

1 centage of children, ages 5 to 17, from families with in-
2 comes below the poverty line (as defined by the Office of
3 Management and Budget and revised annually in accord-
4 ance with section 673(2) of the Community Services Block
5 Grant Act (42 U.S.C. 9902(2))) applicable to a family of
6 the size involved for the most recent fiscal year for which
7 satisfactory data are available is 20 percent or greater.

8 **"SEC. 4303. USES OF FUNDS.**

9 “(a) IN GENERAL.—

10 “(1) PUBLIC SCHOOL CHOICE.—Funds under
11 this part may be used to demonstrate, develop, im-
12 plement, evaluate, and disseminate information on
13 innovative approaches to promote public school
14 choice, including the design and development of new
15 public school choice options, the development of new
16 strategies for overcoming barriers to effective public
17 school choice, and the design and development of
18 public school choice systems that promote high
19 standards for all students and the continuous im-
20 provement of all public schools.

21 “(2) INNOVATIVE APPROACHES.—Such ap-
22 proaches at the school, local educational agency, and
23 State levels may include—

24 “(A) inter-district approaches to public
25 school choice, including approaches that in-

1 crease equal access to high-quality educational
2 programs and diversity in schools;

3 “(B) public elementary and secondary pro-
4 grams that involve partnerships with institu-
5 tions of higher education and that are located
6 on the campuses of those institutions;

7 “(C) programs that allow students in pub-
8 lic secondary schools to enroll in postsecondary
9 courses and to receive both secondary and post-
10 secondary academic credit;

11 “(D) worksite satellite schools, in which
12 State or local educational agencies form part-
13 nerships with public or private employers, to
14 create public schools at parents’ places of em-
15 ployment; and

16 “(E) approaches to school desegregation
17 that provide students and parents choice
18 through strategies other than magnet schools.

19 “(b) LIMITATIONS.—Funds under this part—

20 “(1) shall supplement, and not supplant, non-
21 Federal funds expended for existing public school
22 choice programs; and

23 “(2) may ~~not~~ ^{providing} be used for transportation ^{costs or services,}
 except that no more than 10 percent of
 the funds received under this part shall
 be used by the local educational agency
 to provide transportation costs or services.

1 **“SEC. 4304. GRANT APPLICATION; PRIORITIES.**

2 “(a) APPLICATION REQUIRED.—A State or local edu-
3 cational agency desiring to receive a grant under this part
4 shall submit an application to the Secretary.

5 “(b) APPLICATION CONTENTS.—Each application
6 shall include—

7 “(1) a description of the program for which
8 funds are sought and the goals for such program;

9 “(2) a description of how the program funded
10 under this part will be coordinated with, and will
11 complement and enhance, programs under other re-
12 lated Federal and non-Federal projects;

13 “(3) if the program includes partners, the name
14 of each partner and a description of the partner’s
15 responsibilities;

16 “(4) a description of the policies and procedures
17 the applicant will use to ensure—

18 “(A) its accountability for results, includ-
19 ing its goals and performance indicators; and

20 “(B) that the program is open and acces-
21 sible to, and will promote high academic stand-
22 ards for, all students; and

23 “(5) such other information as the Secretary
24 may require.

25 “(c) PRIORITIES.—

1 “(1) HIGH-POVERTY AGENCIES.—The Secretary
2 shall give a priority to applications for projects that
3 would serve high-poverty local educational agencies.

4 “(2) PARTNERSHIPS.—The Secretary may give
5 a priority to applications demonstrating that the ap-
6 plicant will carry out the applicant’s project in part-
7 nership with 1 or more public and private agencies,
8 organizations, and institutions, including institutions
9 of higher education and public and private employ-
10 ers.

11 **“SEC. 4305. AUTHORIZATION OF APPROPRIATIONS.**

12 There are authorized to be appropriated to carry out
13 this part \$100,000,000 for fiscal year 2001 and such sums
14 as may be necessary for each of the 4 succeeding fiscal
15 years.

16 **“PART D—REPORT CARDS**

17 **“SEC. 4401. REPORT CARDS.**

18 “(a) GRANTS AUTHORIZED.—The Secretary shall
19 award a grant, from allotments under subsection (b), to
20 each State having a State report card meeting the require-
21 ments described in subsection (g), to enable the State an-
22 nually to publish report cards for each elementary school
23 and secondary school that receives funding under this Act
24 and is served by the State.

25 “(b) RESERVATIONS AND ALLOTMENTS.—

1 “(1) RESERVATIONS.—From the amount appro-
2 priated under subsection (e) to carry out this part
3 for each fiscal year, the Secretary shall reserve—

4 “(A) $\frac{1}{2}$ of 1 percent of such amount for
5 payments to the Secretary of the Interior for
6 activities approved by the Secretary, consistent
7 with this part, in schools operated or supported
8 by the Bureau of Indian Affairs, on the basis
9 of their respective needs for assistance under
10 this part; and

11 “(B) $\frac{1}{2}$ of 1 percent of such amount for
12 payments to outlying areas, to be allotted in ac-
13 cordance with their respective needs for assist-
14 ance under this part, as determined by the Sec-
15 retary, for activities, approved by the Secretary,
16 consistent with this part.

17 “(2) STATE ALLOTMENTS.—From the amount
18 appropriated under subsection (e) for a fiscal year
19 and remaining after the Secretary makes reserva-
20 tions under paragraph (1), the Secretary shall allot
21 to each State having a State report card meeting the
22 requirements described in subsection (g) an amount
23 that bears the same relationship to the remainder as
24 the number of public school students enrolled in ele-
25 mentary schools and secondary schools in the State

1 bears to the number of such students so enrolled in
2 all States.

3 “(c) WITHIN-STATE ALLOCATIONS.—Each State
4 educational agency receiving a grant under subsection (a)
5 shall allocate the grant funds that remain after making
6 the reservation described in subsection (d) to each local
7 educational agency in the State in an amount that bears
8 the same relationship to the remainder as the number of
9 public school students enrolled in elementary schools and
10 secondary schools served by the local educational agency
11 bears to the number of such students so enrolled in all
12 local educational agencies within the State.

13 “(d) STATE RESERVATION OF FUNDS.—Each State
14 educational agency receiving a grant under subsection (a)
15 may reserve—

16 “(1) not more than 10 percent of the grant
17 funds to carry out activities described under sub-
18 sections (f) and (g), and (i)(1) for fiscal year 2001;
19 and

20 “(2) not more than 5 percent of the grant
21 funds to carry out activities described under sub-
22 sections (f) and (g), and (i)(1) for fiscal year 2002
23 and each of the 3 succeeding fiscal years.

24 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated to carry out this part

1 \$50,000,000 for fiscal year 2001 and such sums as may
2 be necessary for each of the 4 succeeding fiscal years.

3 “(f) ANNUAL STATE REPORT.—

4 “(1) REPORTS REQUIRED.—

5 “(A) IN GENERAL.—Except as provided in
6 paragraph (3), not later than the beginning of
7 the 2001–2002 school year, a State that re-
8 ceives assistance under this Act shall prepare
9 and disseminate an annual report on all elemen-
10 tary schools and secondary schools within the
11 State that receive funds under part A of title I
12 or part A of title II.

13 “(B) STATE REPORT CARDS ON EDU-
14 CATION.—In the case of a State that publishes
15 State report cards on education, the State shall
16 include in such report cards the information de-
17 scribed in subsection (g).

18 “(C) REPORT CARDS ON ALL PUBLIC
19 SCHOOLS.—In the case of a State that pub-
20 lishes a report card on all public elementary
21 schools and secondary schools in the State, the
22 State shall include, at a minimum, the informa-
23 tion described in subsection (g) for all schools
24 that receive funds under part A of title I or
25 part A of title II.

1 “(2) IMPLEMENTATION; REQUIREMENTS.—

2 “(A) IMPLEMENTATION.—The State shall
3 ensure implementation at all levels of the report
4 cards described in paragraph (1).

5 “(B) REQUIREMENTS.—Annual report
6 cards under this part shall be—

7 “(i) concise; and

8 “(ii) presented in a format and man-
9 ner that parents can understand including,
10 to the extent practicable, in a language the
11 parents can understand.

12 “(3) PUBLICATION THROUGH OTHER MEANS.—

13 In the event that the State provides no such report
14 card, the State shall, not later than the beginning of
15 the 2001–2002 school year, publicly report the infor-
16 mation described in subsection (g) for all schools
17 that receive funds under part A of title I or part A
18 of title II through other public means.

19 “(g) CONTENT OF ANNUAL STATE REPORTS.—

20 “(1) REQUIRED INFORMATION.—Each State de-
21 scribed in subsection (f)(1)(A), at a minimum, shall
22 include in the annual State report information on
23 each local educational agency and school that re-
24 ceives funds under part A of title I or part A of title

1 II within the State, including information
2 regarding—

3 “(A) student performance on statewide as-
4 sessments for the year for which the annual
5 State report is made, and the preceding year, in
6 at least ~~reading~~ ^{English} (or language arts) and mathe-
7 matics, including—

8 “(i) a comparison of the proportions
9 of students who performed at the ~~below~~
10 ~~basic~~ basic, proficient, and advanced levels
11 in each subject area, for each grade level
12 at which assessments are required under
13 title I, with proportions in each of the
14 same 4 levels at the same grade levels in
15 the previous school year;

16 “(ii) a statement on the 3-year trend
17 in the percentage of students performing
18 at the ~~below basic~~ basic, proficient, and
19 advanced levels in each subject area, for
20 each grade level for which assessments are
21 required under title I; and

22 “(iii) a statement of the percentage of
23 students not tested and a listing of cat-
24 egories of the reasons why such students
25 were not tested;

1 “(B) student retention rates in grades, the
2 number of students completing advanced place-
3 ment courses, and 4-year graduation rates;

4 “(C) the professional qualifications of
5 teachers in the aggregate, including the per-
6 centage of teachers teaching with emergency or
7 provisional credentials, the percentage of class
8 sections not taught by fully qualified teachers.
9 and the percentage of teachers who are fully
10 qualified; and

11 “(D) the professional qualifications of
12 paraprofessionals in the aggregate, the number
13 of paraprofessionals in the aggregate, and the
14 ratio of paraprofessionals to teachers in the
15 classroom.

16 “(2) STUDENT DATA.—Student data in each re-
17 port shall contain disaggregated results for the fol-
18 lowing categories:

19 “(A) Racial and ethnic groups.

20 “(B) Economically disadvantaged students,
21 as compared to students who are not economi-
22 cally disadvantaged.

23 “(C) Students with limited English pro-
24 ficiency, as compared to students who are pro-
25 ficient in English.

✓
 “(D) Gender

1 “(3) OPTIONAL INFORMATION.—A State may
2 include in the State annual report any other infor-
3 mation the State determines appropriate to reflect
4 school quality and school achievement, including by
5 grade level information on average class size and in-
6 formation on school safety, such as the incidence of
7 school violence and drug and alcohol abuse, and the
8 incidence of student suspensions and expulsions.

9 “(4) WAIVER.—The Secretary may grant a
10 waiver to a State seeking a waiver of the require-
11 ments of this subsection if the State demonstrates to
12 the Secretary that—

13 “(A) the content of existing State report
14 cards meets the goals of this part; and

15 “(B) the State is taking identifiable steps
16 to meet the requirements of this subsection.

17 “(h) LOCAL EDUCATIONAL AGENCY AND SCHOOL
18 REPORT CARDS.—

19 “(1) REPORT REQUIRED.—

20 “(A) IN GENERAL.—The State shall ensure
21 that each local educational agency, elementary
22 school, or secondary school receiving funds
23 under part A of title I or part A of title II in
24 the State, collects appropriate data and pub-

1 lishes an annual report card consistent with
2 this subsection.

3 “(B) REQUIRED INFORMATION.—Each
4 local educational agency, elementary school, and
5 secondary school described in subparagraph
6 (A), at a minimum, shall include in its annual
7 report card—

8 “(i) the information described in sub-
9 sections (g)(1) and (2) for each local edu-
10 cational agency and school;

11 “(ii) in the case of a local educational
12 agency—

13 “(I) information regarding the
14 number and percentage of schools
15 identified for school improvement, in-
16 cluding schools identified under sec-
17 tion 1116 of this Act, served by the
18 local educational agency;

19 “(II) information on the 3-year
20 trend in the number and percentage
21 of elementary schools and secondary
22 schools identified for school improve-
23 ment; and

24 “(III) information that shows
25 how students in the schools served by

1 the local educational agency perform
2 on the statewide assessment compared
3 to students in the State as a whole;

4 “(iii) in the case of an elementary
5 school or a secondary school—

6 “(I) information regarding
7 whether the school has been identified
8 for school improvement; and

9 “(II) information that shows how
10 the school’s students performed on the
11 statewide assessment compared to
12 students in schools served by the same
13 local educational agency and to all
14 students in the State; and

15 “(iii) other appropriate information,
16 whether or not the information is included
17 in the annual State report.

18 “(2) SPECIAL RULE.—A local educational agen-
19 cy that issues report cards for all public elementary
20 schools and secondary schools served by the agency
21 shall include, at a minimum, the information de-
22 scribed in subsection (g) for all schools that receive
23 funds under part A of title I or part A of title II.

24 “(i) DISSEMINATION AND ACCESSIBILITY OF RE-
25 PORTS AND REPORT CARDS.—

1 “(1) STATE REPORTS.—State annual reports
2 under subsection (g) shall be disseminated to all ele-
3 mentary schools, secondary schools, and local edu-
4 cational agencies in the State, and made broadly
5 available to the public through means such as post-
6 ing on the Internet and distribution to the media,
7 and through public agencies.

8 “(2) LOCAL REPORT CARDS.—Local educational
9 agency report cards under subsection (h) shall be
10 disseminated to all elementary schools and secondary
11 schools served by the local educational agency and to
12 all parents of students attending such schools, and
13 made broadly available to the public through means
14 such as posting on the Internet and distribution to
15 the media, and through public agencies.

16 “(3) SCHOOL REPORT CARDS.—Elementary
17 school and secondary school report cards under sub-
18 section (h) shall be disseminated to all parents of
19 students attending that school, and made broadly
20 available to the public, through means such as post-
21 ing on the Internet and distribution to the media,
22 and through public agencies.

23 “(j) PARENTS RIGHT-TO-KNOW.—

24 “(1) QUALIFICATIONS.—A local educational
25 agency that receives funds part A of title I or part

1 A of title II shall provide, upon request, in an under-
2 standable and uniform format, to any parent of a
3 student attending any school receiving funds under
4 part A of title I or part A of title II, information
5 regarding the professional qualifications of the stu-
6 dent's classroom teachers, including, at a
7 minimum—

8 “(A) whether the teacher has met State
9 certification or licensing criteria for the grade
10 levels and subject areas in which the teacher
11 provides instruction;

12 “(B) whether the teacher is teaching under
13 emergency or other provisional status through
14 which State certification or licensing criteria
15 are waived;

16 “(C) the baccalaureate degree major of the
17 teacher, any other graduate certification or de-
18 gree held by the teacher, and the field of dis-
19 cipline of each such certification or degree; and

20 “(D) whether the student is provided serv-
21 ices by paraprofessionals, and the qualifications
22 of any such paraprofessional.

23 “(2) ADDITIONAL INFORMATION.—In addition
24 to the information that parents may request under
25 paragraph (1), and the information provided in re-

1 (A) by striking “\$25,000,000” and insert-
2 ing “\$7,000,000”; and

3 (B) by striking “1995” and inserting
4 “2001”;

5 (6) in subsection (f)—

6 (A) by striking “\$2,000,000” and inserting
7 “\$5,000,000”; and

8 (B) by striking “1995” and inserting
9 “2001”; and

10 (7) in subsection (g), by striking “1998” and
11 inserting “2001”.

12 (b) REPEALS, TRANSFERS, AND REDESIGNATIONS.—

13 The Act (20 U.S.C. 6301 et seq.) is amended—

14 (1) by repealing title V (20 U.S.C. 7201 et
15 seq.);

16 (2) by redesignating title VIII (20 U.S.C. 7701
17 et seq.) (as amended by subsection (a)) as title V,
18 and transferring the title to follow title IV (as
19 amended by section 402);

20 (3) by redesignating references to title VIII as
21 references to title V (as redesignated and trans-
22 ferred by paragraph (2)); and

23 (4) by redesignating sections 8001 through
24 8014 (20 U.S.C. 7701, 7714) (as transferred by
25 paragraph (2)) as sections 5001 through 5014, re-

1 spectively, and redesignating accordingly the ref-
2 erences to such sections.

3 **TITLE VI—INNOVATIVE STRATE-**
4 **GIES FOR PERFORMANCE**

5 **SEC. 601. INNOVATIVE STRATEGIES FOR PERFORMANCE.**

6 Title VI (20 U.S.C. 7301 et seq.) is amended to read
7 as follows:

8 **“TITLE VI—INNOVATIVE STRATE-**
9 **GIES FOR PERFORMANCE**

10 **“SEC. 6001. FINDINGS, POLICY, AND PURPOSES.**

11 “(a) FINDINGS.—Congress makes the following find-
12 ings:

13 “(1) The Federal Government has created a
14 program for every educational concern, but has un-
15 dertaken so many challenges that the Federal Gov-
16 ernment has ended up addressing few concerns well.

17 “(2) Given the mass of Federal education pro-
18 grams existing in 1999, the focus of State edu-
19 cational agencies and local educational agencies has
20 been diverted from serving students to guaranteeing
21 administrative compliance with the programs.

22 “(3) Federal education funds are distributed
23 through a patchwork of programs so broad that
24 funds ultimately received by elementary schools and

To BE
SUPPLIED

→ (see attached)

1 secondary schools are too diffuse to address effec-
2 tively educational priorities.

3 “(b) POLICY.—Congress declares it to be the policy
4 of the United States to facilitate significant innovation in
5 elementary school and secondary school education pro-
6 grams, to enrich the learning environment of students,
7 and to assist State educational agencies and local edu-
8 cational agencies in building the agencies’ capacity to es-
9 tablish, implement, and sustain such innovative programs
10 for public elementary school and secondary school stu-
11 dents.

12 “(c) PURPOSES.—The purposes of programs under
13 this title are as follows:

14 “(1) To support local educational agencies’ re-
15 form efforts that are consistent with challenging
16 State content and student performance standards or
17 that create an enhanced learning environment to fa-
18 cilitate academic enrichment and innovation.

19 “(2) To provide funding to enable State edu-
20 cational agencies and local educational agencies to
21 implement promising educational reform programs.

22 “(3) To provide a continuing source of innova-
23 tion and educational improvement.

24 “(4) To meet the special educational needs of
25 low-performing and at-risk students.

1 “(5) To enable elementary schools and sec-
2 ondary schools to address local educational prior-
3 ities.

4 “(6) To require State educational agencies and
5 local educational agencies to demonstrate results in
6 return for increased flexibility and funding.

7 **“SEC. 6002. DEFINITIONS.**

8 “For purposes of this title, the term ‘State’ means
9 each of the several States, the District of Columbia, and
10 the Commonwealth of Puerto Rico.

11 **“SEC. 6003. PROGRAMS AUTHORIZED.**

12 “(a) GRANTS AUTHORIZED.—From amounts appro-
13 priated under section 6008, the Secretary shall award a
14 grant, from allotments under subsection (b), to each State
15 having a State plan approved under section 6005(a)(4),
16 to enable the State

17 “(1) to fund programs to meet the purposes of
18 this title; and

19 “(2) to award subgrants to local educational
20 agencies to enable the local educational agencies
21 within the State to stimulate and support innovative
22 education practices.

23 “(b) RESERVATIONS AND ALLOTMENTS.—

1 “(1) RESERVATIONS.—From the amount appro-
2 priated under section 6008 to carry out this part for
3 each fiscal year, the Secretary shall reserve—

4 “(A) not more than $\frac{1}{2}$ of 1 percent of
5 such amount for payments to the Bureau of In-
6 dian Affairs for activities, approved by the Sec-
7 retary, consistent with this title;

8 “(B) not more than $\frac{1}{2}$ of 1 percent of
9 such amount for payments to outlying areas, to
10 be allotted in accordance with their respective
11 needs for assistance under this title as deter-
12 mined by the Secretary, for activities, approved
13 by the Secretary, consistent with this title; and

14 “(C) such sums as are necessary to con-
15 tinue to support any multiyear award made
16 under titles III, IV, V, VI, or X (as such titles
17 were in effect on the day preceding the date of
18 enactment of the Public Education Reinvest-
19 ment, Reinvention, and Responsibility Act) until
20 the termination of the multiyear award.

21 “(2) ALLOTMENTS TO STATES.—From the
22 amount appropriated under section 6005(a)(4) for a
23 fiscal year and remaining after the Secretary makes
24 reservations under paragraph (1), the Secretary

1 shall allot to each State having a State plan ap-
2 proved under section 6005(a)(4) the sum of—

3 “ (A) an amount that bears the same rela-
4 tionship to 85 percent of the remainder as the
5 amount the State received under section 1124
6 bears to the amount all States received under
7 section 1124; and

8 “ (B) an amount that bears the same rela-
9 tionship to 15 percent of the remainder as the
10 amount the State received under section 1124A
11 bears to the amount all States received under
12 section 1124A.

13 **“SEC. 6004. WITHIN-STATE ALLOCATION.**

14 “(a) RESERVATIONS.—Each State receiving a grant
15 under section 6003(a) may reserve not more than 5 per-
16 cent of the grant funds for the planning and administra-
17 tive costs of carrying out this section, including the costs
18 of allocating grants to local educational agencies under
19 this section and section 6007.

20 “(b) LOCAL ALLOCATIONS.—Each State receiving a
21 grant under section 6003(a) shall allocate—

22 “(1) 90 percent of the grant funds that remain
23 after making the reservation under subsection (a) to
24 award a grant to each local educational agency in
25 the State having a local plan approved under section

1 6005(b), in an amount that bears the same relation-
2 ship to the remainder as the amount the local edu-
3 cational agency received under part A of title I bears
4 to the amount all local educational agencies in the
5 State received under such part;

6 “(2) 10 percent of the grant funds that remain
7 after making the reservation under subsection (a), to
8 award grants, on a competitive basis, to local edu-
9 cational agencies under section 6007.

10 **“SEC. 6005. PLANS.**

11 “(a) STATE PLANS.—

12 “(1) IN GENERAL.—Each State educational
13 agency desiring a grant under section 6003(a) shall
14 submit a 5-year State plan to the Secretary at such
15 time, in such manner, and accompanied by such in-
16 formation as the Secretary may require.

17 “(2) INNOVATIVE PARTNERSHIPS.—The Gov-
18 ernor of each State desiring a grant under section
19 6003(a), in consultation with the State educational
20 agency, shall establish an education innovation part-
21 nership, which shall be an integral participant in the
22 development of the State plan and performance ob-
23 jectives. At a minimum, each such education innova-
24 tion partnership shall consist of the following:

25 “(A) The Governor of the State.

1 “(B) The chief State school officer.

2 “(C) A representative, selected jointly by
3 the Governor and the chief State school officer,
4 of at least 1 local educational agency that is eli-
5 gible to receive a grant under section
6 6004(b)(1).

7 “(D) A representative, selected jointly by
8 the Governor and the chief State school officer,
9 of a community-based organization that focuses
10 on the education of children, particularly low-
11 performing and economically disadvantaged stu-
12 dents.

13 “(E) A representative of a parent’s organi-
14 zation.

15 “(F) A principal of a school that has insti-
16 tuted an exemplary innovative education pro-
17 gram that focuses on serving low-performing
18 students or enhancing the learning environ-
19 ment.

20 “(G) A teacher who has successfully raised
21 the performance levels of low-performing stu-
22 dents.

23 “(3) CONTENTS.—Each State plan shall—

24 “(A) describe the program goals and objec-
25 tives that are aligned with State content and

1 student performance standards, or that create
2 an enhanced learning environment, that the
3 State and local educational agencies seek to
4 achieve;

5 “(B) specify annual performance objectives
6 that will be used by the State and local edu-
7 cational agencies to assess annually the effec-
8 tiveness of the program;

9 “(C) specify how the State will measure
10 the annual performance objectives; and

11 “(D) describe how the State will hold local
12 educational agencies and schools accountable
13 for meeting the performance objectives.

14 “(4) APPROVAL.—The Secretary, using a peer
15 review process, shall approve a State plan if the
16 State plan meets the requirements of this section
17 and holds reasonable promise of achieving the pur-
18 poses described in section 6001(c).

19 “(5) DURATION OF THE PLAN.—

20 “(A) IN GENERAL.—Each State plan
21 shall—

22 “(i) remain in effect for the duration
23 of the State’s participation under this title;
24 and

1 “(ii) be periodically reviewed and re-
2 vised by the State, as necessary, to reflect
3 changes in the State’s strategies, pro-
4 grams, and performance objectives under
5 this title.

6 “(B) ADDITIONAL INFORMATION.—If the
7 State makes significant changes in its plan,
8 such as the adoption of new performance objec-
9 tives or assessment measures, the State shall
10 submit such information to the Secretary.

11 “(6) CONSOLIDATED PLAN.—A State plan sub-
12 mitted under paragraph (1) may be submitted as
13 part of a consolidated plan under section 8302.

14 “(b) LOCAL PLANS AND REQUIREMENTS.—

15 “(1) IN GENERAL.—Each local educational
16 agency desiring a grant from the State educational
17 agency under section 6004(b)(1) shall submit a local
18 educational agency plan to the State educational
19 agency at such time, in such manner, and accom-
20 panied by such information as the State educational
21 agency may require.

22 “(2) CONTENTS.—Each local educational agen-
23 cy plan shall—

1 “(A) describe the programs for which as-
2 sistance is sought and the reasons for the selec-
3 tion of such programs;

4 “(B) describe the program goals and objec-
5 tives that are aligned with State content and
6 student performance standards, or that create
7 an enhanced learning environment, that the
8 local educational agency seeks to achieve;

9 “(C) specify annual performance objectives
10 that will be used by the local educational agen-
11 cy to assess annually the effectiveness of the
12 program;

13 “(D) specify how the local educational
14 agency will measure the annual performance ob-
15 jectives;

16 “(E) describe how the local educational
17 agency will hold elementary schools and sec-
18 ondary schools accountable for meeting the per-
19 formance objectives;

20 “(F) provide assurances that the local edu-
21 cational agency shall use the funds made avail-
22 able under section 6004(b)(1) in compliance
23 with section 6006; and

24 “(G) contain an assurance that the local
25 educational agency consulted with elementary

1 school and secondary schools, education-related
2 community groups and nonprofit organizations,
3 parents, teachers, and school administrators, in
4 the development of the local educational agency
5 plan and selection of the programs described in
6 the local educational agency plan.

7 “(3) **PLAN APPROVAL.**—The innovative partner-
8 ship described in subsection (a)(2) may approve a
9 local educational agency plan meeting the require-
10 ments of this subsection.

11 “(4) **MATCHING REQUIREMENT.**—Each local
12 educational agency receiving a grant under section
13 6004(b)(1) shall contribute resources with respect to
14 the local authorized activities to be assisted under
15 this title in cash or in-kind, from non-Federal
16 sources, in an amount not less than 15 percent of
17 the Federal funds awarded under the grant.

18 **“SEC. 6006. LOCAL USES OF FUNDS.**

19 “(a) **ADMINISTRATIVE EXPENSES.**—Each local edu-
20 cational agency receiving a grant under section 6004(b)(1)
21 may use not more than 1 percent of the subgrant funds
22 for any fiscal year for the cost of administering this title.

23 “(b) **REQUIRED ACTIVITIES.**—At a minimum, each
24 local educational agency receiving grant funds under sec-
25 tion 6004(b)(1) shall use the funds that are not used

1 under subsection (a) to establish and carry out programs
2 that are designed to achieve, separately or cumulatively,
3 each of the goals described in paragraphs (1) through (3).

4 “(1) ACADEMIC ENRICHMENT.—Each local edu-
5 cational agency shall use a portion of the grant
6 funds for programs or policies that seek to raise the
7 academic achievement level of all elementary school
8 and secondary school students based on State con-
9 tent and student performance standards, such as—

10 “(A) technology programs;

11 “(B) before- and after-school programs
12 and summer school programs;

13 “(C) schoolwide reform programs;

14 “(D) college preparation courses;

15 “(E) academic equity programs, including
16 gender equity;

17 “(F) civics education;

18 “(G) arts education;

19 “(H) reading and literacy programs to pre-
20 pare young children for elementary school;

21 “(I) foreign language programs;

22 “(J) gifted and talent programs; and

23 “(K) other programs approved by the
24 State that improve higher order thinking skills
25 of all students.

1 “(2) SAFE AND SUPPORTIVE ENVIRONMENTS.—
2 Each local educational agency shall use a portion of
3 the grant funds for programs or policies that help
4 ensure that all elementary school and secondary
5 school students learn in a safe and supportive envi-
6 ronment, such as—

7 “(A) programs that reduce drugs and vio-
8 lence in schools;

9 “(B) before- and after-school programs
10 and summer programs;

11 “(C) programs that address student dis-
12 cipline problems;

13 “(D) programs that reduce school dropout
14 rates and chronic absenteeism;

15 “(E) character education programs;

16 “(F) programs to recruit or retain high-
17 quality mental health professionals to counsel
18 students in public elementary schools and sec-
19 ondary schools who are exhibiting symptoms of
20 distress (such as substance abuse, disruptive
21 behavior, and suicidal behavior), or to provide
22 such professionals with professional develop-
23 ment; and

24 “(G) other activities approved by the
25 State.

1 “(3) REFORM AND INNOVATION.—Each local
2 educational agency shall use a portion of the grant
3 funds for programs or policies that lead to systemic
4 education reforms or innovations that seek to in-
5 crease all elementary school and secondary school
6 students’ academic achievement based on State con-
7 tent and student performance standards, such as—

8 “(A) professional development, consistent
9 with part A of title II, for teachers, principals,
10 and administrators;

11 “(B) comprehensive academic instruction
12 or education reform;

13 “(C) technology programs;

14 “(D) classroom management programs for
15 teachers; and

16 “(E) other activities approved by the
17 State.

18 **“SEC. 6007. INNOVATIVE PRACTICES.**

19 “(a) GRANTS.—A State receiving a grant under sec-
20 tion 6003(a) shall use 100 percent of the grant funds
21 made available under section 6004(b)(2) to award grants,
22 on a competitive basis, to local educational agencies within
23 the State to stimulate and support innovative education
24 practices, including programs that require a 1 time infu-
25 sion of funding.

1 “(b) APPLICATION REQUIRED.—Each local edu-
2 cational agency desiring a grant under this section shall
3 submit an application to the State educational agency at
4 such time, in such manner, and accompanied by such in-
5 formation as the State educational agency may reasonably
6 require.

7 “(c) USES OF FUNDS.—Each local educational agen-
8 cy receiving a grant under this section shall use the grant
9 funds to support and stimulate the development and initial
10 implementation of innovative education practices,
11 including—

12 “(1) promising education reform projects, such
13 as comprehensive school reform;

14 “(2) experiments with longer school days and
15 longer school years;

16 “(3) unconventional teacher mentoring pro-
17 grams;

18 “(4) outreach efforts for attracting fully quali-
19 fied teachers and highly qualified principals to ele-
20 mentary schools and secondary schools with high
21 percentages of low-performing students or poorly-
22 qualified teachers;

23 “(5) teacher portability initiatives, such as in-
24 novations regarding pensions and certifications of
25 years of experience;

1 “(6) the creation of alternative or transitional
2 settings for violent or disruptive students;

3 “(7) the creation of charter school districts; or

4 “(8) other activities that seek to increase the
5 academic achievement of all elementary school or
6 secondary school students, based on State content
7 and student performance standards, as approved by
8 the State.

9 “(d) ADMINISTRATIVE RESERVATION OF FUNDS.—
10 Each local educational agency receiving a grant under this
11 section may reserve not more than 3 percent of funds for
12 administrative purposes in carrying out activities under
13 this section.

14 **“SEC. 6008. AUTHORIZATION OF APPROPRIATIONS.**

15 “There are authorized to be appropriated to carry out
16 this title \$2,700,000,000 for fiscal year 2001, and such
17 sums as may be necessary for each of the 4 succeeding
18 fiscal years.”.

19 **TITLE VII—ACCOUNTABILITY**

20 **SEC. 701. ACCOUNTABILITY.**

21 Title VII of the Act (20 U.S.C. 7401 et seq.) is
22 amended to read as follows:

1 **“TITLE VII—ACCOUNTABILITY**

2 **“SEC. 7001. SANCTIONS.**

3 “(a) THIRD FISCAL YEAR.—If performance objec-
4 tives established under a covered provision have not been
5 met by a State receiving grant funds under such provision
6 by the end of the third fiscal year for which the State
7 receives such grant funds, the Secretary shall reduce by
8 50 percent the amount the State is entitled to receive for
9 administrative expenses under such provision.

10 “(b) FOURTH FISCAL YEAR.—If the State fails to
11 meet the performance objectives established under a cov-
12 ered provision by the end of the fourth fiscal year for
13 which the State receives grant funds under the covered
14 provision, the Secretary shall reduce the total amount the
15 State receives under title VI by 30 percent.

16 “(c) DURATION.—If the Secretary determines, under
17 subsection (a) or (b), that a State failed to meet the per-
18 formance objectives established under a covered provision
19 for a fiscal year, the Secretary shall reduce grant funds
20 in accordance with subsection (a) or (b) for the State for
21 each subsequent fiscal year until the State demonstrates
22 that the State met the performance objectives for the fis-
23 cal year preceding the demonstration.

1 “(d) TECHNICAL ASSISTANCE.—The Secretary shall
2 provide technical assistance, if sought, to a State subjected
3 to sanctions under subsection (a) or (b).

4 “(e) LOCAL SANCTIONS.—

5 “(1) IN GENERAL.—Each State receiving assist-
6 ance under title I, II, III, or VI shall develop a sys-
7 tem to hold local educational agencies accountable
8 for meeting—

9 “(A) the performance objectives estab-
10 lished under part A of title II and part A of
11 title III; and

12 “(B) the adequate yearly progress require-
13 ments established under part A of title I, and
14 required under part A of title III and title VI.

15 “(2) SANCTIONS.—A system developed under
16 paragraph (c) shall include a mechanism for sanc-
17 tioning local educational agencies for low perform-
18 ance with regard to failure to meet such perform-
19 ance objectives and adequate yearly progress levels.

20 “(f) DEFINITIONS.—In this section:

21 “(1) COVERED PROVISION.—The term ‘covered
22 provision’ means part A of title I, part A of title II,
23 and part A of title III.

24 “(2) PERFORMANCE OBJECTIVES.—The term
25 ‘performance objectives’ means in the case of—

1 “(A) part A of title I, the adequate yearly
2 progress levels established under subsections
3 (b)(2)(A)(iii) and (b)(2)(B) of section 1111;

4 “(B) part A of title II, the set of perform-
5 ance objectives established in section 2014; and

6 “(C) part A of title III, the set of perform-
7 ance objectives established in section 3109.

8 **“SEC. 7002. REWARDING HIGH PERFORMANCE.**

9 “(a) STATE REWARDS.—

10 “(1) IN GENERAL.—From amounts appro-
11 priated under subsection (d), and from amounts
12 made available as a result of reductions under sec-
13 tion 7001, the Secretary shall make awards to
14 States that—

15 “(A) for 3 consecutive years have—

16 “(i) exceeded the States’ performance
17 objectives established for any title under
18 this Act;

19 “(ii) exceeded their adequate yearly
20 progress levels established in section
21 1111(b);

22 “(iii) significantly narrowed the gaps
23 between minority and non-minority stu-
24 dents, and between economically disadvan-

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1 tagged and non-economically disadvantaged
2 students; or

3 “(iv) raised all students to the pro-
4 ficient standard level prior to 10 years
5 from the date of enactment of the Public
6 Education Reinvention, Reinvestment, and

7 Responsibility Act; or
8 “(B) by not later than fiscal year 2003.

9 ensure that all teachers teaching in the States’
10 public elementary schools and secondary schools
11 are fully qualified.

12 “(2) STATE USE OF FUNDS.—

13 “(A) DEMONSTRATION SITES.—Each State
14 receiving an award under paragraph (1) shall
15 use a portion of the award that is not distrib-
16 uted under subsection (b) to establish dem-
17 onstration sites with respect to high-performing
18 schools (based on achievement or performance
19 levels) objectives and adequate yearly progress
20 in order to help low-performing schools.

21 “(B) IMPROVEMENT OF PERFORMANCE.—
22 Each State receiving an award under paragraph
23 (1) shall use the portion of the award that is
24 not used pursuant to subparagraph (A) or (C)
25 and is not distributed under subsection (b) for

✓
“(v) significantly increased the percentage of core
classes being
taught by
fully qualified
teachers teaching
in schools receiving
funds under
title I, part A, or

1 the purpose of improving the level of perform-
2 ance of all elementary and secondary school
3 students in the State, based on State content
4 and performance standards.

5 “(C) RESERVATION FOR ADMINISTRATIVE
6 EXPENSES.—Each State receiving an award
7 under paragraph (1) may set aside not more
8 than $\frac{1}{2}$ of 1 percent of the award for the plan-
9 ning and administrative costs of carrying out
10 this section, including the costs of distributing
11 awards to local educational agencies.

12 “(b) LOCAL EDUCATIONAL AGENCY AWARDS.—

13 “(1) IN GENERAL.—Each State receiving an
14 award under subsection (a)(1) shall distribute 80
15 percent of the award funds to local educational
16 agencies in the State that—

17 “(A) for 3 consecutive years have—

18 “(i) exceeded the State-established
19 local educational agency performance ob-
20 jectives established for any title under this
21 Act;

22 “(ii) exceeded the adequate yearly
23 progress level established under section
24 1111(b)(2);

1 “(iii) significantly narrowed the gaps
2 between minority and nonminority stu-
3 dents, and between economically disadvan-
4 tagged and noneconomically disadvantaged
5 students; ~~or~~

6 “(iv) raised all students enrolled in
7 schools within the local educational agency
8 to the proficient standard level prior to 10
9 years from the date of enactment of the
10 Public Education Reinvestment, Reinvен-
11 tion, and Responsibility Act;

12 “(v) significantly increased the percentage of core classes
13 “(B) not later than December 31, 2003. *being taught*
14 ensured that all teachers teaching in the ele- *by fully qualifie*
15 mentary schools and secondary schools served *teachers teaching*
16 by the local educational agencies are fully quali- *in schools receiving*
17 fied; or *funds under*
18 *title I, part A;*

19 “(C) have attained consistently high
20 achievement in another area that the State
21 deems appropriate to reward.

22 “(2) SCHOOL-BASED PERFORMANCE AWARDS.—

23 A local educational agency may use funds made
24 available under paragraph (1) for activities such as
25 school-based performance awards.

26 “(3) RESERVATION FOR ADMINISTRATIVE EX-
27 PENSES.—Each local educational agency receiving

1 an award under paragraph (1) may set aside not
2 more than $\frac{1}{2}$ of 1 percent of the award for the plan-
3 ning and administrative costs of carrying out this
4 section, including the costs of distributing awards to
5 eligible elementary schools and secondary schools,
6 teachers, and principals.

7 “(c) SCHOOL REWARDS.—Each local educational
8 agency receiving an award under subsection (b) shall con-
9 sult with teachers and principals to develop a reward sys-
10 tem, and shall use the award funds—

11 “(1) to reward individual schools that dem-
12 onstrate high performance with respect to—

13 “(A) increasing the academic achievement
14 of all students;

15 “(B) narrowing the academic achievement
16 gap described in section 1111(b)(2)(B)(vii);

17 “(C) improving teacher quality;

18 “(D) increasing high-quality professional
19 development for teachers, principals, and ad-
20 ministrators; or

21 “(E) improving the English proficiency of
22 limited English proficient students;

23 “(2) to reward ~~individual teachers who~~ *collaborative teams of teachers, or* *teams of teachers and principals that*

24 “(A) significantly increase the annual per-
25 formance of low-performing students; or

1 “(B) significantly improve in a fiscal year
2 the English proficiency of limited English pro-
3 ficient students;

4 “(3) to reward principals who successfully raise
5 the performance of a substantial number of low-per-
6 forming students to high academic levels;

7 “(4) to develop or implement school district-
8 wide programs or policies to increase the level of
9 student performance on State assessments that are
10 aligned with State content standards; and

11 “(5) to reward schools for consistently high
12 achievement in another area that the local edu-
13 cational agency deems appropriate to reward.

14 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
15 are authorized to be appropriated to carry out this section
16 \$200,000,000 for fiscal year 2001, and such sums as may
17 be necessary for each of the 4 succeeding fiscal years.

 18 “(e) DEFINITION.—The term ‘low-performing stu-
19 dent’ means students who are below the basic State stand-
20 ard level.

21 **“SEC. 7003. SUPPLEMENT NOT SUPPLANT.**

22 “A State educational agency and local educational
23 agency shall use funds under this title to supplement, and,
24 not supplant, Federal, State, and local funds that, in the

1 absence of funds under this title, would otherwise be spent
2 for activities of the type described in section 7002.

3 **"SEC. 7004. SECRETARY'S ACTIVITIES.**

4 “(a) IN GENERAL.—Notwithstanding any other pro-
5 vision of this Act, from amounts appropriated under sub-
6 section (b) and not reserved under subsection (c), the Sec-
7 retary may—

8 “(1) support activities of the National Board
9 for Professional Teaching Standards;

10 “(2) study and disseminate information regard-
11 ing model programs assisted under this Act;

12 “(3) provide training and technical assistance
13 to States, local educational agencies, elementary
14 schools and secondary schools, Indian tribes, and
15 other recipients of grant funds under this Act that
16 are carrying out activities assisted under this Act,
17 including entering into contracts or cooperative
18 agreements with public or private nonprofit entities
19 or consortia of such entities, in order to provide
20 comprehensive training and technical assistance re-
21 lated to the administration and implementation of
22 activities assisted under this Act;

23 “(4) support activities that will promote sys-
24 temic education reform at the State and local levels;

1 “(5) award grants or contracts to public or pri-
2 vate nonprofit entities to enable the entities—

3 “(A) to develop and disseminate exemplary
4 reading, mathematics, science, ^{and} technology, edu-
5 cation^{al} practices, and instructional materials to
6 States, local educational agencies, and elemen-
7 tary schools and secondary schools; and

8 “(B) to provide technical assistance for the
9 implementation of teaching methods and assess-
10 ment tools for use by elementary schools and
11 secondary school students, teachers, and admin-

12 istrators;
13 *“(6) Disseminate information on models of value-added assessments.”*
14 *“(8) award a grant or contract to a public or*
15 *private nonprofit entity or consortium of such enti-*
16 *ties to establish a national center for activities for*
17 *gifted and talented students; and*

18 *8 “(7) provide assistance to States—*

19 “(A) by assisting in the development of
20 English language development standards and
21 high-quality assessments, if requested by a
22 State participating in activities under subtitle A
23 of title III; and

24 “(B) by developing native language tests
25 for limited English proficient students that a
State may administer to such students to assess

1 student achievement in at least reading, science,
2 and mathematics, consistent with section 1111.

3 “(b) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to carry out this section
5 \$300,000,000 for fiscal year 2001, and such sums as may
6 be necessary for each of the 4 succeeding fiscal years.

7 “(c) RESERVATION.—From the amounts appro-
8 priated under subsection (b) the Secretary shall reserve
9 \$10,000,000 for the purposes of carrying out activities
10 under section 1202(c).”.

11 **TITLE VIII—GENERAL**
12 **PROVISIONS AND REPEALS**

13 **SEC. 801. REPEALS, TRANSFERS, AND REDESIGNATIONS RE-**
14 **GARDING TITLES VIII AND XIV.**

15 (a) IN GENERAL.—The Act (20 U.S.C. 6301 et seq.)
16 is amended—

17 (1) by inserting after title VII the following:

18 **“TITLE VIII—GENERAL**
19 **PROVISIONS”;**

20 (2) by repealing sections 14514 and 14603 (20
21 U.S.C. 8904, 8923);

22 (3)(A) by transferring title XIV (20 U.S.C.
23 8801 et seq.) to title VIII and inserting such title
24 after the title heading for title VIII; and

25 (B) by striking the title heading for title XIV;

1 (4)(A) by redesignating part H of title VIII (as
2 redesignated by paragraph (3)) as part I of title
3 VIII; and

4 (B) by redesignating the references to part H
5 of title VIII as references to part I of title VIII;

6 (5) by inserting after part G of title VIII the
7 following:

8 **“PART H—SUPPLEMENT, NOT SUPPLANT**

9 **“SEC. 8801. SUPPLEMENT, NOT SUPPLANT.**

10 “A State educational agency or local educational
11 agency shall use funds received under the Act to supple-
12 ment, and not supplant, State and local funds that, in the
13 absence of funds under this Act, would otherwise be spent
14 for activities under this Act.”;

15 (6) by redesignating the references to title XIV
16 as references to title VIII;

17 (7)(A) by redesignating sections 14101 through
18 14103 (20 U.S.C. 8801, 8803) (as transferred by
19 paragraph (3)) as sections 8101 through 8103, re-
20 spectively; and

21 (B) by redesignating the references to such sec-
22 tions 14101 through 14103 as references to sections
23 8101 through 8103, respectively;

24 (8)(A) by redesignating sections 14201 through
25 14206 (20 U.S.C. 8821, 8826) (as transferred by

1 paragraph (3)) as sections 8201 through 8206, re-
2 spectively; and

3 (B) by redesignating the references to such sec-
4 tions 14201 through 14206 as references to sections
5 8201 through 8206, respectively;

6 (9)(A) by redesignating sections 14301 through
7 14307 (20 U.S.C. 8851, 8857) (as transferred by
8 paragraph (3)) as sections 8301 through 8307, re-
9 spectively; and

10 (B) by redesignating the references to such sec-
11 tions 14301 through 14307 as references to sections
12 8301 through 8307, respectively;

13 (10)(A) by redesignating section 14401 (20
14 U.S.C. 8881) (as transferred by paragraph (3)) as
15 section 8401; and

16 (B) by redesignating the references to such sec-
17 tion 14401 as references to section 8401;

18 (11)(A) by redesignating sections 14501
19 through 14513 (20 U.S.C. 8891, 8903) (as trans-
20 ferred by paragraph (3)) as sections 8501 through
21 8513, respectively; and

22 (B) by redesignating the references to such sec-
23 tions 14501 through 14513 as references to sections
24 8501 through 8513, respectively;

1 (12)(A) by redesignating sections 14601 and
2 14602 (20 U.S.C. 8921, 8922) (as transferred by
3 paragraph (3)) as sections 8601 and 8602, respec-
4 tively; and

5 (B) by redesignating the references to such sec-
6 tions 14601 and 14602 as references to sections
7 8601 and 8602, respectively;

8 (13)(A) by redesignating section 14701 (20
9 U.S.C. 8941) (as transferred by paragraph (3)) as
10 section 8701; and

11 (B) by redesignating the references to such sec-
12 tion 14701 as references to section 8701; and

13 (14)(A) by redesignating sections 14801 and
14 14802 (20 U.S.C. 8961, 8962) (as transferred by
15 paragraph (3)) as sections 8901 and 8902, respec-
16 tively; and

17 (B) by redesignating the references to such sec-
18 tions 14801 and 14802 as references to sections
19 8901 and 8902, respectively.

20 (b) AMENDMENTS.—Title VIII (as so transferred and
21 redesignated) is amended—

22 (1) in section 8101(10) (as redesignated by
23 subsection (a)(7))—

24 (A) by striking subparagraphs (C) through
25 (F); and

1 (B) by adding after subparagraph (B) the
2 following:

3 “(C) part A of title II;

4 “(D) part A of title III; and

5 “(E) title IV.”;

6 (2) in section 8102 (as redesignated by sub-
7 section (a)(7)), by striking “VIII” and inserting
8 “V”;

9 (3) in section 8201 (as redesignated by sub-
10 section (a)(8))—

11 (A) in subsection (a)(2), by striking “, and
12 administrative funds under section 308(c) of
13 the Goals 2000: Educate America Act”; and

14 (B) by striking subsection (f):

15 (4) in section 8203(b) (as redesignated by sub-
16 section (a)(8)), by striking “Improving America’s
17 Schools Act of 1994” and inserting “Public Edu-
18 cation Reinvestment, Reinvention, and Responsibility
19 Act”;

20 (5) in section 8204 (as redesignated by sub-
21 section (a)(8))—

22 (A) by striking subsection (b); and

23 (B) in subsection (a)—

24 (i) in paragraph (2)—

1 (I) in the matter preceding sub-
2 paragraph (A), by striking “1995”
3 and inserting “2001”;

4 (II) in subparagraph (B), by in-
5 serting “professional development,”
6 after “curriculum development,”; and
7 (ii) in paragraph (4)—

8 (I) by striking “and section
9 410(b) of the Improving America’s
10 Schools Act of 1994”; and

11 (II) by striking “paragraph (2)”
12 and inserting “subsection (a)(2)”;

13 (III) by striking the following:
14 “(4) RESULTS.—” and inserting the following:
15 “(b) RESULTS.—”;

16 (IV) by striking the following:
17 “(A) develop” and inserting the following:
18 “(1) develop”; and

19 (V) by striking the following:
20 “(B) within” and inserting the following:
21 “(2) within”;

22 (6) in section 8205(a)(1) (as redesignated by
23 subsection (a)(8)), by striking “part A of title IX”
24 and inserting “part B of title III”;

1 (7) in section 8206 (as redesignated by sub-
2 section (a)(8))—

3 (A) by striking “(a) UNNEEDED PROGRAM
4 FUNDS.—”; and

5 (B) by striking subsection (b);

6 (8) in section 8302(a)(2) (as redesignated by
7 subsection (a)(9))—

8 (A) by striking subparagraph (C); and

9 (B) by redesignating subparagraphs (D)
10 and (E) as subparagraphs (C) and (D), respec-
11 tively;

12 (9) in section 8304(b) (as redesignated by sub-
13 section (a)(9)), by striking “Improving America’s
14 Schools Act of 1994” and inserting “Public Edu-
15 cation Reinvestment, Reinvention, and Responsibility
16 Act”;

17 (10) in section 8401 (as redesignated by sub-
18 section (a)(10))—

19 (A) in subsection (a), by striking “Except
20 as provided in subsection (c),” and inserting
21 “Notwithstanding any other provision regarding
22 waivers in this Act and except as provided in
23 subsection (c),”; and

24 (B) in subsection (c)(8), by striking “part
25 C of title X” and inserting “part B of title IV”;

1 (11) in section 8502 (as redesignated by sub-
2 section (a)(11)), by striking “VIII” and inserting
3 “V”;

4 (12) in section 8503(b)(1) (as redesignated by
5 subsection (a)(11))—

6 (A) by striking subparagraphs (B) through
7 (E);

8 (B) by redesignating subparagraph (A) as
9 subparagraph (B);

10 (C) by inserting before subparagraph (B)
11 the following:

12 “(A) part A of title I.”; and

13 (D) by adding at the end the following:

14 “(C) title II; and

15 “(D) title III.”;

16 (13) in section 8506(d) (as redesignated by
17 subsection (a)(11)), by striking “Improving Amer-
18 ica’s Schools Act of 1994” and inserting “Public
19 Education Reinvestment, Reinvention, and Responsi-
20 bility Act”;

21 (14) in section 8513 (as redesignated by sub-
22 section (a)(11)), by striking “Improving America’s
23 Schools Act of 1994” each place it appears and in-
24 serting “Public Education Reinvestment, Reinven-
25 tion, and Responsibility Act”;

1 (15) in section 8601 (as redesignated by sub-
2 section (a)(12))—

3 (A) in subsection (b)(3)—

4 (i) in subparagraph (A), by striking
5 “Improving America’s Schools Act of
6 1994” and inserting “Public Education
7 Reinvestment, Reinvention, and Responsi-
8 bility Act”; and

9 (ii) in subparagraph (B), by striking
10 “Improving America’s Schools Act” and
11 inserting “Public Education Reinvestment,
12 Reinvention, and Responsibility Act”; and
13 (B) in subsection (f), by striking “Improv-
14 ing America’s Schools Act of 1994” and insert-
15 ing “Public Education Reinvestment, Reinven-
16 tion, and Responsibility Act”; and

17 (16) in section 8701(b) (as redesignated by
18 subsection (a)(13))—

19 (A) in paragraph (1)—

20 (i) in subparagraph (B)—

21 (I) in clause (i), by striking “Im-
22 proving America’s Schools Act of
23 1994” and inserting “Public Edu-
24 cation Reinvestment, Reinvention, and
25 Responsibility Act”;

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1 (II) in clause (ii), by striking
2 “such as the initiatives under the
3 Goals 2000: Educate America Act,
4 and” and inserting “under”; and

5 (III) in clause (v), by striking “,
6 the Advisory Council on Education
7 Statistics, and the National Education
8 Goals Panel” and inserting “and the
9 Advisory Council on Education Statis-
10 tics”; and

11 (ii) in subparagraph (C)(ii), by strik-
12 ing “the School-to-Work Opportunities Act
13 of 1994, and the Goals 2000: Educate
14 America Act” and inserting “and the
15 School-to-Work Opportunities Act of
16 1994”; and

17 (B) in paragraph (3), by striking “1998”
18 and inserting “2004”.

19 **SEC. 802. OTHER REPEALS.**

20 Titles V, X, XI, XII, and XIII (20 U.S.C. 7201 et
21 seq., 8001 et seq., 8401 et seq., 8501 et seq., 8601 et
22 seq.) and the Goals 2000: Educate America Act (20
23 U.S.C. 5801 et seq.) are repealed.

Insert

Insert "(7)" on page 58, after "(6)(G)"

"(7) PUBLIC SCHOOL CHOICE OPTION.—

"(A) SCHOOLS IN CORRECTIVE ACTION.—

"(i) SCHOOLS IN CORRECTIVE ACTION ON OR BEFORE ENACTMENT.—Not later than 18 months after the date of enactment of this Act, a local educational agency shall provide all students enrolled in a school identified (on or before such date of enactment) for corrective action with an option to transfer to any other higher performing public school, including a public charter or magnet school, that has not been identified for school improvement or corrective action, or is at risk within the next academic year of being identified for school improvement or corrective action, and has not been in corrective action at anytime during the two preceding academic years, consistent with State and local law, policy, and practice related to public school choice and local pupil transfer.

"(ii) SCHOOLS IDENTIFIED AFTER ENACTMENT.—Not later than 12 months after the date on which a local educational agencies identifies a school for corrective action, the agency shall provide all students enrolled in such school with an option described in clause (i).

"(B) COOPERATIVE AGREEMENT.—If all public schools served by the local educational agency to which a child may transfer under paragraph (6) are identified for corrective action, the local educational agency shall, to the extent practicable, establish a cooperative agreement with other local educational agencies in proximity to the area for the transfer, consistent with State and local law, policy and practice related to public school choice and local pupil transfer.

"(C) TRANSPORTATION.—A local educational agency that serves a school that has been identified for corrective action shall provide transportation services, or costs, for children of parents who choose to transfer their children to a different school. However, no more than 10 percent of the funds allocated to a local educational agency under this part may be used to provide transportation services or costs.

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

TITLE VI - INNOVATIVE STRATEGIES FOR PERFORMANCE

Title VI (20 U.S.C. 7301 et seq.) is amended to read as follows:

TITLE VI - HIGH PERFORMANCE AND QUALITY EDUCATION INITIATIVES

SEC. 6001. FINDINGS, POLICY, and PURPOSE.

(a) FINDINGS.—

(1) **LOCAL DECISIONMAKING.**—Congress embraces the view that educators closest to schools -- school superintendents, principals, teachers and school support personnel—have a critical role in knowing what is needed and how best to meet the educational needs of their students. In keeping with this view, and as indicated earlier, LEAs have the primary responsibility for deciding how to implement funds.

(A) Since ESEA was first authorized in 1965, the Federal government has created numerous grant programs, each program created to address one of a myriad challenges or problems facing education, but only a few of these programs can be tied to significant quantitative results.

(B) Federal education dollars are distributed through a patchwork of programs and each program comes with its own set of requirements and restrictions making it more difficult for local education agencies and school to leverage funds for maximum impact.

(C) In many cases, federal education dollars distributed through competitive grant programs are too diffused to provide true impact at the school level.

(D) As a result of current Federal elementary and secondary education policies, the focus of Federal, state and local educational agencies has been diverted from comprehensive student achievement to administrative compliance.

(5) **SAFE LEARNING ENVIRONMENTS.**—Every school should be a drug-and violence-free learning environment. The widespread illegal use of alcohol and drugs among the Nation's secondary school students, and increasingly by students in elementary schools as well, constitutes a grave threat to such students' physical and mental well-being, and significantly impedes the learning process.

(A) Drug and violence prevention programs are essential components of a comprehensive strategy to promote school safety, youth development, positive school outcomes, and to reduce the demand for and illegal use of alcohol, tobacco and drugs throughout the Nation. Schools, local organizations, parents, students, and communities throughout the Nation have a special responsibility to work together to combat the continuing epidemic of violence and illegal drug use and should measure the success of their programs against clearly defined goals and objectives.

(B) Drug and violence prevention programs are most effective when implemented within a research-based, drug and violence prevention framework of proven effectiveness.

(C) Substance abuse and violence are intricately related and must be dealt with in a holistic manner.

(2) TECHNOLOGY.—Technology can produce far greater opportunities for all students to learn to high standards, promote efficiency and effectiveness in education, and help propel our Nation's systems into very immediate and dramatic reform.

(A) Most Federal and State educational technology programs have focused on acquiring educational technologies with less emphasis on the utilization of those technologies in the classroom and the training and infrastructural requirements needed to efficiently support those types of technologies. As a result, in many instances, the full potential of educational technology has not been realized.

(B) The effective use of technology in education has been inhibited by the inability of many State and local educational agencies to invest in and support needed technologies, including limited resources to seek expert technical assistance to develop high-quality professional development activities for teachers, and keep up with rapidly changing technological advances.

(C) Our global economy is increasingly reliant on a workforce not only comfortable with technology, but also able to integrate rapid technological changes into the production process. As such, in order to remain competitive in a new global economy, it is imperative that we maintain a work-ready labor force.

(b) POLICY.—Congress declares it to be the policy of the United States to facilitate significant innovation in elementary school and secondary school education programs, to enrich the learning environment of students, provide for a safe learning environment, ensure that all students are technologically literate, and to assist State and local educational agencies in building the agencies' capacity to establish, implement, and sustain such innovative programs for public elementary and secondary school students.

(c) PURPOSES.—For the purposes of programs under this title are as follows:

(1) Providing supplementary assistance for School Improvement to schools and local educational agencies—

(A) that have been, or are at risk of being, identified as being in need of improvement, as defined in sections 1116(c) and (d) to carry out activities that are described in their improvement plans developed under sections 1116(c) and (d), and are aimed at getting such schools and local educational agencies out of improvement status; or

- (B) for the improvement of core content curriculum, and instructional practices and materials in core subject areas to ensure that all students are at the proficient standard level within ten years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;
- (2) Provide assistance to local educational agencies and schools for innovative programs and activities that transform schools into 21st Century Opportunities for students by—
 - (A) creating a challenging learning environment and facilitating academic enrichment through innovative academic programs; or
 - (B) providing for extra learning time opportunities for students;
- (3) Provide assistance to local educational agencies, schools, and communities to strengthen existing programs, or develop and implement new programs that create Safe Learning Environments by—
 - (A) preventing violence and other high-risk behavior in and around schools; and
 - (B) preventing the illegal use of alcohol, tobacco and drugs;
- (4) Create New Economy Technology Schools (NETs) by providing assistance to local educational agencies and schools for—
 - (A) acquisition, development, interconnection, implementation, improvement, and maintenance of an effective educational technology infrastructure;
 - (B) acquisition and maintenance of technology equipment, and the provision of training in the use of such equipment for teachers, school library and media personnel, and administrators;
 - (C) acquisition or development of technology-enhanced curricula and instructional materials that are aligned with State content and student performance standards; and
 - (D) acquisition, or development, and implementation of high quality professional development for teachers in the use of technology and its integration with State content and student performance standards;

Sec. 6002. DEFINITIONS.

"For the purposes of this title, the term 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

Sec. 6003. PROGRAMS AUTHORIZED.

- (a) **GRANTS AUTHORIZED.**—From the amounts appropriated under section 6009, the Secretary shall award a grant, from allotments under subsection (b), to each State having a

State plan approved under section 6005, to enable the State to award subgrants to local educational agencies.

(b) RESERVATIONS AND ALLOTMENTS.—

(1) RESERVATIONS.—From the amount appropriated under section 6009, to carry out this part for each fiscal year, the Secretary shall reserve—

- (A) not more than $\frac{1}{2}$ of 1 percent of such amount for payments to the Bureau of Indian Affairs for activities, approved by the Secretary, consistent with this title;
- (B) not more than $\frac{1}{2}$ of 1 percent of such amounts for payments to outlying areas, to be allotted in accordance with their respective needs for assistance under this title as determined by the Secretary, for activities, approved by the Secretary, consistent with this title; and
- (C) such sums as may be necessary to continue to support any multiyear award made under titles III, IV, V (part B), or X (as such titles were in effect on the day preceding the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act) until the termination of the multiyear award.

(2) STATE ALLOTMENTS.--

(A) IN GENERAL.--From the amount appropriated under section 6009 for a fiscal year and remaining after the Secretary makes reservations under paragraph (1), the Secretary shall allot to each State having a State plan approved under section 6005 the sum of—

- (i) an amount that bears the same relationship to 50 percent of the remainder as bear to the relative amount received under Part A of Title I; and
- (ii) an amount that bears the same relationship to 50 percent of the remainder as the school-age population in the State bears to the school-age population in all States.

(B) DATA.—For the purposes of determining the school age population in a state and in all states, the Secretary shall use the latest available Census data.

(c) STATE MINIMUM.—For any fiscal year, no State shall be allotted under this section an amount that is less than 0.4 percent of 1 percent of the total amount allotted to all States under subsection (b).

(d) HOLD-HARMLESS AMOUNTS.—For fiscal year 2001, notwithstanding subsection (e), the amount allotted to each State under this section shall be not less than 100 percent of the total amount the State was allotted in formula grants under titles III, IV; VI, and title III of the Goals 2000 Act (as such titles and Act were in effect on the day proceeding the date of enactment of the

Public Education Reinvestment, Reinvention, and Responsibility Act) for the proceeding fiscal year.

(e) **RATABLE REDUCTIONS.**—If the sums made available under section 6003 for any fiscal year are insufficient to pay the full amounts that all State educational agencies are eligible to receive under paragraph (2) for such year, the Secretary shall ratably reduce such amounts for such year.

Sec. 6004. WITHIN STATE ALLOCATION.

(a) **IN GENERAL.**—Each State educational agency for a State receiving a grant under section 6003 shall—

- (1) Set aside not more than 1 percent of the funds received for administrative purposes for in carrying out activities under this title;
- (2) Set aside not more than 4 percent of the funds received in order to—
 - (A) provide for the establishment of high-quality internationally competitive content and student performance standards and strategies that all students will be expected to achieve;
 - (B) provide for the establishment of high-quality, rigorous assessments that are aligned with state standards, include multiple measures, and, to the greatest extent possible, are criterion referenced;
 - (C) encourage and enable all State and local educational agencies to develop, implement, and strengthen comprehensive education improvement plans that address student achievement, teacher quality, parent involvement, reliable measurement and evaluation methods; and
 - (D) encourage and enable all States to develop and implement value-added assessments, such as model value-added assessments as identified by the Secretary in section 7004(a)(6).
- (3) Using the remaining 96 percent of the funds, make subgrants by allocating to each local educational agency in the State the sum of—
 - (A) an amount that bears the same relationship to 60 percent of the remainder as bears to the relative amount received under Part A of Title I; and
 - (B) an amount that bears the same relationship to 40 percent of the remainder as the school-age population in the area served by the local educational agency bears to the school-age population in the area served by all local educational agencies in the State.

SEC. 6005. PLANS.

(a) **STATE PLANS.**--

- (1) **IN GENERAL.**—The State educational agency for each State desiring a grant under this title shall submit a State plan to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.
- (2) **CONSOLIDATED PLAN.**—A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 8302.
- (3) **CONTENTS.**—Each plan submitted under subsection (a)(1) shall—
 - (A) describe how the State educational agency will assist each local educational agency and school served under this title to develop the capacity to comply with the requirements of section 6006 that is applicable to such agency or school;
 - (B) certify that the State educational agency has a system, as required under section 1111, for—
 - (1) holding each local educational agency and school accountable for meeting adequate yearly progress (as defined in section 1111(b)(2)(B));
 - (2) identifying local educational agencies and schools that are in need of improvement and corrective action (as required in sections 1116 and 1117);
 - (3) assisting agencies and schools that are identified for improvement with the development and implementation of improvement plans; and
 - (4) providing technical assistance, professional development and other capacity-building as needed to get such agencies and schools out of improvement status.
 - (C) certify that the State educational agency shall use the disaggregated results of student assessments required under section 1111(b)(4) and other measures or indicators available to review annually the progress of each local educational agency and school served under this title to determine whether or not each is making adequate yearly progress as required under section 1111.
 - (D) certify that the State educational agency will take timely action against any local educational agency that is in corrective action and receiving funds under this title as described in subsection 6006(d)(2).
 - (E) describe what, if any, state and other resources will be provided to local educational agencies and schools served under this title for activities conducted under this title;
- (4) **APPROVAL.**—The Secretary, using a peer review process, shall approve a State plan if the State plan meets the requirements of this title..

(5) DURATION OF THE PLAN.—Each state plan shall remain in effect for the duration of the State's participation under this title.

(b) LOCAL PLANS.

(1) IN GENERAL.—Each local educational agency shall submit a local education agency plan to the State educational agency at such time, in such manner, and accompanied by such information at the State Educational agency may require.

(2) CONTENTS. – Each Local Education agency shall

(A) describe the programs for which funds allocated under section 6004(a)(3) will be used and the reasons for the selection of such programs;

(B) describe the methods the LEA will use to measure the annual impact of these programs and the extent to which the programs resulted in increased student academic performance;

(C) describe the quantifiable and measurable annual performance goals and objectives for each program;

(D) describe how each program's goals and objectives described in subparagraph (C) are aligned with State content and student performance standards;

(E) describe how the LEA will hold schools accountable for meeting the intended performance objectives for each program established under subparagraph (C);

(F) provide an assurance that the LEA has met the local plan requirements under section 1112 for—

(i) holding schools accountable for meeting their adequate yearly progress, including the annual numerical goals for improving the performance of all groups of students based on the student performance standards set by the State under section 1111(b)(1)(D)(ii), providing technical as;

(ii) identifying schools for school improvement or corrective action;

(iii) fulfilling its school improvement responsibilities under section 1116, including taking corrective actions under section 1116(c)(9);

(iv) providing technical assistance, professional development or other capacity-building assistance to schools served;

(G) certify that the local educational agency will take timely action against a school that is in corrective action and receiving funds under this title as described in subsection 6006(d)(1);

(H) describe what state and local resources will be contributed to carrying out programs described in this section;

(I) provide assurances that the LEA consults with community stakeholders, including parents, school board members, teachers, administrators, business partners, education organizations, and community groups to develop their local education plan and select the programs that funding allocated in section 6004(a)(3) will support.

(J) provide assurance that LEA will continue such consultation

(3) APPROVAL.—The State shall approve a local educational agency plan if the plan meets the requirements of this title.

(4) DURATION OF THE PLAN.—Each local educational agency plan shall remain in effect for the duration of the local educational agency's participation under this title.

(5) PUBLIC REVIEW.—Each State educational agency will make publicly available each local educational agency plan and make available documents submitted to the state under subparagraphs (I) and (J).

Sec. 6006. LOCAL USES OF FUNDS AND ACCOUNTABILITY.

(a) ADMINISTRATIVE EXPENSES.—Each local educational agency receiving a grant under section 6004 may use not more than 1 percent of the subgrant funds for any fiscal year for the cost of administering this title.

(b) REQUIRED ACTIVITIES.—Each LEA receiving funds under section 6004(a)(3) shall use the funds to establish and carry out programs that are designed to achieve, separately or cumulatively, each of the goals described in the four category areas described in paragraphs (1) through (4).

(1) SCHOOL IMPROVEMENT. – Each LEA shall use a 30% portion of total funds received under section 6004(a)(3) for—

(A) in the case of a school that has been identified as being in need of improvement under section 1116(c), activities or strategies that are described in 1116(c) aimed at getting such schools out of improvement status; or

(B) programs that seek to raise the academic achievement levels of all elementary and secondary students based on State content and student performance standards that meet, to the greatest extent possible the following requirements—

(i) incorporate best practices developed from research-based methods and practices;

(ii) be aligned with state content and performance standards that are focused on reinforcing and boosting the core academic skills and knowledge of students who struggling academically, as determined by state assessments under section 1111(b)(4) and local evaluations;

(iii) focus on accelerated learning rather than remediation, so that students served through these programs will master the high level of skills and knowledge needed to meet the highest State standards or to perform at high levels on all State assessments; and

(iv) offer teachers, principals, and administrators professional development and technical assistance that is aligned with program goals and standards.

(2) 21st CENTURY OPPORTUNITIES.—Each LEA shall use a 25% portion of total funds received in section 6004(a)(3) for—

(A) programs that provide for extra learning time opportunities for students so that all students may achieve high levels of learning and be at the state proficient standard level within 10 years of the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

(B) programs to improve the higher order thinking skills of all students, especially disadvantaged students;

(C) promising innovative education reform projects that are consistent with challenging state content and student performance standards; or

(D) programs that focus on ensuring disadvantaged student enter elementary school with the basic skills ready to learn to the high state content and student performance standards.

(3) SAFE LEARNING ENVIRONMENTS.—Each LEA shall use a 20% portion of total funds received in section 6004(a)(3) for programs that help ensure that all elementary and secondary school students learn in a safe and supportive environment by—

(A) reducing drugs and violence, and other high-risk behaviors in schools;

(B) providing for safe extended day opportunities for students;

(C) providing professional development activities for teacher, principals, mental health professionals, and guidance counselors in dealing with student exhibiting distress (such as substance abuse, disruptive behavior, and suicidal behavior);

(D) recruiting or retaining high quality mental health professionals;

(D) providing character education for students; or

(E) meeting other objectives that are established under State standards regarding safety or that address local community concerns.

(4) NEW ECONOMY TECHNOLOGY SCHOOLS,—

(A) IN GENERAL.—Each LEA shall use a 25% portion of total funds received in section 6004(a)(3) to transform schools into New Economy Technology Schools (NETs) and demonstrate, to the greatest extent possible that—

- (i) School Technology programs support student performance related to authentic task(s);
- (ii) Technology use is integrated into activities that are a core part of the classroom curriculum. Teachers should incorporate technology into key student activities and make them available to all students rather than just a small percentage;
- (iii) Technology programs place the emphasis on use of technology within the context of accomplishing authentic tasks; and
- (iv) Provide professional development and technical assistance for teachers to integrate technology into daily activities that are directly aligned with state content and student performance standards is critical.
- (v) The local educational agency annually increase the percentage of classrooms with access to technology in schools in which more than 50 percent of the school-age population comes from families living in poverty.

(B) LIMITATIONS.—Each Local educational agency shall use no more than 50 percent of the funds allocated under this paragraph to purchase, upgrade or retrofit hardware in schools in which less than 50 percent of the school-age population comes from families in poverty.

(c) TRANSFER OF FUNDS.—Notwithstanding subsection (b)--

- (2) LOCAL EDUCATION AGENCIES MEETING ADEQUATE YEARLY PROGRESS.—Local educational agencies meeting their adequate yearly progress for student performance as established by the State educational agency in section 1111 may transfer up to 30% of total funds received in section 6004(a)(3) among the four funding categories described in subsection (b);
- (2) LOCAL EDUCATIONAL AGENCIES EXCEEDING ADEQUATE YEARLY PROGRESS.—Local educational agencies exceeding their adequate yearly progress for student performance as established by the State educational agency in section 1111 by a significant amount (as determined by the State educational agency) may transfer up to 50% of total funds received in section 6004(a)(3) among the four funding categories described in subsection (b);
- (3) LOCAL EDUCATIONAL AGENCIES IN NEED OF IMPROVEMENT.—For any local educational agency that is deemed in need of improvement, as defined in section 1117,--

- (A) the agency may transfer up to 25% of the total funds received in section 6004(a)(3);
- (B) such funds transferred in subparagraph (A) shall only be transferred into the School Improvement category described in subsection (b)(1).

(d) LIMITATIONS FOR SCHOOLS AND LOCAL AGENCIES IN CORRECTIVE ACTION.—

(1) SCHOOLS IN CORRECTIVE ACTION.—Schools that have been identified for corrective action under section 1116(c) shall—

- (A) have their decision-making capacity revoked with regards to funds received under this section; and
- (B) spend funds received under this section as directed by the local educational agency so as to focus on activities which will be the most effective in raising student performance levels and be consistent with corrective actions being taken by the local educational agency in section 1116(c)(10).

(2) LOCAL EDUCATIONAL AGENCIES IN CORRECTIVE ACTION.—Local educational agencies that have been identified for corrective action under section 1116(d) shall—

- (A) Have their funds received under subsection 6004(a)(3) reduced by the State by 25 percent, and the State educational agency shall—
 - (i) directly distribute to schools in the areas served by the local educational agency that are meeting or exceeding their adequate yearly progress levels established in Section 1111; or
 - (ii) redistribute the funds to other local educational agencies in the State as described in section 6004(a)(3) if no school in the area served by the local educational agency is meeting or exceeding its adequate yearly progress.
- (B) their decision-making capacity revoked with regards to funds remaining after reservations made by the State in subparagraph (A); and
- (C) spend funds received, subsequent to subparagraphs (A) and (B) under this section as directed by the State so as to focus on activities which will be the most effective in raising student performance levels and be consistent with corrective actions being taken by the State in section 1116(d).

(3) DURATION.—Limitations imposed on schools and local educational agencies in corrective action as described in paragraphs (1) and (2) shall be in effect until such time that the local educational agency or school has made sufficient improvement and is no longer in corrective action.

(4) STATE REDISTRIBUTION OF FUNDS.—The state shall redistribute funds made available as a result of reductions under paragraph (2)(A)—

(A) to other local educational agencies in the state that are not in corrective action as determined in section 1116(d); and

(B) through formula established in section 6004(a)(3).

Section 6007. STATE AND LOCAL RESPONSIBILITIES.

(a) DATA REVIEW.

(1) STATE AND LOCAL REVIEW.—In the case of a local educational agency in corrective action as defined in section 1116(d), the State shall jointly review with the local educational agency the data from student assessments and other measures required in section 1111(b)(4) in order to determine how the local educational agency described in section 6006(d)(2) shall spend remaining funds in order to make substantial student performance improvement within the local educational agency as directed in section 6006(d)(2)(C).

(2) SCHOOL AND LOCAL REVIEW.—In the case of a school in corrective action as defined in section 1116(c), the local educational agency shall jointly review with school the data from student assessments and other measures required in section 1111(b)(4) in order to determine how a schools described in section 6006(d)(1) shall spend funds received in section 6006 in order to make substantial student performance improvement within the school as directed in Section 6006(d)(1)(B).

(c) TECHNICAL ASSISTANCE.

(1) STATE ASSISTANCE.—

(A) States shall provide, upon request by the local educational agency, technical assistance to local educational agencies and schools being served under this title, including assistance in analyzing student performance and programs impact data, and identifying best instructional strategies and methods for carrying out programs identified in section 6006(b).

(B) State assistance may be provided by—

(i) the State educational agency; or

(ii) with the local educational agency's approval, by an institution of higher education, a private not-for-profit or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described in section 7005, a non-traditional entity such as corporation or consulting firm, or any other entity with experience in the program area for which the assistance is being sought.

(2) LOCAL ASSISTANCE.—

(A) Local educational agencies shall provide, upon request by the school, technical assistance to schools being served under this title, including assistance in analyzing student performance and programs impact data, and identifying best instructional strategies and methods for carrying out programs identified in section 6006(b).

(B) Local assistance may be provided by—

(i) the state or local educational agency; or

(ii) with the school's approval, by an institution of higher education, a private not-for-profit or for-profit organization, an educational service agency, the recipient of a Federal contract or cooperative agreement as described in section 7005, a non-traditional entity such as corporation or consulting firm, or any other entity with experience in the program area for which the assistance is being sought.

Sec. 6008. LOCAL REPORTS.—Each local educational agency receiving funds under this title shall annually publish and disseminate to the public, in a format and, to the extent practicable, in a language that parents can understand, a report on—

(a) information describing the use of funds in the four category areas described in 6006(b);

(b) the outcomes of local programs under section 6006 as well as an assessment of their effectiveness; and

(c) the local educational agency's progress toward attaining its goals and objectives established in section 6005(b), and the extent to which such uses increased student achievement.

Sec. 6009. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title \$2,700,000,000 for fiscal year 2001, and such sums as may be necessary for each of the 4 succeeding fiscal years."