

DRAFT

October 24, 1997

3:00 PM

The Honorable William F. Goodling
Chairman, Committee on Education and the Workforce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Goodling:

I understand that the Committee on Education and the Workforce may consider the Helping Empower Low-Income Parents (HELIP) Scholarships Amendments of 1997 tomorrow. This legislation would permit States and local school districts to use funds that are made available for the supplementary costs of education reform under Title VI of the Elementary and Secondary Education Act of 1965 to provide vouchers that could be used to pay the cost of a student's basic instructional program at a private school. If such legislation were to reach the President, I would recommend that he veto it.

Every American child deserves a high-quality elementary and secondary education, and every State guarantees its children a free public education. I believe that targeting our limited Federal resources to build stronger public schools will help ensure that all our Nation's children receive the education they need to become productive citizens. Public schools serve approximately 90 percent of students in grades K-12 and currently face record-breaking enrollments. By focusing resources on public schools, we can leverage community investment to help parents, teachers, and administrators meet the important educational challenges they face in serving the vast majority of our children: meeting high standards for learning and discipline and providing a safe, drug-free environment for children. Federal funding of private school tuition would divert needed attention and resources from our public schools, and is a bad idea.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program and that enactment of legislation such as I have described above would not be in accord with the President's program.

Yours sincerely,

Richard W. Riley

[Underlined words represent changes from prior draft]

FAX TRANSMISSION
U.S. DEPARTMENT OF EDUCATION

600 INDEPENDENCE AVENUE SW, RM. 6133
WASHINGTON, DC 20202
202-401-3414
FAX: 202-401-0596

To: Bill Kincaid

Date: NOV 4TH

Fax #:

Pages: 3 , including this cover sheet.

From: Terry K. Peterson/Lidice Rivas

Subject:

FYI, HELP Bill.

CONFIDENTIALITY NOTICE

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Leadership Conference on Civil Rights

1625 "F" St., NW, Suite 1010
Washington, D.C. 20006
Phone 202/466-3311
Fax 202/466-3635
TTY 202/796-3639

Support Existing Anti-Discrimination Laws: Oppose the HELP Bill, HR 2724

October 29, 1997

The Honorable Sidney R. Yates
U.S. House of Representatives
2109 Rayburn House Office Building
Washington, DC 20515

Dear Representative Yates:

On behalf of the undersigned organizations, we urge you to vote against the Helping Empower Low-Income Parents (HELP) Scholarship bill (HR 2724). We strongly oppose exempting taxpayer-supported schools from federal civil rights laws.

The HELP bill would change existing law to permit federal dollars to finance education programs without requiring any corresponding obligation to comply with federal anti-discrimination laws (Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; and the Age Discrimination Act). Under current law, schools that receive federal funds, including federal aid paid directly to students or parents for educational use, must abide by federal laws prohibiting discrimination in federally funded education programs. However, HR 2724 rewrites the law to permit private schools to receive federal dollars and to allow them to discriminate on the basis of race, sex, national origin, ethnicity, disability, and age.

Under this bill federal dollars could be used to support discrimination in education. Without the protection of the federal civil rights laws, private schools could receive federal funds under HR 2724 yet discriminate against students in access to classes, guidance counseling, extra curricular activities, and other aspects of education. For example, private schools could permit widespread and severe racial harassment of students in class, provide female students with inferior athletic facilities, and refuse to make any accommodations for disabled students. In short, HR 2724 would allow private schools to ignore the civil rights laws that have long protected students in federally funded education programs.

Attached is more detailed information on why we oppose the HELP bill. If you have any questions, please contact Nancy Zirkin, American Association of University Women, at 202/785-7720, Debbie Brake, National Women's Law Center, at 202/588-5180, or Wade Henderson, Leadership Conference on Civil Rights, at 202/466-3311.

Sincerely,

Leadership Conference on Civil Rights
American Association of University Women
National Women's Law Center

American Association for Affirmative Action
American Civil Liberties Union
American Jewish Committee
American Jewish Congress
American Ethical Union, Washington Ethical Action Office
Asian Pacific American Labor Alliance, AFL-CIO
Catholics for a Free Choice
Center for Women Policy Studies
Friends Committee on National Legislation
General Board of Church and Society, United Methodist Church
Hadassah
Jewish Council for Public Affairs
Mexican American Legal Defense and Educational Fund
NAACP
National Asian Pacific American Legal Consortium
National Association for Female Executives
National Association of Protection and Advocacy Systems
National Black Women's Health Project
National Urban League
National Women's Conference
NAWE: Advancing Women in Higher Education
NOW Legal Defense and Education Fund
Oil, Chemical, and Atomic Workers International Union
Project Equality, Incorporated
United Church of Christ, Office for Church in Society
Women Employed Institute
Women's Institute for Freedom of the Press
Women's Legal Defense Fund
Young Women's Christian Association (YWCA)



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE GENERAL COUNSEL

October 29, 1997

Telefax Transmittal Sheet

TO: Connie Bowers, OMB/LRD

FAX NO: 395-6148

FROM: Paul Riddle, Division of Legislative Counsel
Phone: (202) 401-6339 Fax: (202) 401-5391

TIME: 10:16 am *Paul R.*

PAGES (including this sheet): 10

FYI: (1) Goodling's letter to the Rules Committee on H.R. 2746 and H.R. 2616; and (2) the text of H.R. 2746.

H.R. 2746 is a new voucher bill, introduced yesterday, that replaces H.R. 2724. The only difference between the 2 bills is that the new bill does not include language in H.R. 2724 (ESEA, §6405(b)) stating that the vouchers are not income for purposes of Federal tax laws or for determining eligibility under other Federal programs. I assume that this language was deleted in the new bill in order to avoid referral to the Ways and Means Committee.

Needless to say, our views on H.R. 2746 are identical to those on H.R. 2724.

FILE NO. 810 10/28 '97 17:57 ID:DEM EDUCATION/WORKFORCE 202 226 4864

PAGE 3

MEMORANDUM FOR THE CHAIRMAN
SUBJECT: H.R. 2746, "Helping Empower Low-Income Parents (HELPEP) Scholarships Amendments of 1997" and H.R. 2616, "Charter Schools Amendments Act of 1997".
FROM: J. Dade Kincaid, Chairman, Committee on Education and the Workforce
DATE: October 28, 1997
RE: H.R. 2746, H.R. 2616
1. H.R. 2746, "Helping Empower Low-Income Parents (HELPEP) Scholarships Amendments of 1997", was introduced by Representative [Name] on [Date].
2. H.R. 2616, "Charter Schools Amendments Act of 1997", was introduced by Representative [Name] on [Date].
3. The Committee on Education and the Workforce has jurisdiction over both bills.
4. The Committee has scheduled a hearing on both bills for [Date].
5. The Committee has requested that the Rules Committee consider the bills for floor consideration.
6. The Committee has requested that the Rules Committee make a rule in order to consider the bills.
7. The Committee has requested that the Rules Committee make a rule in order to consider the bills.
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10. The Committee has requested that the Rules Committee make a rule in order to consider the bills.



COMMITTEE ON EDUCATION
AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES

3101 RAYBURN BUILDING OFFICE BUILDING
WASHINGTON, DC 20515-8100

MEMORANDUM FOR THE CHAIRMAN
SUBJECT: H.R. 2746, "Helping Empower Low-Income Parents (HELPEP) Scholarships Amendments of 1997" and H.R. 2616, "Charter Schools Amendments Act of 1997".
FROM: J. Dade Kincaid, Chairman, Committee on Education and the Workforce
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2. H.R. 2616, "Charter Schools Amendments Act of 1997", was introduced by Representative [Name] on [Date].
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October 28, 1997

The Honorable Gerald B. H. Solomon
Chairman, Committee on Rules
U.S. House of Representatives
H-312 Capitol
Washington, DC 20515

Dear Chairman Solomon:

It is my understanding that the Rules Committee intends to meet to consider the rule for H.R. 2746, "Helping Empower Low-Income Parents (HELPEP) Scholarships Amendments of 1997" and H.R. 2616, "Charter Schools Amendments Act of 1997".

I would respectfully request that you consider a rule to make in order each of these bills for consideration. I would ask that the rule make in order the consideration of H.R. 2746 first. With respect to H.R. 2746, I would ask that the rule provide for 3 hours of general debate and then provide for a closed amendment process. I would then ask that the rule then make in order the bill H.R. 2616. I would ask that the rule allow one hour of general debate and then provide for an open amendment process. I also would respectfully request that you make in order a Manager's package of amendments during consideration of H.R. 2616, which could be offered by me or my designee, and, if adopted would become base text for amendment of the bill.

Finally, I would respectfully request that upon passage of both bills that the text of H.R. 2746 be added to the text of H.R. 2616. If I may be of assistance, please do not hesitate to call me.

Sincerely,

Bill

BILL GOODLING
Chairman

WFO/jms

cc: The Honorable William Clay

10/28/97 17:51

105TH CONGRESS
1ST SESSION

H. R. 2746

To amend title VI of the Elementary and Secondary Education Act of 1965 to give parents with low-incomes the opportunity to choose the appropriate school for their children.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 28, 1997

Mr. BIGGS (for himself, Mr. WATTS of Oklahoma, Mr. FLAKE, Mr. TALMONT, Mr. GINGRICH, Mr. ARNEY, Mr. DELAY, Mr. BOEHNER, Ms. DUNN, Ms. PEYER of Ohio, Mr. SOLOMON, and Mr. HOEKSTRA) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend title VI of the Elementary and Secondary Education Act of 1965 to give parents with low-incomes the opportunity to choose the appropriate school for their children.

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 "Helping Empower
5 Low-income Parents (HELP) Scholarships Amendments
6 of 1997".

URGENT

**EXECUTIVE OFFICE OF THE PRESIDENT
Office of Management and Budget
Legislative Reference Division
Labor, Welfare and Personnel Branch
Washington, DC 20503**

Facsimile Transmission

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ALICE SHUFFIELD			
BILL KINCAID			

* * * * *

FROM: *Connie J. Bowers*

DATE: **Wed Oct 29, 1997 10:59am**

No. of Pages (including transmittal sheet):

COMMENTS:

SCHOOL VOUCHERS AND CHARTER SCHOOLS == HOUSE FLOOR

See attached memo from ED describing the Rules Committee/House Floor scenario, the Goodling letter on a new voucher bill (HR 2746), and that new bill text.

cc: Janet Forsgren

1 **SEC. 2. DEFINITIONS.**

2 Section 6003 of the Elementary and Secondary Edu-
3 cation Act of 1965 is amended—

4 (1) in the section heading by striking "**DEFINI-**
5 **TION**" and inserting "**DEFINITIONS**";

6 (2) by striking "(1)", "(2)", and "(3)";

7 (3) in the matter proceeding subparagraph (A),
8 by striking " title the term" and inserting the fol-
9 lowing:

10 "title—

11 "(1) the term";

12 (4) by striking the period at the end; and

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

14 "(2) the term 'poverty line' means the poverty
15 line (as defined by the Office of Management and
16 Budget, and revised annually in accordance with sec-
17 tion 673(2) of the Community Services Block Grant
18 Act (42 U.S.C. 9902(2)) applicable to a family of
19 the size involved; and

20 "(3) the term 'voluntary public and private pa-
21 rental choice program' means a program that meets
22 the requirements of section 6301(b)(9), is authorized
23 by State law, and includes 1 or more private schools
24 to allow low-income parents to choose the appro-
25 priate school for their children."

1 SEC. 3. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

2 Section 6102(a) of the Elementary and Secondary
3 Education Act of 1965 is amended to read as follows:

4 “(a) DISTRIBUTION RULE.—

5 “(1) IN GENERAL.—Except as provided in para-
6 graph (2), from the sums made available each year
7 to carry out this title, the State educational agency
8 shall distribute not less than 90 percent to local edu-
9 cational agencies within such State according to the
10 relative enrollments in public and private, nonprofit
11 schools within the school districts of such agencies,
12 adjusted, in accordance with criteria approved by the
13 Secretary, to provide higher per pupil allocations to
14 local educational agencies which have the greatest
15 numbers or percentages of children whose education
16 imposes a higher than average cost per child, such
17 as—

18 “(A) children living in areas with high con-
19 centrations of low-income families;

20 “(B) children from low-income families; and

21 “(C) children living in sparsely populated areas

22 “(2) EXCEPTION.—A State that has enacted or
23 will enact a law that establishes a voluntary public
24 and private parental choice program and that com-
25 plies with the provisions of section 6301(b)(9) may
26 reserve an additional 15 percent from the sums

1 made available each year to carry out this title if the
2 additional amount reserved is used exclusively for
3 voluntary public and private parental choice pro-
4 grams.”.

5 **SEC. 4. USES OF FUNDS.**

6 (a) **STATE USES OF FUNDS.**—Section 6201(a)(1) of
7 the Elementary and Secondary Education Act of 1965 is
8 amended—

9 (1) in subparagraph (C), by striking “and”
10 after the semicolon;

11 (2) by inserting after subparagraph (C) the fol-
12 lowing:

13 “(D) establishing voluntary public and pri-
14 vate parental choice programs in accordance
15 with section 6301(b)(9); and”.

16 (b) **LOCAL USES OF FUNDS.**—Section 6301(b) of the
17 Elementary and Secondary Education Act of 1965 is
18 amended—

19 (1) in paragraph (7), by striking “and” after
20 the semicolon;

21 (2) in paragraph (8), by striking the period and
22 inserting “; and”; and

23 (3) by inserting after paragraph (8) the follow-
24 ing:

5

1 “(9) voluntary public and private parental
2 choice programs that—

3 “(A) are located in an area that has the
4 greatest numbers or percentages of children—

5 “(i) living in areas with a high con-
6 centration of low-income families;

7 “(ii) from low-income families; or

8 “(iii) living in sparsely populated
9 areas;

10 “(B) ensure that participation in such a
11 voluntary public and private parental choice
12 program is limited to families whose family in-
13 come does not exceed 185 percent of the pov-
14 erty line;

15 “(C) ensure that—

16 “(i) the maximum amount of a vol-
17 untary public and private parental choice
18 scholarship does not exceed the per pupil
19 expenditure of the local educational agency
20 in which an applicant for a voluntary pub-
21 lic and private parental choice scholarship
22 resides;

23 “(ii) the minimum amount of a vol-
24 untary public and private parental choice
25 scholarship is not less than 60 percent of

6

1 the per pupil expenditure of the local edu-
2 cational agency in which an applicant for
3 a voluntary public and private parental
4 choice scholarship resides or the cost of
5 tuition at a private school, whichever is
6 less;

7 “(D) ensure that for a private school that
8 chooses to participate in a voluntary public and
9 private parental choice program—

10 “(i) such a school is permitted to im-
11 pose the same academic requirements for
12 all students, including students selected for
13 a scholarship as provided under this para-
14 graph;

15 “(ii) receipt of funds under this title
16 is not conditioned with requirements or
17 regulations that preclude the use of such
18 funds for sectarian educational purposes or
19 require removal of religious art, icons,
20 scripture, or other symbols; and

21 “(iii) such a school is in compliance
22 with all State requirements applicable to
23 the operation of a private school that are
24 in effect in the year preceding the date of
25 the enactment of the Helping Empower

7

1 Low-income Parents (HELP) Scholarships
2 Amendments of 1997;

3 “(D) may allow State, local, and private
4 funds to be used for voluntary public and pri-
5 vate parental choice programs; and

6 “(F) ensure priority for students who were
7 enrolled in a public school in the school year
8 preceding the school year in which a voluntary
9 public and private parental choice school begins
10 operation.”.

11 **SEC. 5. EVALUATION.**

12 Part D of title VI of the Elementary and Secondary
13 Education Act of 1965 is amended—

14 (1) by adding at the end of section 6402 the
15 following new subsection:

16 “(j) APPLICATION.—This section shall not apply to
17 funds that a State or local educational agency uses to es-
18 tablish a voluntary public and private parental choice pro-
19 gram in accordance with section 6301(b)(9).”; and

20 (2) by adding at the end of such part the fol-
21 lowing new sections:

22 **“SEC. 6404. EVALUATION.**

23 “(a) ANNUAL EVALUATION.—

24 “(1) CONTRACT.—The Comptroller General of
25 the United States shall enter into a contract, with

1 an evaluating agency that has demonstrated experi-
2 ence in conducting evaluations, for the conduct of
3 an ongoing rigorous evaluation of the programs es-
4 tablished under section 6301(b)(9).

5 "(2) ANNUAL EVALUATION REQUIREMENT.—

6 The contract described in paragraph (1) shall re-
7 quire the evaluating agency entering into such con-
8 tract to evaluate annually each program established
9 under section 6301(b)(9) in accordance with the
10 evaluation criteria described in subsection (b).

11 "(3) TRANSMISSION.— The contract described
12 in paragraph (1) shall require the evaluating agency
13 entering into such contract to transmit to the Comp-
14 troller General of the United States the findings of
15 each annual evaluation under paragraph (1).

16 "(b) EVALUATION CRITERIA.—The Comptroller Gen-
17 eral of the United States, in consultation with the Sec-
18 retary, shall establish minimum criteria for evaluating
19 each program established under section 6301(b)(9). Such
20 criteria shall provide for—

21 "(1) a description of the implementation of
22 each program established under section 6301(b)(9)
23 and the program's effects on all participants,
24 schools, and communities in the program area, with
25 particular attention given to the effect of parent par-

1 participation in the life of the school and the level of
2 parental satisfaction with the program; and

3 “(2) a comparison of the educational achieve-
4 ment of all students in the program area, including
5 a comparison between—

6 “(A) students receiving a voluntary public
7 and private parental choice scholarships under
8 section 6801(b)(9); and

9 “(B) students not receiving a voluntary
10 public and private parental choice scholarships
11 under such section.

12 “(c) EVALUATION FUNDS.—Pursuant to the author-
13 ity provided under section 14701, the Secretary shall re-
14 serve not more than 0.50 percent of the amount of funds
15 made available under section 6002 to carry out this sec-
16 tion.

17 **“SEC. 6403. APPLICABILITY.**

18 “(a) NOT SCHOOL AID.—Subject to subsection (b),
19 funds used under this title to establish a voluntary public
20 and private parental choice program shall be considered
21 assistance to the student and shall not be considered as
22 assistance to any school that chooses to participate in such
23 program.

24 “(b) NO FEDERAL CONTROL.—The Secretary is not
25 permitted to exercise any direction, supervision, or control

10

1 over curricula, program of instruction, administration, or
2 personnel of any school that chooses to participate in a
3 voluntary public and private choice program established
4 under 6309(b)(9).".

○



October 30, 1997
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 2616 - Charter Schools Amendments Act of 1997
(Reps. Riggs (R) CA and Roemer (D) IN)

The Administration supports House passage of H.R. 2616, but has concerns about provisions in the bill that would extend, from three years to five years, the period for which Federal assistance could be provided to individual charter schools.

The Administration understands that the rule for consideration of H.R. 2616 provides that the text of H.R. 2746, the Helping Empower Low-income Parents (HELP) Scholarships Amendments of 1997, be added to H.R. 2616 in the engrossment of the bill. Under H.R. 2746, States and local school districts could provide vouchers for basic instruction in private schools using funds that are otherwise available for the supplementary costs of education reform under Title VI of the Elementary and Secondary Education Act of 1965. If H.R. 2616 is amended to include this bill, the President's senior advisers would recommend that the bill be vetoed. Federal funding of private school vouchers is bad policy because it would divert needed attention and resources from the Nation's public schools, which serve approximately 90 percent of students in kindergarten through twelfth grade.



October 30, 1997
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 2746 - Helping Empower Low-income Parents (HELP)
Scholarships Amendments of 1997
(Rep. Riggs (R) CA and 11 others)

The Administration strongly opposes H.R. 2746. If the bill were presented to the President, his senior advisers would recommend that the bill be vetoed. Under H.R. 2746, States and local school districts could provide vouchers for basic instruction in private schools, using funds that are otherwise available for the supplementary costs of education reform under Title VI of the Elementary and Secondary Education Act of 1965. Federal funding of private school vouchers is bad policy because it would divert needed attention and resources from the Nation's public schools, which serve approximately 90 percent of students in kindergarten through twelfth grade.

Riggs Voucher
Bill (HELP)**URGENT**Total Pages: 12

LRM ID: CJB117

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

Thursday, October 23, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: *Janet R. Forsgren*
Janet R. Forsgren (for) Assistant Director for Legislative Reference

OMB CONTACT: Constance J. Bowers
PHONE: (202)395-3803 FAX: (202)395-6148

SUBJECT: OMB Request for Views on HRXXXX Helping Empower Low-Income Parents Scholarship (H.E.L.P.) Act

DEADLINE: 4:30 p.m., today Thursday, October 23, 1997

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: Text of Rep. Goodling's Bill, which is scheduled to be marked up tomorrow, Friday, October 24th, is attached. Please review in conjunction with ED's draft report, LRM CJB116.

DISTRIBUTION LIST**AGENCIES:**

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FAX RETURN of _____ pages, attached to this reponse sheet

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F:\EDUCATION\EDUCATION

10/23

105TH CONGRESS
1ST SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. RANKIN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title VI of the Elementary and Secondary Education Act of 1965 to give parents with low-incomes the opportunity to choose the appropriate school for their children.

1 *As it enacted by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Helping Empower
5 Low-income Parents (HELP) Schoolships Amendments
6 of 1997".

October 22, 1997 (P:10 p.m.)

10/23 '97 08:37

10/23/97 THU 08:44 FAX 302 228 1010
 10/23/97 THU 10:11 FAX 302 228 1010

CONF. ON ED & WORKFORCE M
 CONF. ON ED & WORKFORCE M

10/23/97 THU 10:11 FAX 302 228 1010
 10/23/97 THU 10:11 FAX 302 228 1010

F:\BQ\EDUCATION\NOTICE\004

H.L.C.

3

1 **SEC. 2. DEFINITIONS.**

2 Section 8003 of the Elementary and Secondary Edu-
 3 cation Act of 1985 is amended—

4 (1) in the section heading by striking "DEFINI-
 5 TION" and inserting "DEFINITIONS";

6 (2) by striking "(1)", "(2)", and "(3)";

7 (3) in the matter preceding subparagraph (A),
 8 by striking "title the term" and inserting the fol-
 9 lowing:

10 "title—

11 "(1) the term";

12 (4) by striking the period at the end; and

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

14 "(2) the term 'poverty line' means the poverty
 15 line (as defined by the Office of Management and
 16 Budget, and revised annually in accordance with sec-
 17 tion 873(2) of the Community Services Block Grant
 18 Act (42 U.S.C. 9802(2)) applicable to a family of
 19 the size involved; and

20 "(3) the term 'voluntary public and private pa-
 21 rental choice program' means a program that meets
 22 the requirements of section 8301(b)(3), is authorized
 23 by State law, and includes 1 or more private schools
 24 to allow low-income parents to choose the appro-
 25 priate school for their children."

October 22, 1997 (3:10 p.m.)

10/23 '97 08:37

October 20, 1997

Staff Summary of Proposed Voluntary Parental Choice Bill

Purpose. To empower low income parents in poverty-stricken areas to send their children to the best public or private schools.

Amends Title VI Block Grant (Old Chapter 2 Program). Permits State Educational Agencies and Local Educational Agencies to use their Title VI (old chapter 2 program) education block grant funds, if they choose, for public and private school choice at the state and local levels.

The prerequisite for using Title VI funds for parental choice is the enactment into law, by a state legislature, of school choice legislation.

Provides the opportunity/incentive for demonstration/pilot programs to be developed by state and local officials.

Permissible Use of Funds. This would be a permissible use of funds under Title VI for the State Educational Agencies and Local Educational Agencies and would be in addition to the uses of funds provided under current law in Title VI.

Broad Guidelines for School Choice Program. Any State Educational Agency or Local Educational Agency that wishes to use such funds in a State or locally-developed public and private school choice program, shall ensure that such state program meets the following criteria.

The parental choice program would be in low income communities.

The parental choice program would be limited to low-income families.

Evaluation of School Choice. The bill would provide for periodic evaluations/studies of the school choice programs on such things as academic achievement, parental satisfaction with choice, etc.

H.E.L.P. SCHOLARSHIP ACT

Helping Empower Low-Income Parents Scholarship Act

PURPOSE

To empower low-income parents living in poverty stricken areas to send their children to the best school they see fit. States and localities would be able to use existing federal funds (Title VI) to run a low-income public and private school choice program. Scholarships would go only to students whose families are at or below 185 percent of the poverty rate. The scholarship would be used to cover the cost of tuition at any private, public, or religious school located in an impoverished neighborhood.

FUNDS

States and localities would be able to use existing funds under the Title VI "Innovation in Education" block grant of the Elementary and Secondary Education Act (ESEA). Title VI received \$310 million for FY 1997 (it should be noted that the Clinton Administration proposed zero funding for the FY 1998 funding cycle).

EMPOWERING LOW-INCOME FAMILIES

The state or local choice program would be means-tested so that only parents with the lowest incomes would be eligible to receive scholarships for their children. The area in which a choice program would be run must be economically depressed and one of pervasive poverty.

PUBLIC SCHOOLS WOULD NOT BE HURT

Public schools would not be financially at risk if students opted to attend another school. Annual funds given to public schools located in a choice community would not decrease based on the number of students that left because of the scholarship program.

MAXIMUM AND MINIMUM DOLLAR AMOUNTS FOR SCHOLARSHIPS

The maximum value of the scholarship can be no more than the per pupil expenditure in that locality. The minimum amount can be no less than 60% of the per pupil expenditure or the cost of the private tuition, whichever is less.

PRIVATE SCHOOL PROTECTIONS

The bill clearly states that private and religious schools that accept scholarship students would not be interfered with by the federal or state government. Keeping schools free of regulations is of utmost importance to retaining the integrity and success of these educational institutions.

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1 HBC. 3. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

2 Section 8102(a) of the Elementary and Secondary
3 Education Act of 1966 is amended to read as follows:

4 "(a) DISTRIBUTION RULE.—

5 "(1) IN GENERAL.—Except as provided in para-
6 graph (2), from the sums made available each year
7 to carry out this title, the State educational agency
8 shall distribute not less than 90 percent to local edu-
9 cational agencies within such State according to the
10 relative enrollments in public and private, nonprofit
11 schools within the school districts of such agencies,
12 adjusted, in accordance with criteria approved by the
13 Secretary, to provide higher per pupil allocations to
14 local educational agencies which have the greatest
15 numbers or percentages of children whose education
16 imposes a higher than average cost per child, such
17 as—

18 "(A) children living in areas with high con-
19 centrations of low-income families;

20 "(B) children from low-income families; and

21 "(C) children living in sparsely populated areas.

22 "(2) EXCEPTION.—A State that has enacted or
23 will enact a law that established a voluntary public
24 and private parental choice program and that com-
25 plies with the provisions of section 8301(b)(9) may
26 reserve an additional 10 percent from the sums

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1 made available each year to carry out this title if the
 2 additional amount received is used exclusively for
 3 voluntary public and private parental choice pro-
 4 grams."

5 SEC. 4. USES OF FUNDS.

6 (a) STATE USES OF FUNDS.—Section 6801(a)(1) of
 7 the Elementary and Secondary Education Act of 1965 is
 8 amended—

9 (1) in subparagraph (C), by striking "and"
 10 after the semicolon;

11 (2) by inserting after subparagraph (C) the fol-
 12 lowing:

13 "(D) establishing voluntary public and pri-
 14 vate parental choice programs in accordance
 15 with section 6801(b)(8); and".

16 (b) LOCAL USES OF FUNDS.—Section 6801(b) of the
 17 Elementary and Secondary Education Act of 1965 is
 18 amended—

19 (1) in paragraph (7), by striking "and" after
 20 the semicolon;

21 (2) in paragraph (8), by striking the period and
 22 inserting "; and"; and

23 (3) by inserting after paragraph (8) the follow-
 24 ing:

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1 "(9) voluntary public and private parental
2 choice programs that—

3 "(A) are located in an area that has the
4 greatest numbers or percentages of children—

5 "(i) living in areas with a high con-
6 centration of low-income families;

7 "(ii) from low-income families; or

8 "(iii) living in sparsely populated
9 areas;

10 "(B) ensure that participation in such a
11 voluntary public and private parental choice
12 program is limited to families whose family in-
13 come does not exceed 185 percent of the pov-
14 erty line;

15 "(C) ensure that—

16 "(i) the maximum amount of a vol-
17 untary public and private parental choice
18 scholarship does not exceed the per pupil
19 expenditure of the local educational agency
20 in which an applicant for a voluntary pub-
21 lic and private parental choice scholarship
22 resides;

23 "(ii) the minimum amount of a vol-
24 untary public and private parental choice
25 scholarship is not less than 60 percent of

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1 the per pupil expenditure of the local edu-
2 cational agency in which an applicant for
3 a voluntary public and private parental
4 choice scholarship resides or the cost of
5 tuition at a private school, whichever is
6 less;

7 "(D) ensure that for a private school that
8 chooses to participate in a voluntary public and
9 private parental choice program—

10 "(i) such a school is permitted to im-
11 pose the same academic requirements for
12 all students, including students selected for
13 a scholarship as provided under this para-
14 graph;

15 "(ii) receipt of funds under this title
16 is not conditioned with requirements or
17 regulations that preclude the use of such
18 funds for sectarian educational purposes or
19 require removal of religious art, icons,
20 scripture, or other symbols; and

21 "(iii) such a school is in compliance
22 with all State requirements applicable to
23 the operation of a private school that are
24 in effect in the year preceding the date of
25 the enactment of the Helping Empower

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1 Low-income Parents (HELP) Scholarships
2 Amendments of 1997;

3 "(10) may allow State, local, and private
4 funds to be used for voluntary public and pri-
5 vate parental choice programs; and

6 "(P) ensure priority for students who were
7 enrolled in a public school in the school year
8 preceding the school year in which a voluntary
9 public and private parental choice school begins
10 operation."

11 SEC. 5. EVALUATION.

12 Part D of title VI of the Elementary and Secondary
13 Education Act of 1966 is amended—

14 (1) by adding at the end of section 6402 the
15 following new subsection:

16 "(C) APPLICATION.—This section shall not apply to
17 a State or local educational agency that uses funds to es-
18 tablish a voluntary public and private parental choice pro-
19 gram in accordance with section 0402(b)(9)."; and

20 (2) by adding at the end of such part the fol-
21 lowing new sections:

22 SEC. 666. EVALUATION.

23 "(a) ANNUAL EVALUATION.—

24 "(1) CONTRACT.—The Comptroller (General) of
25 the United States shall enter into a contract, with

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1 an evaluating agency that has demonstrated experi-
 2 ence in conducting evaluations, for the conduct of an
 3 ongoing rigorous evaluation of the programs estab-
 4 lished under section 6301(b)(9).

5 "(2) ANNUAL EVALUATION REQUIREMENT.—

6 The contract described in paragraph (1) shall re-
 7 quire the evaluating agency entering into such con-
 8 tract to evaluate annually each program established
 9 under section 6301(b)(9) in accordance with the
 10 evaluation criteria described in subsection (b).

11 "(3) TRANSMISSION.—The contract described
 12 in paragraph (1) shall require the evaluating agency
 13 entering into such contract to transmit to the Comp-
 14 troller General of the United States the findings of
 15 each annual evaluation under paragraph (1).

16 "(b) EVALUATION CRITERIA.—The Comptroller Gen-
 17 eral of the United States, in consultation with the Sec-
 18 retary, shall establish minimum criteria for evaluating
 19 each program established under section 6301(b)(9). Such
 20 criteria shall provide for—

21 "(1) a description of the implementation of
 22 each program established under section 6301(b)(9)
 23 and the program's effects on all participants,
 24 schools, and communities in the program area, with
 25 particular attention given to the effect of parent par-

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1 participation in the life of the school and the level of
 2 parental satisfaction with the program; and

3 "(8) a comparison of the educational achieve-
 4 ment of all students in the program areas, including
 5 a comparison between--

6 "(A) students receiving a voluntary public
 7 and private parental choice scholarship under
 8 section 5801(b)(9); and

9 "(B) students not receiving a voluntary
 10 public and private parental choice scholarship
 11 under such section.

12 "(c) EVALUATION FUNDS.—Pursuant to the author-
 13 ity provided under section 14701, the Secretary shall re-
 14 serve not more than 0.50 percent of the amount of funds
 15 made available under section 6002 to carry out this sec-
 16 tion.

17 "EDC. 6002. APPLICABILITY.

18 "(a) NOT SCHOOL AID.—Subject to subsection (b),
 19 funds used under this title to establish a voluntary public
 20 and private parental choice program shall be considered
 21 assistance to the student and shall not be considered as
 22 assistance to any school that chooses to participate in such
 23 program.

24 "(b) NOT INCOME.—For purposes of Federal tax
 25 laws or for determining eligibility for any other Federal

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1 program, a voluntary public and private parental choice
2 scholarship provided under this title shall not be treated
3 as income or assistance in the student or the parents of
4 such student.

5 "(d) NO FEDERAL CONTROL.—The Secretary is not
6 permitted to exercise any direction, supervision, or control
7 over curricula, program of instruction, administration, or
8 personnel of any school that chooses to participate in a
9 voluntary public and private choice program established
10 under 6309(b)(9)."

October 22, 1997 (5:10 p.m.)

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DRAFT

October 21, 1997

5:00 PM

The Honorable William F. Goodling
 Chairman, Committee on Education and the Workforce
 U.S. House of Representatives
 Washington, DC 20515

Dear Chairman Goodling:

I understand that the Committee on Education and the Workforce may soon consider legislation, yet to be introduced, that would permit States and local school districts to use funds available for education reform under Title VI of the Elementary and Secondary Education Act of 1965 ~~for programs of educational~~ ^{to pay} choice, including the expenses of sending children to private schools. If such legislation were to reach the President, I would recommend that he veto it.

Every American child deserves a high-quality elementary and secondary education. I believe that targeting our limited Federal resources to build stronger public schools will help ensure that all our Nation's children receive the education they need to become productive citizens. Public schools serve approximately 90 percent of students in grades K-12 and currently face record-breaking enrollments. By focusing resources on public schools, we can leverage community investment to help parents, teachers, and administrators meet the important educational challenges they face in serving the vast majority of our children: meeting high standards for learning and discipline, fixing school buildings, and providing a safe, drug-free environment for children. Federal funding of private school tuition would divert needed attention and resources from poor public schools. ~~However, over the long run, Federal support could lead to more~~

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program and that enactment of legislation such as I have described above would not be in accord with the President's program.

Yours sincerely,

Richard W. Riley

Private schools play an important role in American education. However,

The right way to provide more ~~choices~~ options for parents & their families is through public school choice, such as publicly accountable charter schools. As you are aware, President Clinton has stated his support for the Charter Schools legislation sponsored by Rep. Rizzo. Rep. Rizzo that was approved by the Committee earlier this month.

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LRM ID: CJB116 SUBJECT: EDUCATION Report on HRXXXX Helping Empower Low-Income
Parents Scholarship (H.E.L.P.) Act

RESPONSE TO
LEGISLATIVE REFERRAL
MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

(1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or

(2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: Constance J. Bowers Phone: 395-3803 Fax: 395-6148
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-7362

FROM:

(Date)
Bill Kincaid (Name) {Mike
(Agency)
6-2857 (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

☒ Concur

☐ No Objection

☐ No Comment

☒ See proposed edits on pages _____

☐ Other: _____

☐ FAX RETURN of _____ pages, attached to this response sheet