

A BILL

To help the Nation achieve the National Education Goals by supporting the creation of a new generation of American Schools in communities across the country; rewarding schools that demonstrate outstanding gains in student performance and other progress toward the National Education Goals; creating academies to improve leadership and core-course teaching in schools nationwide; supporting State and local efforts to attract qualified individuals to teaching and educational administration; providing States and localities with statutory and regulatory flexibility in exchange for greater accountability for student learning; encouraging, testing, and evaluating educational choice programs; increasing the potential usefulness of the National Assessment of Educational Progress to State and local decision-makers; expanding Federal support for literacy improvements; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "AMERICA 2000 Excellence in Education Act".

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FINDINGS

SEC. 3. The Congress finds that--

- (1) eight years after the report of the National Commission on Excellence in Education, the Nation's schools have yet to show significant improvement;
- (2) the educational reforms of the 1980's were too slow and too timid; a bolder and more comprehensive effort that involves the citizens of every American community is needed;
- (3) the Federal Government should provide start-up funding to communities across the country to create their own high-performance New American Schools--schools where all students meet new World Class Standards;
- (4) rewards for schools in which students make significant gains in learning can spur improvements in all schools;
- (5) teachers and school leaders in every State should receive the additional training they need to deliver capable instruction in the core academic disciplines and to provide strong instructional leadership to their schools;
- (6) new approaches to training and certifying teachers

and principals would expand the pool of talent from which schools draw professional staff and would enable talented, qualified individuals who do not possess traditional credentials to enter teaching and the principalship;

(7) greater flexibility and accountability at the school site can enable educators to improve learning for all students;

(8) expanding parental choice among schools can help all schools to improve;

(9) an expanded National Assessment of Educational Progress can be used to provide clear and comparable information on the progress of States, school districts, and schools toward attainment of the National Education Goals;

(10) Americans need to know how much time their children should spend learning, and how that time should be used, in order for those children to develop the intellectual competencies necessary for a productive workforce and an enlightened citizenry;

(11) better coordination of adult literacy services, and access by service providers to information about the best practices in the field of literacy, will assist the Nation in meeting the goal that every adult American be literate by the year 2000; and

(12) therefore, national progress toward attainment of the National Education Goals by the year 2000 can be assisted by the Federal Government through initiatives that provide funds for

the creation of the first of a new generation of American schools; reward schools that make demonstrated progress toward attainment of the National Education Goals; create academies for the training of teachers and school leaders; provide support for development of alternative teacher and school administrator certification programs in the States; provide schools with greater flexibility in exchange for accountability for results; encourage, test, and evaluate educational choice programs; expand the National Assessment of Educational Progress; create a National Commission on Time, Study, Learning, and Teaching; and establish Regional Literacy Resource Centers.

TITLE I -- NEW AMERICAN SCHOOLS

STATEMENT OF FINDINGS

SEC. 101. The Congress finds that--

(1) many American elementary and secondary schools--

(A) are structured according to models that are outmoded and ineffective;

(B) rely on notions about pedagogy, management, technology, staffing, and other resources that may be outdated or insufficient for the challenges of the next century; and

(C) are unsuccessful at equipping the majority of students with the knowledge and skills needed to succeed as citizens and in the workplace;

(2) new approaches to elementary and secondary education are needed. Without major reforms in elementary and secondary schools, the United States will lose its ability to compete fully and successfully in the world economy;

(3) although educational change must take place school by school, experience shows that the schools, on their own, will not alter themselves radically;

(4) there is an appropriate Federal role in providing seed money for the establishment of new types of schools in communities across the country; and

(5) the Nation is embarking on a major effort to support the invention of radically better forms of schooling, and to establish a network of American communities whose citizens are dedicated to the improvement of education.

PURPOSE

SEC. 102. (a) The purpose of this title is to support the creation of new schools across the country--schools that reflect the best thinking about teaching and learning, employ the highest-quality instructional materials and technologies, and are designed to meet the National Education Goals, as well as the particular needs of their students and communities.

(b) In order to carry out this purpose, this title authorizes financial assistance for New American Schools in communities that have been designated "AMERICA 2000 Communities".

ALLOCATION OF FUNDS

SEC. 103. (a) From the amount of funds appropriated to carry out this title for fiscal years 1992, 1993, and 1994, the Secretary shall reserve a total of up to \$3 million for a national program evaluation.

(b)(1) The Secretary shall allocate the remaining funds among the several States in proportion to their respective numbers of members of Congress, including Senators, Representatives, and Delegates. For the purpose of this subsection, the Commonwealth of the Northern Mariana Islands and Palau (until the effective date of the Compact of Free Association with the Government of Palau) shall be treated as if they each had one member of Congress.

(2) If, within any State, a congressional district has no community that has been designated an AMERICA 2000 Community,

or there are fewer such communities than members of Congress from such State, the Secretary shall proportionately reduce such State's allocation under paragraph (1), and shall proportionately increase the allocation of all other States.

STATE APPLICATIONS

SEC. 104. In order for a State to qualify for its allocation under section 103(b), the Governor shall submit an application at such time as the Secretary may determine, including--

(1) a description of the process the Governor has used, in accordance with section 105, to nominate communities to create New American Schools;

(2) a list of the communities nominated by the Governor, and the name of the agency, institution, or organization designated by the Governor to receive a New American School grant on behalf of each such community;

(3) copies of the plans, prepared by each community nominated by the Governor for funding under this title, for establishing and operating a New American School, including, as necessary, a description of the steps to be taken to obtain recognition or accreditation from the State;

(4) an identification of non-Federal resources that will be available to establish and operate each New American School in the State; and

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

SELECTION OF COMMUNITIES TO CREATE NEW AMERICAN SCHOOLS

SEC. 105. (a) (1) The Governor of each State shall nominate communities within the State to create New American Schools.

(2) The Governor may nominate only communities that have been previously designated by the Governor as AMERICA 2000 Communities, in accordance with the President's AMERICA 2000 initiative.

(b) In carrying out subsection (a), each Governor shall nominate--

(1) at least as many communities as there are members in the State's congressional delegation; and

(2) at least one community in each congressional district in the State.

(c) (1) Each Governor shall nominate communities on the basis of criteria established by the Secretary, based on the advice of the panel of experts established under section 107, including, at a minimum--

(A) the level of commitment and activity displayed by the community through its participation in the AMERICA 2000 Communities initiative;

(B) the need for new and innovative educational programs in the schools of the community; and

(C) the quality of the application submitted by the applicant to the Governor.

(d) (1) The Secretary, with the advice of the panel of experts established under section 107, shall approve some or all

of the communities nominated by each Governor, and the agencies, institutions, and organizations designated by the Governor to receive New American School grants on behalf of those communities, based on the Secretary's determination that such approval would be fully consistent with the purpose and requirements of this title.

(2) The Secretary shall ensure that--

(A) to the extent consistent with paragraph (1), a New American School is created in each congressional district and that the number of such schools created in each State is at least equal to the number of members in the State's congressional delegation; and

(B) communities with high concentrations of children from low-income families in each State receive an equitable share of awards under this title.

(e) The Governor may nominate other communities or recipients if--

(1) the Secretary does not approve one or more of the Governor's nominees;

(2) an approved community or recipient withdraws from the program; or

(3) the Secretary determines that the community or recipient is unable successfully to carry out its project or is not making adequate progress in carrying out such project.

AMOUNT OF AWARDS, OPERATION OF SCHOOLS, AND USES OF FUNDS

SEC. 106. (a)(1) The Secretary shall make grants for New

American Schools to agencies, organizations, and institutions selected by the Secretary under section 105(d).

(2) The Secretary, after consultation with the Governor, shall determine the total amount of each award under this title, except that--

(A) no such award shall exceed \$1,000,000; and

(B) the Secretary shall consider the expected student enrollment in the New American School in setting such amount.

(b) In establishing a New American School, the grantee is encouraged to adapt and implement one or more New American School designs developed by research and development teams funded by the New American Schools Development Corporation.

(c)(1) Funds made available under this title may be used only to meet the special start-up costs associated with the creation and establishment of a New American School, including--

(A) planning, curriculum development, and curriculum adaptation;

(B) training of teachers, administrators, and other staff, as well as parents and members of the community who are involved with the school;

(C) purchase of equipment and materials;

(D) minor renovation and remodeling of facilities; and

(E) obtaining the assistance of outside experts, including one or more of the teams described in subsection (b),

to assist it in adapting and implementing one or more of the designs developed by such teams to the needs of the individual community and school.

(2) Such funds may not be used for construction or for the grantee's general administrative expenses.

(d) Each New American School shall have obtained State recognition or accreditation, as necessary, and be fully operating by the start of the 1996-1997 school year.

SECRETARY'S PANEL OF EXPERTS

SEC. 107. Within 90 days of enactment of this Act, the Secretary shall convene an expert panel of educators, representatives of private business, and public representatives to advise on the administration of the program authorized by this title, including--

(1) the criteria to be used to nominate communities for New American Schools; and

(2) the approval of communities nominated by Governors to establish and operate New American Schools, and of the agencies, institutions, and organizations to receive grants for those schools.

NATIONAL EVALUATION

SEC. 108. (a) The Secretary shall use the funds reserved under section 103(a) to conduct a national evaluation of the impact of the New American Schools program on schools and communities, and on education generally.

(b) The Secretary shall submit such interim evaluation reports to the President and the Congress as may be appropriate, and shall submit a final report by September 30, 1998.

AUTHORIZATION OF APPROPRIATIONS

SEC. 109. For the purpose of carrying out this title, there are authorized to be appropriated \$180 million for fiscal year 1992, \$180 million for fiscal year 1993, and \$185 million for fiscal year 1994. Such sums shall remain available for obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

DEFINITION

SEC. 110. For the purpose of this title, the term "community" means--

(1) a unit of general purpose local government, such as a city, township, or village;

(2) a geographically distinct area, such as a school district, school attendance area, ward, precinct, or neighborhood; or

(3) an identifiable group of individuals, such as the members of a service organization, who generally reside in a particular geographic area.

TITLE II -- MERIT SCHOOLS

FINDINGS AND PURPOSE

SEC. 201. (a) FINDINGS.--The Congress finds that--

- (1) all elementary and secondary schools in the United States should seek to attain the National Education Goals by the year 2000;
- (2) achievable standards of excellence can and should be set for all students and for all schools;
- (3) schools' progress in meeting those standards should be measured and made public;
- (4) financial incentives can spur schools to rise to the challenge of meeting those standards; and
- (5) demonstrated school-wide progress in achieving excellence, particularly in mathematics and science, deserves reward and recognition.

(b) PURPOSE.--The purpose of this title is to recognize and reward public and private elementary and secondary schools (including their faculty) that make documented progress in attaining the National Education Goals, particularly the goal of increasing students' mastery of the core academic subjects.

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. For the purpose of carrying out this title, there are authorized to be appropriated \$100,000,000 for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years. Such sums shall remain available for

obligation by the Secretary for two fiscal years beyond the fiscal year for which they are appropriated.

ALLOCATION OF APPROPRIATIONS

SEC. 203. (a) RESERVATIONS.--From the amount appropriated under section 202 for any fiscal year, the Secretary may reserve--

(1) up to one quarter of 1 percent for grants to Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau) for activities under this part; and

(2) up to two percent for evaluations and dissemination.

(b) ALLOCATION AMONG STATES.--(1) The amount remaining after any reservation of funds under subsection (a) shall be allocated among the States on the same basis as funds were allocated among such States under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the preceding fiscal year.

(2) For purposes of this subsection, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

STATE APPLICATIONS

SEC. 204. (a) APPLICATIONS.--The Governor of each State that wishes to receive a grant under this title shall submit to the Secretary an application for a three-year period, which may

be followed by an application for the succeeding two years, at such time and in such manner as the Secretary may prescribe.

(b) APPLICATION CONTENTS.--Each State application shall contain--

(1) the criteria the Governor will use to select Merit Schools under section 207;

(2) the criteria the Governor will use to determine the amount of awards;

(3) an assurance that the State will carry out this title in accordance with the requirements of this title and other applicable legal requirements; and

(4) other information the Secretary may require.

(c) GEPA PROVISIONS INAPPLICABLE.--Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this title.

STATE USE OF FUNDS

SEC. 205. (a) ADMINISTRATION.--Each State may use up to five percent of its annual allocation for the administrative costs of carrying out this title.

(b) MERIT SCHOOL AWARDS.--(1) Each State shall use at least 95 percent of its annual allocation for Merit School awards made in accordance with section 207, except that the Governor may, by so notifying the Secretary, designate part or all of such amount to remain available to make such awards for two additional years.

(2) Of the amount used for Merit School awards, the

Governor shall use at least 20 percent for awards to schools that demonstrate exceptional progress in improving students' performance in mathematics and science, in addition to meeting the national and State criteria under sections 207(b) and (c).

STATE ACTIVITIES AND RESPONSIBILITIES

SEC. 206. (a) STATE REVIEW PANEL.--(1) Each Governor shall establish a State review panel to assist in the selection of Merit Schools.

(2) The State review panel shall be broadly representative of the following interests in the State--

(A) public and private elementary and secondary school teachers and administrators;

(B) college and university faculty and administrators;

(C) parents;

(D) students;

(E) State and local boards of education;

(F) State and local governments;

(G) labor;

(H) business; and

(I) the general public.

(b) ANNUAL REPORTS TO THE SECRETARY.--(1) Within 60 days of the end of each fiscal year, each Governor shall submit a report to the Secretary that--

(A) identifies the schools chosen as Merit Schools;

(B) states the reasons for their selection; and
(C) states the amount of the award to each school.

(2) Beginning with the second year for which any State makes awards under this title, the Governor's annual report shall also include a brief description of how schools selected in the previous year used their awards.

SELECTION OF MERIT SCHOOLS

SEC. 207. (a) ELIGIBLE SCHOOLS.--(1) A Governor may designate as Merit Schools public or private elementary or secondary schools in the State that have been nominated through procedures established by the Governor.

(2) In selecting Merit Schools, the Governor shall apply the selection criteria described in subsections (b) and (c) uniformly to public and private schools.

(b) NATIONAL CRITERIA.--Each school selected through the nomination procedure established by the Governor under subsection (a) shall have --

(1) demonstrated progress over a period of at least three years in significantly increasing the number or percentage of students who meet the National Education Goal of leaving grades four, eight, and twelve, as applicable, having demonstrated competency in challenging subject matter, including English, mathematics, science, history, and geography;

(2) utilized objective measures of progress over the period that are established by the State in its plan and approved

by the Secretary; and

(3) made public an annual "report card", which includes information about the progress the school is making toward achievement of relevant aspects of the National Education Goals.

(c) STATE CRITERIA.--(1) In selecting Merit Schools, each Governor may use selection criteria in addition to those set out in subsection (b).

(2) In setting these additional criteria, the Governor--

(A) may include other aspects of educational performance, including the school's progress in attaining the other National Education Goals;

(B) shall take into account differences in the composition of the student body of different schools;

(C) shall give special consideration to schools with substantial numbers or proportions of children from low-income families; and

(D) may set different criteria for awards for achievement in different grade levels.

(3) Each Governor shall develop State criteria for selecting schools to receive awards under section 205(b)(2) for outstanding progress in student achievement in mathematics and science.

(4) In applying the criteria to a school in which a program is conducted under part A of chapter 1 of title I of the

Elementary and Secondary Education Act of 1965, the Governor shall consider the desired outcomes identified for children in the application submitted under section 1012(b) of such Act by the local educational agency operating the school. No school that has received assistance under section 1021(b) of such Act for all of the years covered by a Merit Schools Award competition shall be eligible for a Merit School Award.

(5) In selecting Merit Schools and in setting the amount of their awards, the Governor may not consider a school's planned use of a Merit School award, if it is otherwise permitted by law.

(d) AMOUNT OF AWARD.--Each Governor shall establish criteria, subject to subsection (c)(5), for determining the amount of Merit School awards. Such criteria shall include criteria relating to the school size and the economic circumstances of the student body.

(e) BYPASS.--If a State is either prohibited by State law from providing funds made available under this title to private schools, or is unwilling to do so, the Governor shall notify the Secretary of such prohibition or unwillingness, as well as the private schools the Governor has designated as Merit Schools and the amount of their awards. The Secretary shall then provide those funds, from the State's allocation under this title, to the designated private schools, through such arrangements as the Secretary finds suitable. The Secretary shall also withhold from the State's allocation under this title the administrative costs

of making such arrangements.

USE OF FUNDS BY MERIT SCHOOLS

SEC. 208. A Merit School shall use its Merit School award for activities, otherwise permitted by law, that further the educational program of the school. Such activities may include, but are not limited to--

(1) development, implementation, or expansion of special programs, such as those focused on: dropout prevention or reentry, student transition to college or employment, preschool children, remedial services, or gifted and talented students;

(2) the purchase or lease of computers, telecommunications equipment, scientific instruments, instructional materials, library books, and other equipment and materials, except that a public agency shall have title to, and exercise administrative control of, all such equipment and materials;

(3) bonus payments for faculty and administrators;

(4) college scholarships for secondary school students;

(5) parental involvement activities;

(6) community outreach activities; and

(7) helping other schools replicate its success.

PROHIBITION ON STATE OR LOCAL REDUCTION OF OTHER ASSISTANCE

SEC. 209. No Federal, State, or local agency may, in any year, take a Merit School award into account in determining

whether to award any other assistance from Federal, State, or local resources, or in determining the amount of such assistance, to either the Merit School itself or the local educational agency, if any, that operates the school.

TITLE III -- TEACHERS AND SCHOOL LEADERS

PART A -- GOVERNORS' ACADEMIES FOR TEACHERS

STATEMENT OF FINDINGS

SEC. 301. The Congress finds as follows:

(1) Reform and restructuring of American education, and the Nation's ability to attain the National Education Goals, depend heavily on the quality of teaching in elementary and secondary schools, particularly in the core academic disciplines of English, mathematics, science, history, and geography.

(2) Experienced teachers need access to training of exceptional quality to keep current in the core academic disciplines, participate successfully in curriculum development, and act as master teachers.

(3) Governors' efforts to reform elementary and secondary education in the States should include a focus on ensuring that teachers have a firm grasp of, and keep current in, the core academic disciplines.

(4) Governors' Academies for Teachers can be a principal vehicle for providing the kind of high-level, intensive training essential to education reform and accomplishment of the National Education Goals.

(5) Excellent teachers in the academic subjects deserve public recognition and appropriate financial rewards in return for their efforts.

PURPOSE

SEC. 302. The purposes of this part are--

- (1) to build the highest quality teaching force for the Nation's schools, by providing start-up funds for Governors' Academies that teachers from public and private elementary and secondary schools may attend to obtain advanced instruction focusing on the core academic disciplines; and
- (2) to establish awards for outstanding teachers in the academic subjects covered by those Academies.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 303. (a)(1) From funds appropriated under section 308(a) and (b), the Secretary shall make a one-time, five-year grant to each State, in accordance with this part, to establish and operate Governors' Academies for Teachers and to recognize outstanding teachers.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate Governors' Academies for Teachers.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriated for this part for any fiscal year, the Secretary--

(A) may reserve up to \$500,000 for evaluations

of, and dissemination of information about, activities conducted under this part; and

(B) shall reserve up to \$175,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expended in such manner as the Secretary determines will best meet the purpose of this part.

(2) The Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the full-time equivalent number of public elementary and secondary school teachers in the most recent year for which satisfactory data are available.

(3) If the Secretary determines that any amount of a State's allotment for any fiscal year under paragraph (2) will not be needed for such fiscal year by the State, the Secretary shall reallocate such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 304. (a) The Governor of each State wishing to receive a grant under this part shall submit an application to the Secretary, for a five-year period, at such time and in such manner, as the Secretary may prescribe.

(b) Each such application shall include--

(1) a description of how the Governors' Academies

planned for the State will relate to the Governor's overall plan for the reform of elementary and secondary education and the attainment of the National Education Goals in the State, including, in particular, improvement of education in the core academic subjects;

(2) a description of the competitive process the Governor will use to select applicants to operate the Governors' Academies for Teachers in the State;

(3) an assurance that a separate Academy will be established in each of the five core academic subjects (English, mathematics, science, history, and geography), unless the Governor determines that it would be inefficient to use funds in this manner and the application describes the Governor's reasons for establishing Academies that focus on more than one subject. Nothing in this paragraph prohibits the same agency, institution, or organization from operating more than one Academy;

(4) a description of how Academy participants will be selected;

(5) a description of how the State will monitor the implementation of Governors' Academies for Teachers, including the awards to teachers under section 305(d), and the performance of teachers who have been trained in those Academies, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(6) a description of how the State will meet the cost-sharing requirements of section 307, and how the State will

continue to operate the Academies when Federal assistance is no longer available; and

(7) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 305. (a) Each Governor's Academy for Teachers assisted under this title shall conduct a program of intensive instruction, during the summer or the school year, focusing on the core academic disciplines of English, mathematics, science, history, and geography. Such instruction shall be provided to current elementary and secondary school teachers.

(b) The instruction provided by each such Academy shall include--

(1) renewal and enhancement of participants' knowledge of one of the five core academic disciplines described in subsection (a), except as provided in section 304(b)(3);

(2) teaching skills and strategies needed to impart academic subject matter to students, including students who are economically disadvantaged, limited English proficient, or have disabilities, and other students from diverse backgrounds;

(3) at the Academy's discretion, the use of educational technologies in teaching the core academic disciplines;

(4) training needed to become a lead teacher or a master teacher in a core subject, consistent with State policies on teacher career ladders;

(5) training needed to participate in curriculum development in a core subject; and

(6) training in the development and use of assessment tools.

(c) Each Academy assisted under this part shall carry out activities consistent with the purpose of this part, which may include--

(1) review of existing teacher enhancement programs to identify the most promising approaches;

(2) development of a curriculum for use by the Academy;

(3) recruitment of teachers within the State to participate in the Academy's program, including, on a nondiscriminatory basis, recruitment of--

(A) minority group members;

(B) individuals with disabilities;

(C) individuals from areas with high numbers or concentrations of disadvantaged students; and

(D) other teachers who have a potential for leadership;

(4) follow-up activities for previous participants;

(5) dissemination of information about the Academy, including the training curricula developed; and

(6) evaluation of the impact of the Academy on the teaching practices of participants, and other evaluation activities designed to strengthen the Academy's program.

(d)(1) The Governor shall allocate to the Academies, in the same proportion as funds appropriated under section 308(a) are distributed to those Academies, the State's allocation under section 308(b). Each Academy shall use such allocation for a program of cash awards and recognition to outstanding teachers in the core academic subject or subjects covered by the program of the Academy.

(2) Academies shall select teachers to receive awards from nominations received from local educational agencies, public and private schools, teachers, associations of teachers, parents, associations of parents and teachers, businesses, business groups, and student groups.

(3) Any full-time public or private elementary or secondary school teacher of a core academic subject, including an elementary school teacher of the general curriculum, shall be eligible to receive an award under this subpart.

(4) The Academy shall select award recipients in accordance with criteria developed by the Academy and approved by the Governor. The selection criteria may take into account, but are not limited to, teacher's success in--

(A) educating disadvantaged children, such as children with disabilities, children of limited English proficiency, homeless children, or children who are currently or formerly migratory, in a core academic subject;

(B) educating gifted and talented students in a core academic subject;

(C) encouraging students to enroll, and succeed, in advanced classes in a core academic subject;

(D) teaching a core academic subject successfully in schools educating large numbers of disadvantaged students, including schools in low-income inner-city or rural areas;

(E) introducing a new curriculum in a core academic subject into a school or strengthening an established curriculum; or

(F) acting as a "master teacher" in a core academic subject.

(5) The amount of a teacher's award under this subsection shall not exceed \$5,000 and shall be available for any purpose the recipient chooses.

USE OF FUNDS

SEC. 306. Each recipient of funds appropriated under section 308(a) shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 305(a) through (c), which may include stipends and travel and living expenses for teachers who participate in the Academy's program if no other funds are available to pay those costs.

COST-SHARING

SEC. 307. (a) Funds received under section 308(a) may be used to pay up to 75 percent of the cost of a Governor's Academy for Teachers in the first year, 65 percent of such cost in the

second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 308. (a) For the purpose of carrying out this part, except for section 305(d), there are authorized to be appropriated \$62,400,000 for fiscal year 1992, \$54,170,000 for fiscal year 1993, \$45,940,000 for fiscal year 1994, \$37,710,000 for fiscal year 1995, and \$29,480,000 for fiscal year 1996.

(b) For the purpose of carrying out section 305(d), there are authorized to be appropriated \$7,600,000 for each of the fiscal years 1992 through 1996.

PART B -- GOVERNORS' ACADEMIES FOR SCHOOL LEADERS

STATEMENT OF FINDINGS

SEC. 311. The Congress finds as follows:

(1) The role of the school principal and other school leaders is central to school performance, school reform, and achievement of the National Education Goals.

(2) School restructuring intensifies the need for effective school leadership as it locates greater authority and responsibility at the school building level. In this context, principals and other administrators need to cultivate strong collegial relationships among teachers and staff and effectively involve parents.

(3) School leaders must be well versed in the core academic disciplines, must provide instructional leadership to the teachers in their schools, and must be able to coordinate school services with those of social service agencies and other organizations, including businesses, in the community affecting students and their families.

(4) Over the next ten years, at least half of those individuals now serving as school principals will be eligible for retirement.

(5) Governors' efforts to reform elementary and secondary education in the States must include a focus on preparing a new generation of highly effective school leaders.

(6) The pool of talent from which to draw school leaders can be expanded substantially with well-designed training

programs.

PURPOSE

SEC. 312. The purpose of this part is to improve the training and performance of public and private school principals and other school leaders, and increase the number of persons who are well trained and well qualified to be school leaders, by supporting the development and implementation of programs that offer--

(1) for prospective school leaders, recruitment, training, and, as appropriate, internships under experienced school leaders;

(2) for experienced school leaders, opportunities for professional renewal and enhancement of skills; and

(3) for all participants, a focus on instructional leadership, school-based management, school reform strategies, and implementation of school-level accountability mechanisms.

PROGRAM AUTHORIZED; ALLOCATION OF APPROPRIATIONS

SEC. 313. (a)(1) The Secretary shall make a one-time, five-year grant to each State, in accordance with this part, to establish and operate a Governor's Academy for School Leaders.

(2) The Governor of each State shall use the State's grant to make competitive awards to the State educational agency, local educational agencies, institutions of higher education, other public and private agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish

and operate a Governor's Academy for School Leaders.

(3) Such Academies may be operated in cooperation or consortium with those of other States.

(b)(1) From the funds appropriated for this part for any fiscal year, the Secretary--

(A) may reserve up to \$500,000 for evaluations of, and dissemination of information about, activities conducted under this part; and

(B) shall reserve up to \$55,000 for Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and Palau (until the effective date of the Compact of Free Association with the Government of Palau), to be expended in such manner as the Secretary determines will best meet the purpose of this part.

(2)(A) Except as provided in paragraph (3), the Secretary shall proportionately allocate the remainder of such funds to each of the 50 States, the District of Columbia, and Puerto Rico, on the basis of the number of public elementary and secondary schools in each such jurisdiction in the most recent year for which satisfactory data are available.

(B) If the Secretary determines that any amount of a State's allotment for any fiscal year under subparagraph (A) will not be needed for such fiscal year by the State, the Secretary shall reallocate such amount to other States that need additional funds, in such manner as the Secretary determines is appropriate.

STATE APPLICATION

SEC. 314. (a) The Governor of each State wishing to receive a grant under this part shall submit an application to the Secretary for a five-year period, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall include--

(1) a description of how the Governor's Academy for School Leaders planned for the State will relate to the Governor's overall plan for the attainment of the National Education Goals and the reform of elementary and secondary education in the State, including, in particular, improvement of school leadership in the State;

(2) a description of the competitive process the Governor will use to select the applicant to operate the Governor's Academy;

(3) a description of how Academy participants will be selected;

(4) a description of how the State will monitor the implementation of the Governor's Academy and the subsequent progress of individuals trained by the Academy, and an assurance that it will comply with reasonable requests of the Secretary for information on these matters;

(5) a description of how the State will meet the cost-sharing requirements of section 317 and how the State will continue to operate the Academy when Federal assistance is no longer available; and

(6) such other assurances and information as the Secretary may require.

AUTHORIZED ACTIVITIES

SEC. 315. Each Academy assisted under this part shall--

(1) identify models and methods of leadership training and development that are promising or have proven to be successful;

(2) develop curricula, which focus on instructional leadership, school-based management, and the design and execution of school improvement strategies and accountability mechanisms, for the development of school leaders;

(3) identify, in a nondiscriminatory manner, candidates, including members of minority groups, individuals with disabilities, and individuals from schools with high numbers of concentrations of disadvantaged students, to be trained as new school leaders;

(4) provide intensive training and development programs both for persons desiring and demonstrating outstanding promise to become school leaders, and for current school leaders seeking enhanced and up-to-date knowledge needed to perform their jobs effectively;

(5) identify districts and schools with principal and other school leader vacancies and work with them to match Academy participants with such vacancies;

(6) as appropriate, facilitate internships for graduates of the program for new school leaders, under the

guidance and supervision of experienced administrators;

(7) provide periodic follow-up development activities for school leaders trained through the Academy's programs;

(8) disseminate information about the Academy, including the training curricula developed; and

(9) evaluation of the impact of the Academy on the leadership practices of participants, and other evaluation activities designed to strengthen the Academy's program.

USE OF FUNDS

SEC. 316. Each recipient of funds under this part shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 315, which may include stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay those costs.

COST-SHARING

SEC. 317. Funds received under this part may be used to pay up to 75 percent of the cost of a Governor's Academy for School Leaders in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

AUTHORIZATION OF APPROPRIATIONS

SEC. 318. For the purpose of carrying out this part, there

are authorized to be appropriated \$22,500,000 for fiscal year 1992, \$19,500,000 for fiscal year 1993, \$16,500,000 for fiscal year 1994, \$13,500,000 for fiscal year 1995, and \$10,500,000 for fiscal year 1996.

PART C -- ALTERNATIVE CERTIFICATION OF TEACHERS AND PRINCIPALS

FINDINGS

SEC. 321. The Congress finds that--

(1) effective elementary and secondary schools require competent teachers and strong leadership;

(2) school systems would benefit greatly by recruitment pools of well-qualified individuals, such as scientists and engineers, from which to select teachers and principals;

(3) talented professionals who have demonstrated a high level of subject area competence or management and leadership qualities outside the education profession and who wish to pursue second careers in education often do not meet traditional certification requirements; and

(4) alternative certification requirements that do not exclude such individuals from teaching or school administration solely because they do not meet current certification requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers and principals.

PURPOSE

SEC. 322. (a) It is the purpose of this part to improve the supply of well-qualified elementary and secondary school teachers and principals by encouraging and assisting States to develop and implement alternative teacher and principal certification

requirements.

(b) As used in this part, the term--

(1) "alternative teacher and principal certification requirements" means State or local requirements that permit entry into elementary and secondary teacher and principal positions for individuals who have demonstrated a high level of appropriate subject area competence, or management or leadership qualities, in careers in or out of the education field, but who would not otherwise meet existing requirements for teaching or supervisory positions. Alternative teacher and principal certification requirements may recognize that--

(A) for teachers, a high level of demonstrated competence in an appropriate subject area may be substituted for traditional teacher certification requirements (such as teacher training course work); and

(B) for principals, a high level of demonstrated competence in administration and management may be substituted for traditional principal certification requirements (such as teaching experience or supervisory experience in the field of education); and

(2) "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

AUTHORIZATION OF APPROPRIATIONS

SEC. 323. For the purpose of carrying out this part, there are authorized to be appropriated \$25 million for fiscal year 1992.

ALLOTMENTS

SEC. 324. (a) (1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 325 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

(2) If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

(b) Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this part shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

STATE APPLICATIONS

SEC. 325. (a) Any State desiring to receive a grant under this part shall submit an application, through its Governor, at such time, in such manner, and containing such information, as the Secretary may reasonably require.

(b) Each State application shall--

(1) describe the programs, projects, and activities to be undertaken; and

(2) contain such assurances as the Secretary deems

necessary, including assurances that--

(A) funds awarded to the State will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of alternative teacher and principal certification requirements;

(B) the State has, in developing its application, consulted with the State or local agency that certifies teachers and principals, as well as representatives of elementary and secondary school teachers and principals, local school systems, parents, and other interested organizations and individuals; and

(C) the State will submit to the Secretary, through the Governor, at such time as the Secretary may specify, a final report describing the activities carried out with funds awarded under this part and the results achieved.

(c) Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

USE OF FUNDS

SEC. 326. (a)(1) A State shall use funds awarded under this part to support programs, projects, or activities that develop and implement new, or expand and improve existing, alternative teacher and principal certification requirements.

(2) A State may carry out such programs, projects, or activities directly, through contracts, or through subgrants to local educational agencies, intermediate educational agencies,

institutions of higher education, or consortia of such agencies.

(b) Programs, projects, and activities supported under this part may include, but are not limited to, the--

(1) design, development, implementation, testing, and evaluation of alternative teacher and principal certification requirements;

(2) establishment of administrative structures necessary to the development and implementation of alternative teacher and principal certification requirements;

(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers and principals entering the school system through the alternative teacher and principal certification program;

(4) development of recruitment strategies; and

(5) development of reciprocity agreements between or among States for the certification of teachers and principals.

TITLE IV -- EDUCATIONAL REFORM AND FLEXIBILITY

PART A -- EDUCATIONAL REFORM THROUGH FLEXIBILITY AND ACCOUNTABILITY

STATEMENT OF FINDINGS AND PURPOSE

SEC. 401. (a) FINDINGS.--Historically, Federal education programs have addressed the Nation's most pressing educational problems by providing categorical assistance with detailed requirements relating to the use of funds. While this approach has proven generally successful, some program requirements may inadvertently impede educational achievement. The Nation's schools are being asked to deal effectively with increasingly diverse educational needs that current program structures may not be flexible enough to address. In an era when educational change and reform must prevail, it is more important than ever to provide programs that result in improved educational outcomes for all students; promote the coordination of education and related services that benefit children and their families; respond flexibly to the needs of a diverse student population; stop the proliferation of unnecessary Federal, State, and local regulation; and place less emphasis on measuring resources and reviewing procedures and more emphasis on achieving program results.

(b) PURPOSE.--The purpose of this part is to promote educational reform that leads to improved educational outcomes for participants in affected programs. Under this approach, the schools and other recipients of Federal funds would be held

accountable for achieving specific educational improvement goals in exchange for increased flexibility in the use of their resources. This more flexible approach is intended to enable school and program administrators, teachers, parents, local agencies, and community groups to work together to develop effective education programs that lead to improved achievement and meet the needs of all participants, particularly those who are disadvantaged.

FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

SEC. 402. Subpart 1 of Part C of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is amended by adding after section 421A a new section 421B to read as follows:

"FLEXIBILITY AND ACCOUNTABILITY IN EDUCATION AND RELATED SERVICES

"SEC. 421B. (a) PROGRAM AUTHORIZED.--(1)(A) The Secretary shall, in accordance with this section, assist elementary and secondary schools and other service providers to improve the achievement of all students and other participants, but particularly disadvantaged individuals, by authorizing waivers by which the Governors, State and local educational agencies, and other service providers can improve the performance of schools and programs by increasing their flexibility in the use of their resources while holding them accountable for achieving educational gains.

"(B) In support of these projects, the Secretary is authorized to waive any statutory or regulatory requirement

(except as provided in subsection (e)) applicable to a program administered by the Department of Education that the Secretary determines may impede the ability of a school or other service provider to meet the special needs of such students and other individuals in the most effective manner possible. The head of any other Federal agency is similarly authorized to waive such requirements applicable to a program administered by such agency if the agency head and the Secretary agree that such a waiver would promote the purpose of this section.

"(2) Projects conducted under this section, and any waivers associated with such projects, shall last no longer than three years, except that the Secretary may extend a project and any associated waivers for an additional two years if the Secretary determines that the project is making substantial progress in meeting its goals.

"(3) The Secretary shall terminate a project and its associated waivers if the Secretary, at any time, determines it is not making acceptable progress toward meeting its goals. The head of any other Federal agency who has granted waivers under this section shall determine whether to extend or terminate those waivers, but the Secretary shall have exclusive authority to extend or terminate the project.

"(b) ELIGIBILITY.--(1) Each project that involves elementary or secondary schools shall include the participation of a State educational agency and at least--

"(A) one local educational agency; and

"(B) two schools.

"(2) To the extent possible, each grade and academic program, including programs under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965, in a participating school shall participate in the project.

"(3) If fewer than all the schools of a local educational agency participate in a project, available resources, including available Federal assistance, shall not be concentrated unreasonably in those schools that do participate.

"(4) Each project that does not involve elementary and secondary schools shall involve at least two programs, including at least one program administered by the Secretary.

"(c) APPLICATIONS.--The Governor of any State wishing to conduct a project under this section shall, after consultation with, as the Governor finds appropriate, the State educational agency, one or more local educational agencies, and other State and local agencies and service providers, submit an application to the Secretary for each such project. Each application shall include a plan that--

"(1) describes the purposes and overall expected outcomes of the project;

"(2) identifies, for each school or site participating in the project, those impediments to improved educational outcomes that would be removed by the proposed waivers;

"(3) identifies the Federal programs to be included in the project, the Federal statutory or regulatory requirements to

be waived, and the purpose and duration of the requested waivers;

"(4) describes the State and local requirements that will be waived, the purpose of such waivers, and, if such requirements will not have been waived before the project begins, when those waivers will be obtained and take effect;

"(5) describes specific, measurable, educational improvement goals for each school or other site in the project and for each school year of the project, including--

"(A) goals for improving the achievement of all participants, including disadvantaged individuals, with respect to achievement in basic and advanced skills;

"(B) goals that reflect the broad purposes of each program for which a waiver is sought; and

"(C) an explanation of how the applicant will measure progress in meeting the goals set for each school or site in the project and for disadvantaged individuals participating in the project; and

"(6) for projects involving elementary or secondary schools--

"(A) identifies the schools to be included in the project and describes the student population at each school, including--

"(i) current data regarding the achievement of the disadvantaged students as well as other students; and

"(ii) the number of students who--

"(I) are of limited English

proficiency, as defined in section 7003(a)(1) of the Bilingual Education Act;

"(II) are children with disabilities, as defined in section 602(a)(1) of the Individuals with Disabilities Education Act;

"(III) are currently or formerly migratory;

"(IV) are educationally deprived, for the purposes of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(V) are eligible for a free or reduced price school lunch;

"(B) describes specific goals for enhancing coordination between the regular education program available to all students and programs serving disadvantaged students;

"(C) if fewer than all the schools in a local educational agency will participate in a project, describes the expected educational outcomes for disadvantaged students in schools that do not participate, and how those outcomes will be assessed; and

"(D) describes how school administrators, teachers, staff, and parents (including parents of educationally disadvantaged children) have been, or will be, involved in the planning, development, and implementation of the goals and program for each participating school.

"(d) APPROVAL OF PROJECTS.--(1) The Secretary shall

approve an application for a project under this section if he determines that the project shows substantial promise of achieving the purposes of this section, after considering--

"(A) the comprehensiveness of the project, including the types of students, schools, programs, and activities to be included;

"(B) the extent to which the provisions for which waivers are sought impede educational improvement;

"(C) the State and local requirements that will be waived for the project;

"(D) the significance and feasibility of the proposed project's goals for each participating school or site; and

"(E) the quality of the plan for ensuring accountability for the proposed plan's activities and goals.

"(2) The Secretary shall consult with the heads of other appropriate Federal agencies, if any, in determining whether to approve a project. Each such agency head shall notify the Secretary of any waivers granted by such agency head as part of such project.

"(e) ALLOCATION OF FEDERAL FUNDS; RESTRICTION ON WAIVERS.--

(1) Federal funds under any program that are used to support a project under this section shall be allocated to States and other recipients in accordance with the statutory and regulatory requirements that govern the operation of that program, except that, for the purpose of such a project, the Secretary (or the

head of any other Federal agency) may extend the duration of, and provide continuation funding to, a project chosen on a competitive basis that a participating agency is conducting before the project under this section commences.

"(2) Neither the Secretary nor the head of any other Federal agency shall waive under this section any statutory or regulatory requirement in awarding a new competitive grant to a State educational agency, local educational agency, or other applicant participating in a project under this section.

"(3) Neither the Secretary nor, where applicable, the head of any other Federal agency shall waive under this section any statutory or regulatory requirement--

"(A) relating to--

"(i) maintenance of effort;

"(ii) comparability; or

"(iii) the equitable participation of students attending private schools;

"(B) under section 438 or 439 of the General Education Provisions Act;

"(C) under title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, or the Age Discrimination Act of 1975; or

"(D) under the Individuals with Disabilities Education Act--

"(i) relating to the availability of a free

appropriate public education to children with disabilities (including the evaluation and placement of such children), or the procedural safeguards afforded such children and their parents, under part B thereof; or

"(ii) relating to the provision of early intervention services to infants and toddlers with disabilities, or the procedural safeguards afforded such infants and toddlers and their parents, under part H thereof.

"(f) REPORTS AND EVALUATIONS. --(1) Each project shall submit, no later than 90 days after the end of each year of the project, an annual report to the Secretary that--

"(A) summarizes the principal activities of the project;

"(B) contains school-by-school and other data, as described in the project plan, that show the extent to which the project is meeting its overall goals, including its goals for improving the achievement of all participants, particularly disadvantaged individuals, with respect to achievement in basic and advanced skills, and is meeting the goals for each school or other site;

"(C) describes the impact of the project on disadvantaged children in schools, if any, that are not participating in the demonstration; and

"(D) describes the effectiveness of efforts to coordinate programs and services for children and their families as appropriate.

"(2) The Secretary shall submit a report to the Congress every two years that summarizes and analyzes the project reports required by paragraph (1).

"(3) At the end of the 5-year period described in this section, and at such interim points as the Secretary deems appropriate, the Secretary shall report to the Congress on the evaluation of this section by the Department of Education and other affected Federal agencies. Such reports may include recommendations for amendments to program statutes that are based on the experience of projects that successfully raise educational achievement by eliminating or modifying statutory or regulatory provisions that impede educational improvement.

"(g) DEFINITION.--For the purpose of this section, the term 'disadvantaged students' includes students of limited English proficiency, children with disabilities, students who are currently or formerly migratory, and students who are educationally deprived.

"(h) BUDGET NEUTRALITY.--The authority provided by this section shall not be exercised in a manner that, for any fiscal year, increases total obligations or outlays of discretionary appropriations for programs subject to such authority, or that increases total obligations or outlays of funding for all direct-spending programs subject to such authority over those that would have occurred absent such authority."

PART B -- AMENDMENTS TO CHAPTER 2

ALLOCATION TO LOCAL EDUCATIONAL AGENCIES

SEC. 411. Section 1512(a) of the Elementary and Secondary Education Act of 1965 is amended by striking out "not less than 80 percent" and inserting in lieu thereof "50 percent".

STATE USES OF FUNDS

SEC. 412. Section 1521(b) of the Elementary and Secondary Education Act of 1965 is amended--

(1) in paragraph (1), by striking out "25 percent" and inserting in lieu thereof "10 percent"; and

(2) in paragraph (2)(A), by striking out "20 percent" and inserting in lieu thereof "8 percent".

STATE APPLICATIONS

SEC. 413. Section 1522(a) of the Elementary and Secondary Education Act of 1965 is amended--

(1) by submitting a comma and "approved by the Governor," after "an application"; and

(2) in paragraph (2), in the text following subparagraph (I), by striking out "(not to exceed 20 percent of the amount of the State's allotment)".

LOCAL USES OF FUNDS

SEC. 414. Section 1531(b) of the Elementary and Secondary Education Act of 1965 is amended--

(1) by redesignating paragraphs (1) through (6) as

paragraphs (2) through (7), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) educational choice programs;".

AUTHORIZED ACTIVITIES

SEC. 415. Section 1532(a) of the Elementary and Secondary Education Act of 1965 is amended--

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (3), and (4), respectively; and

(2) by inserting before paragraph (2), as so redesignated, a new paragraph (1) to read as follows:

"(1) any activities or expenses directly related to planning, implementing, operating, evaluating, and disseminating information about, the local educational agency's educational choice program, if any, including expenses of parents and children resulting from their participation in such program, to the extent otherwise permitted by law;".

TITLE V -- PARENTAL CHOICE OF SCHOOLS

PART A -- FINDINGS

SEC. 501. The Congress finds that--

(1) parental choice in education creates market-based accountability, encourages school diversity and competition, and provides parents and their children with a sense of investment in their schools;

(2) economically disadvantaged children deserve the same educational choices, both public and private, as their more advantaged peers;

(3) educational choice programs and programs of compensatory education assisted under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 should be coordinated with, and be carried out so as to enhance, each other;

(4) local implementation of programs that enhance student and parental choice deserves national support and encouragement; and

(5) different methods for expanding educational choice should be tested and evaluated.

PART B -- PARENTAL CHOICE AND CHAPTER 1

CHAPTER 1 SERVICES FOR CHILDREN PARTICIPATING
IN EDUCATIONAL CHOICE PROGRAMS

SEC. 511. (a) Subpart 2 of part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new section 1022 to read as follows:

"CHILDREN PARTICIPATING IN EDUCATIONAL CHOICE PROGRAMS

"SEC. 1022. (a) SERVICES TO FOLLOW THE CHILD--

Notwithstanding any other provision of this chapter, a local educational agency that is carrying out an educational choice program shall, in accordance with this section, make available supplementary compensatory education services, paid for under this part, to each child residing in such agency who is afforded the opportunity to participate in that program and who, in the absence of the choice program, would receive services from that agency under this part.

"(b) FUNDS TO PARENTS.--(1) If the local educational agency determines that it is not feasible or efficient to make such services available to such a child directly or through arrangements with other service providers, it shall provide to the parents of such child a per-child share of funds received by such agency under subpart 1 of this part for the applicable fiscal year.

"(2) As used in paragraph (1), a 'per-child share' means--

"(A) the total amount of funds received by the local educational agency under subpart 1 of this part for the applicable fiscal year, minus amounts spent on administrative expenses including transportation provided under section 1011(a)(4); divided by

"(B) the number of children selected by such agency to receive services under this part.

"(3) Parents may use funds received from a local educational agency under paragraph (1) only for either or both of the following--

"(A) to purchase supplementary compensatory education services that meet the special educational needs of the parents' eligible child, as identified by the local educational agency, from any elementary or secondary school, or any other public or private agency, organization, or institution that the local educational agency determines is able to provide appropriate and effective supplementary compensatory educational services to the child; and

"(B) for the costs of transportation related to the child's participation in the educational choice program.

"(4) Payments received by parents under paragraph (1) are not income for Federal income tax purposes.

"(c) APPLICATION BY LOCAL EDUCATIONAL AGENCY.--Each local educational agency subject to this section shall include in its application under section 1012--

"(1) a description of its policies and procedures for

carrying out this section;

"(2) an assurance that it will keep such records and provide such information to the State educational agency relating to the provision of funds to parents under subsection (b) as may be required for fiscal audit and program compliance; and

"(3) an assurance that it will exercise due diligence to--

"(A) ensure that payments made to parents under subsection (b)(1) will be used only for the purposes authorized by subsection (b)(3); and

"(B) recover such payments that are not so used.".

(b) Section 1011(a) of the ESEA is amended by adding at the end thereof a new paragraph (4) to read as follows:

"(4) A local educational agency may use funds received under this chapter for the additional transportation costs of children receiving services under this part who are participating in an educational choice program.".

PARENTAL INVOLVEMENT

SEC. 512. Section 1016(c) of the Elementary and Secondary Education Act of 1965 is amended--

(1) in paragraph (2), by adding the following sentence at the end thereof: "If the local educational agency is carrying out an educational choice program, representatives of such agency shall explain the availability of compensatory education services under the various available options."; and

(2) by adding at the end thereof a new paragraph (7) to read as follows:

"(7) Each local educational agency that is implementing an educational choice program shall provide an explanation in writing, and in such other manner as may be appropriate, to the parents of each eligible child selected to participate in the agency's program under this part of the options available to them under the educational choice program and this part."

DEFINITION

SEC. 513. Section 1471 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (24) to read as follows:

"(24) The term 'educational choice program' means a program, including a desegregation plan, adopted by a State educational agency or a local educational agency under which parents select the school in which their children will be enrolled."

PART C -- ASSISTANCE FOR PARENTAL CHOICE PROGRAMS

PROGRAM AUTHORIZED

SEC. 521. The Secretary shall make grants, in accordance with this part, to local educational agencies that carry out educational choice programs.

AUTHORIZATION OF APPROPRIATIONS

SEC. 522. For the purpose of carrying out this part, there are authorized to be appropriated \$200 million for fiscal year 1992, and such sums as may be needed for each of the four succeeding fiscal years.

ELIGIBILITY

SEC. 523. (a) A local educational agency is eligible for a grant under this part if it will carry out an educational choice program during the year for which assistance is sought and carried out such a program during the preceding year.

(b) For the purpose of this part, an "educational choice program" is a program adopted by a State or by a local educational agency under which--

(1) parents select the school, including private schools, in which their children will be enrolled; and

(2) sufficient financial support is provided to enable a significant number or percentage of parents to enroll their children in a variety of schools and educational programs, including private schools.

ALLOCATION OF APPROPRIATIONS

SEC. 524. (a) From the amount appropriated under section 522 for any fiscal year, the Secretary shall allot, to each eligible local educational agency whose application for a grant under this part has been approved, an amount that bears the same ratio to such amount as the amount allocated to such agency under sections 1005 and 1006 of the Elementary and Secondary Education Act of 1965 for the previous fiscal year bears to the amounts so allocated to all such eligible agencies whose applications have been approved.

(b) No local educational agency's allotment shall exceed--

(1) the average per pupil expenditure of all local educational agencies in the State for the most recent fiscal year for which satisfactory data are available to the Secretary; multiplied by

(2) the number of children afforded the opportunity to participate in the educational choice program in the year preceding the year for which assistance is sought.

(c) Any funds appropriated under this part for any fiscal year that exceed the amounts that can be awarded under this section shall be returned to the Treasury.

AUTHORIZED ACTIVITIES

SEC. 525. (a) Each local educational agency that receives funds under this part may use those funds only for educational services provided to the students of such agency and for parental involvement activities, except that such services and activities

must be in addition to services and activities that would otherwise be provided from State or local funds.

(b) A local educational agency may not use funds received under this part for general administrative expenses.

APPLICATIONS

SEC. 526. (a) Each local educational agency that wishes to receive a grant under this part shall submit an application to the Secretary, covering a period of one year, at such time and in such manner as the Secretary may prescribe.

(b) Each such application shall contain--

(1) a description of the educational choice program carried out in the year preceding the year for which assistance is sought, and to be carried out in the year for which assistance is sought, in sufficient detail for the Secretary to determine whether the agency is eligible under this part; and

(2) such other assurances and information as the Secretary may require.

(c) Before finally deciding not to approve a local educational agency's application under this part, the Secretary shall--

(1) provide a written explanation to such agency; and

(2) afford such agency a reasonable opportunity to respond.

PART D -- PARENTAL CHOICE PROGRAMS OF NATIONAL SIGNIFICANCE

PROGRAM AUTHORIZED

SEC. 531. The Secretary shall make grants, in accordance with this part, to State educational agencies, local educational agencies, and other agencies, institutions, and organizations to conduct and demonstrate nationally significant model programs of educational choice.

AUTHORIZATION OF APPROPRIATIONS

SEC. 532. (a) For the purpose of carrying out this part, there are authorized to be appropriated \$30 million for fiscal year 1992 and such sums as may be needed for each of the four succeeding fiscal years.

(b) From the amount appropriated under subsection (a) for any fiscal year, the Secretary may set aside up to five percent for evaluation of, and dissemination of information about, educational choice programs assisted under this part.

ANNUAL COMPETITION

SEC. 533. In any fiscal year for which funds are available to make new awards, the Secretary shall announce the approaches to educational choice that will be considered for funding under this part. An application for assistance may be considered only if it complies with such announcement.

APPLICATIONS

SEC. 534. (a) Each agency, institution, or organization

that wishes to receive a grant under this part shall submit an application to the Secretary, at such time, in such manner, and containing such assurances and information as the Secretary may prescribe.

(b) Each application under this part shall be for a period of up to five years.

AUTHORIZED ACTIVITIES

SEC. 535. (a) Each recipient of a grant under this part shall use the grant funds only for activities directly related to planning, implementing, operating, and evaluating, and disseminating information about, the educational choice demonstration program funded under this part.

(b) Such funds may be used, to the extent otherwise permitted by law, to meet expenses of parents and children resulting from their participation in such program.

EXPERT ADVICE

SEC. 536. The Secretary shall consult with educational practitioners with experience with educational choice programs, individuals with expert knowledge and experience in the area of educational choice, and other interested individuals, including parents, in determining which approaches to educational choice to support under, and in otherwise carrying out, this part.

DEFINITION

SEC. 537. For the purpose of this part, an "educational choice program" is a program adopted by a State or by a local

educational agency under which parents select the school in which their children will be enrolled and that complies with the annual announcement under section 533.

TITLE VI -- NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

SEC. 601. Section 406 of the General Education Provisions Act is amended--

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

"(1) There are authorized to be appropriated for the purposes of this section \$86,160,000 for fiscal year 1992, and such sums as may be necessary for each of the four succeeding fiscal years.";

(2) in subsection (i)--

(A) in paragraph (2)(A)--

(i) by amending the first sentence to read as follows: "The National Assessment shall provide a fair and accurate presentation of educational achievement in skills, abilities, and knowledge in reading, writing, mathematics, science, history, and geography, and in other areas specified by the Board, and shall use sampling techniques that produce data that are representative on a national and on a State basis for those States that choose to participate.";

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

"(i) collect and report data on a periodic basis, but at least once every four years in reading, writing, mathematics, science, history, and geography;" and

(iii) in clause (ii), by striking out "every 2 years" and inserting in lieu thereof "annually";

- (B) by striking out paragraph (2)(B);
- (C) in paragraph (4)(B)(i), by striking out "and that information with respect to individual schools";
- (D) by striking out paragraph (4)(C); and
- (E) by amending paragraphs (8)(B) and (C) to read as follows:

"(B) Participation in assessments made on a State basis shall be voluntary. The Secretary shall enter into an agreement with any State that desires to carry out an assessment for the State under this subsection. Each such agreement shall contain assurances that the State will--

"(i) participate in the Assessment;

"(ii) perform the functions of conducting the Assessment at the school level for all schools in the State sample and coordinating within the State, subject to subparagraph (C);

"(iii) pay from non-Federal sources the minimum State contribution required in subparagraph (C)(i); and

"(iv) comply with the terms and conditions specified in subsection (1)(2)(C)(iv).

"(C)(i) The minimum State contribution for participation in the State assessments for each fiscal year shall be \$100,000, which the State may meet by in-kind contributions, fairly valued.

"(ii) The Secretary shall pay the State for the cost, in excess of the minimum State contribution, of

conducting the Assessment at the school level for all schools in the State sample and for the cost of coordination within the State an amount that shall be identified in the agreement reached under subparagraph (B), that shall be the product of the total number of hours of work and training of school staff the Secretary estimates is required to conduct the Assessment at the school level and the total number of hours of work of State staff the Secretary estimates is required to coordinate the Assessment within the State multiplied by a daily rate of pay, as determined by the Secretary."

TITLE VII -- NATIONAL COMMISSION ON TIME, STUDY, LEARNING, AND
TEACHING

SEC. 701. (a) ESTABLISHMENT.--There is hereby established a National Commission on Time, Study, Learning, and Teaching (here after in this title referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.--(1) IN GENERAL.--The Commission shall consist of 15 members appointed by the President. The President shall give serious consideration to appointing three members recommended by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and to appointing three members recommended by the President pro tempore of the Senate upon the recommendations of the Majority Leader and the Minority Leader of the Senate.

(2) REQUIREMENTS.--(A) Members of the Commission shall be appointed on the basis of exceptional education, training, or experience from among--

- (i) the Nation's Governors;
- (ii) individuals from the business community;
- (iii) representatives of nonprofit organizations or foundations committed to the improvement of American education;
- (iv) individuals who are engaged in the profession of teaching;

(v) individuals engaged in school administration, members of school boards, and parents or representatives of parents or parent organizations;

(vi) State officials directly responsible for education;

(vii) Federal officials responsible for education policy; and

(viii) educational researchers with experience relevant to the Commission's work.

(3) VACANCIES.--A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) TERMS.--Members of the Commission shall be appointed to serve at the pleasure of the President.

(5) COMPENSATION.--Each member of the Commission shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(6) ACTIVITY OF COMMISSION.--The Commission may begin to carry out its duties under this subsection when at least seven members of the Commission have been appointed.

(c) FUNCTIONS OF THE COMMISSION.--(1) STUDY.--The