren for school by developing their literacy  
23 and phonemic, print, and numeracy aware-  
24 ness, their understanding and use of oral  
25 language, their understanding and use of

1 increasingly complex and varied vocabu-  
2 lary, their appreciation of books, and their  
3 problem solving abilities:

4 "(ii) establishing and maintaining a  
5 safe, healthy learning environment:

6 "(iii) supporting the social and emo-  
7 tional development of children: and

8 "(iv) encouraging the involvement of  
9 the families of the children in a Head  
10 Start program and supporting the develop-  
11 ment of relationships between children and  
12 their families: and": and

13 (2) by striking paragraph (2) and inserting the  
14 following:

15 "(2) WAIVER.—On request, the Secretary shall  
16 grant a 150-day waiver of the requirements of para-  
17 graph (1)(B), for a Head Start agency that can  
18 demonstrate that the agency has unsuccessfully at-  
19 tempted to recruit an individual who has a creden-  
20 tial, certificate, or degree described in paragraph  
21 (1)(B), with respect to an individual who—

22 "(A) is enrolled in a program that grants  
23 any such credential, certificate, or degree: and

24 "(B) will receive such credential, certifi-  
25 cate, or degree under the terms of such pro-

1           gram not later than 180 days after beginning  
2           employment as a teacher with such agency.”.

3 **SEC. 117. RESEARCH, DEMONSTRATION, AND EVALUATION.**

4           (a) **COMPARATIVE STUDIES.**—Section 649(d) (42  
5 U.S.C. 9844(d)) is amended—

6           (1) in paragraph (6), by striking “: and” and  
7           inserting a semicolon;

8           (2) in paragraph (7), by striking the period and  
9           inserting “: and”: and

10          (3) by adding at the end the following:

11          “(8) study the experiences of small, medium,  
12          and large States with Head Start programs in order  
13          to permit comparisons of children participating in  
14          the programs with eligible children who did not par-  
15          ticipate in the programs, which study—

16               “(A) may include the use of a data set  
17               that existed prior to the initiation of the study;  
18               and

19               “(B) shall compare the educational  
20               achievement, social adaptation, and health sta-  
21               tus of the participating children and the eligible  
22               nonparticipating children.

23          The Secretary shall ensure that an appropriate entity car-  
24          ries out a study described in paragraph (8), and prepares  
25          and submits to the appropriate committees of Congress

1 a report containing the results of the study, not later than  
2 September 30, 2002.”.

3 (b) NATIONAL RESEARCH.—Section 649 (42 U.S.C.  
4 9844) is amended by inserting after subsection (e) the fol-  
5 lowing:

6 “(f) NATIONAL HEAD START IMPACT RESEARCH.—

7 “(1) EXPERT PANEL.—

8 “(A) IN GENERAL.—The Secretary shall  
9 appoint an independent panel consisting of ex-  
10 perts in program evaluation and research, edu-  
11 cation, and early childhood programs—

12 “(i) to review, and make recommenda-  
13 tions on, the design and plan for the re-  
14 search (whether conducted as a single as-  
15 sessment or as a series of assessments),  
16 described in paragraph (2), within 1 year  
17 after the date of enactment of the Human  
18 Services Reauthorization Act of 1998;

19 “(ii) to maintain and advise the Sec-  
20 retary regarding the progress of the re-  
21 search; and

22 “(iii) to comment, if the panel so de-  
23 sires, on the interim and final research re-  
24 ports submitted under paragraph (7).

“(B) TRAVEL EXPENSES.—The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the panel. Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept the voluntary and uncompensated services of members of the panel.

“(2) GENERAL AUTHORITY.—After reviewing the recommendations of the expert panel the Secretary shall enter into a grant, contract, or cooperative agreement with an organization to conduct independent research that provides a national analysis of the impact of Head Start programs. The Secretary shall ensure that the organization shall have expertise in program evaluation, and research, education, and early childhood programs.

“(3) DESIGNS AND TECHNIQUES.—The Secretary shall ensure that the research uses rigorous methodological designs and techniques (based on the

1 recommendations of the expert panel), including lon-  
2 gitudinal designs, control groups, nationally recog-  
3 nized standardized measures, and random selection  
4 and assignment, as appropriate. The Secretary may  
5 provide that the research shall be conducted as a  
6 single comprehensive assessment or as a group of co-  
7 ordinated assessments designed to provide, when  
8 taken together, a national analysis of the impact of  
9 Head Start programs.

10 "(4) PROGRAMS.—The Secretary shall ensure  
11 that the research focuses primarily on Head Start  
12 programs that operate in the 50 States, the Com-  
13 monwealth of Puerto Rico, or the District of Colum-  
14 bia and that do not specifically target special popu-  
15 lations.

16 "(5) ANALYSIS.—The Secretary shall ensure  
17 that the organization conducting the research—

18 "(A)(i) determines if, overall, the Head  
19 Start programs have impacts consistent with  
20 their primary goal of increasing the social com-  
21 petence of children, by increasing the everyday  
22 effectiveness of the children in dealing with  
23 their present environments and future respon-  
24 sibilities, and increasing their school readiness:

1           “(ii) considers whether the Head Start  
2 programs—

3               “(I) enhance the growth and develop-  
4 ment of children in cognitive, emotional,  
5 and physical health areas:

6               “(II) strengthen families as the pri-  
7 mary nurturers of their children: and

8               “(III) ensure that children attain  
9 school readiness: and

10           “(iii) examines—

11               “(I) the impact of the Head Start  
12 programs on increasing access of children  
13 to such services as educational, health, and  
14 nutritional services, and linking children  
15 and families to needed community services:  
16 and

17               “(II) how receipt of services described  
18 in subclause (I) enriches the lives of chil-  
19 dren and families participating in Head  
20 Start programs:

21           “(B) examines the impact of Head Start  
22 programs on participants on the date the par-  
23 ticipants leave Head Start programs, at the end  
24 of kindergarten, and at the end of first grade,  
25 by examining a variety of factors, including

1 educational achievement, referrals for special  
2 education or remedial course work, and absen-  
3 teeism;

4 "(C) makes use of random selection from  
5 the population of all Head Start programs de-  
6 scribed in paragraph (4) in selecting programs  
7 for inclusion in the research; and

8 "(D) includes comparisons of individuals  
9 who participate in Head Start programs with  
10 control groups (including comparison groups)  
11 composed of—

12 "(i) individuals who participate in  
13 other early childhood programs (such as  
14 preschool programs and day care); and

15 "(ii) individuals who do not partici-  
16 pate in any other early childhood program.

17 "(6) CONSIDERATION OF SOURCES OF VARI-  
18 ATION.—In designing the research, the Secretary  
19 shall, to the extent practicable, consider addressing  
20 possible sources of variation in impact of Head Start  
21 programs, including variations in impact related to  
22 such factors as—

23 "(A) Head Start program operations;

24 "(B) Head Start program quality;

1           “(C) the length of time a child attends a  
2           Head Start program:

3           “(D) the age of the child on entering the  
4           Head Start program:

5           “(E) the type of organization (such as a  
6           local educational agency or a community action  
7           agency) providing services for the Head Start  
8           program:

9           “(F) the number of hours and days of pro-  
10          gram operation of the Head Start program  
11          (such as whether the program is a full-working-  
12          day, full calendar year program, a part-day pro-  
13          gram, or a part-year program); and

14          “(G) other characteristics and features of  
15          the Head Start program (such as geographic lo-  
16          cation, location in an urban or a rural service  
17          area, or participant characteristics), as appro-  
18          priate.

19          “(7) REPORTS.—

20               “(A) SUBMISSION OF INTERIM REPORTS.—

21          The organization shall prepare and submit to  
22          the Secretary 2 interim reports on the research.

23          The first interim report shall describe the de-  
24          sign of the research, and the rationale for the  
25          design, including a description of how potential

1 sources of variation in impact of Head Start  
2 programs have been considered in designing the  
3 research. The second interim report shall de-  
4 scribe the status of the research and prelimi-  
5 nary findings of the research, as appropriate.

6 "(B) SUBMISSION OF FINAL REPORT.—

7 The organization shall prepare and submit to  
8 the Secretary a final report containing the find-  
9 ings of the research.

10 "(C) TRANSMITTAL OF REPORTS TO CON-  
11 GRESS.—

12 "(i) IN GENERAL.—The Secretary  
13 shall transmit, to the committees described  
14 in clause (ii), the first interim report by  
15 September 30, 1999, the second interim  
16 report by September 30, 2001, and the  
17 final report by September 30, 2003.

18 "(ii) COMMITTEES.—The committees  
19 referred to in clause (i) are the Committee  
20 on Education and the Workforce of the  
21 House of Representatives and the Commit-  
22 tee on Labor and Human Resources of the  
23 Senate.

24 "(8) DEFINITION.—In this subsection, the term  
25 'impact', used with respect to a Head Start pro-

1       gram, means a difference in an outcome for a partic-  
2       ipant in the program that would not have occurred  
3       without the participation in the program.

4       “(g) QUALITY IMPROVEMENT STUDY.

5               “(1) STUDY.—The Secretary shall conduct a  
6       study regarding the use and effects of use of the  
7       quality improvement funds made available under sec-  
8       tion 640(a)(3) of the Head Start Act (42 U.S.C.  
9       9835(a)(3)) since fiscal year 1991.

10              “(2) REPORT.—The Secretary shall prepare  
11       and submit to Congress not later than September  
12       2000 a report containing the results of the study, in-  
13       cluding—

14                   “(A) the types of activities funded with the  
15       quality improvement funds;

16                   “(B) the extent to which the use of the  
17       quality improvement funds has accomplished  
18       the goals of section 640(a)(3)(B);

19                   “(C) the effect of use of the quality im-  
20       provement funds on teacher training, salaries,  
21       benefits, recruitment, and retention; and

22                   “(D) the effect of use of the quality im-  
23       provement funds on the cognitive and social de-  
24       velopment of children receiving services under  
25       the this subchapter.”.