

NATIONAL MARITIME DAY

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, as we celebrate the 200th year of our Constitution, let us not forget to honor an American institution that is even older—but vital to the Constitution's decree—the U.S. merchant marine. While we honor the past victories of the merchant marine, we look with hope to honor its future as well, and not to memorialize its past outstanding record by decommissioning the merchant marine vessel by vessel, shipyard by shipyard. Since colonial times, America recognized the need for a "home fleet" when the mother country's ships were unavailable. The second and third laws passed by the first Congress of the United States encouraged domestic citizen-owned and operated vessels. Government support for the merchant marine has been solid and strong for decades, but for a number of reasons we cannot yet clearly pinpoint, today's U.S. maritime industry is in serious trouble—both commercially and for national defense purposes. Thomas Jefferson, a strong supporter of the U.S. merchant marine, maintained that the fleet "will admit neither neglect nor forbearance." He would be distressed to witness the deplorable decline of an institution so near and dear to his heart. We presently face a crisis point in sea-lift and shipbuilding and must remedy the problem as soon as possible. Last year I authored legislation that established a Commission on Merchant Marine and Defense to study the problem and develop recommendations for rebuilding a troubled industry. It is my sincere hope that the Commission's recommendations, when finalized, will be implemented, so that we can achieve and sustain a strong and invaluable U.S. maritime industry.

SCHOOL IMPROVEMENT ACT OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 172 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5.

□ 1051

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5) to improve elementary and secondary education, and for other purposes, with Mr. VOLKMER in the chair.

The Clerk read the title of the bill. The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 20, 1987, all time for general debate had expired.

Pursuant to the rule, the substitute committee amendment now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1. The text of section 1 is as follows:

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

This Act may be cited as the "School Improvement Act of 1987".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. TABLE OF CONTENTS.

TITLE I—BASIC PROGRAMS

Subtitle A—Aid for the Educationally-Deprived and for Educational Innovation

CHAPTER 1—FINANCIAL ASSISTANCE TO MEET SPECIAL EDUCATIONAL NEEDS OF CHILDREN

Sec. 1001. Declaration of policy and statement of purpose.

PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

SUBPART 1—ALLOCATIONS

- Sec. 1005. Basic grants.
- Sec. 1006. Grants for local educational agencies in counties with especially high concentrations of children from low-income families.

SUBPART 2—BASIC PROGRAM REQUIREMENTS

- Sec. 1011. Uses of funds.
- Sec. 1012. Applications.
- Sec. 1013. Eligible schools.
- Sec. 1014. Eligible children.
- Sec. 1015. Schoolwide projects.
- Sec. 1016. Parental involvement.
- Sec. 1017. Participation of children enrolled in private schools.
- Sec. 1018. Fiscal requirements.
- Sec. 1019. Evaluations.
- Sec. 1020. Program improvement.

PART B—EVEN START PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

- Sec. 1051. Statement of purpose.
- Sec. 1052. Grant allocation.
- Sec. 1053. Uses of funds.
- Sec. 1054. Eligible participants.
- Sec. 1055. Applications.
- Sec. 1056. Award of grants.
- Sec. 1057. Evaluation.
- Sec. 1058. Authorization of appropriations.

PART C—SECONDARY SCHOOL PROGRAMS FOR BASIC SKILLS IMPROVEMENT AND DROPOUT PREVENTION AND REENTRY

SUBPART 1—AUTHORIZATION AND FUNDS DISTRIBUTION

- Sec. 1101. Purpose.
- Sec. 1102. Authorization of appropriations.
- Sec. 1103. Use of funds for national demonstration grants and State implementation grants.

SUBPART 2—NATIONAL DEMONSTRATION PROGRAM

- Sec. 1121. Reservations of funds.
- Sec. 1122. Allotment of funds for dropout prevention and reentry grants.
- Sec. 1123. Allotment of funds for secondary school basic skills improvement grants.
- Sec. 1124. General provisions for national demonstration grants.

SUBPART 3—STATE IMPLEMENTATION GRANTS

- Sec. 1131. Distribution of funds.

Sec. 1132. Program requirements.

SUBPART 4—GENERAL REQUIREMENTS

- Sec. 1141. Applications.
- Sec. 1142. Uses of funds for dropout prevention and reentry.
- Sec. 1143. Uses of funds for secondary school basic skills improvement.
- Sec. 1144. Fiscal and coordination provisions.

PART D—PROGRAMS OPERATED BY STATE AGENCIES

SUBPART 1—PROGRAMS FOR MIGRATORY CHILDREN

- Sec. 1201. Grants—entitlement and amount.
- Sec. 1202. Program requirements.
- Sec. 1203. Coordination of migrant education activities.

SUBPART 2—PROGRAMS FOR HANDICAPPED CHILDREN

- Sec. 1221. Amount and eligibility.
- Sec. 1222. Program requirements.
- Sec. 1223. Uses of funds.
- Sec. 1224. Applications.
- Sec. 1225. Eligible children.
- Sec. 1226. GAO study.

SUBPART 3—PROGRAMS FOR NEGLECTED AND DELINQUENT CHILDREN

- Sec. 1241. Amount and entitlement.
- Sec. 1242. Program requirements.
- Sec. 1243. Transition services.
- Sec. 1244. Definitions.

SUBPART 4—GENERAL PROVISIONS FOR STATE OPERATED PROGRAMS

- Sec. 1291. Reservation of funds for territories.
- Sec. 1292. Dual eligibility for programs.

PART E—PAYMENTS

- Sec. 1401. Payment methods.
- Sec. 1402. Amount of payments to local educational agencies.
- Sec. 1403. Adjustments where necessitated by appropriations.
- Sec. 1404. Payments for State administration.
- Sec. 1405. Limitation on grant to Puerto Rico.

PART F—GENERAL PROVISIONS

SUBPART 1—FEDERAL ADMINISTRATION

- Sec. 1431. Federal regulations.
- Sec. 1432. Availability of appropriations.
- Sec. 1433. Withholding of payments.
- Sec. 1434. Judicial review.
- Sec. 1435. Evaluation.
- Sec. 1436. National study on effect of programs on children.
- Sec. 1437. Coordination of Federal, State, and local administration.
- Sec. 1438. Federal research and innovation.
- Sec. 1439. Authorization of appropriations for evaluation, technical assistance, and research.

Sec. 1440. Application of General Education Provisions Act.

Sec. 1441. National Commission on Migrant Education.

Sec. 1442. Study of the impact of the decision of the Supreme Court in *Aguilar v. Felton* on the participation of children enrolled in private schools.

SUBPART 2—STATE ADMINISTRATION

- Sec. 1451. State regulations.
- Sec. 1452. Records and information.
- Sec. 1453. Assignment of personnel.

SUBPART 3—DEFINITIONS

Sec. 1471. Definitions.

SUBPART 4—MISCELLANEOUS PROVISIONS

- Sec. 1491. Repeal of other acts.
- Sec. 1492. Transition provisions.

CHAPTER 2—Federal, State, and Local Partnership for Educational Innovation

Sec. 1501. Findings and statement of purpose.

- PART A—STATE AND LOCAL PROGRAMS**
SUBPART 1—FUNDING
 Sec. 1511. Authorization of appropriations; payments.
 Sec. 1512. Allotments to states.
 Sec. 1513. Allocations to local educational agencies.
SUBPART 2—STATE PROGRAMS
 Sec. 1521. State applications.
 Sec. 1522. State uses of funds.
SUBPART 3—LOCAL PROGRAMS
 Sec. 1531. Local applications.
 Sec. 1532. Local uses of funds.
SUBPART 4—EFFECTIVE SCHOOLS PROGRAMS
 Sec. 1541. Establishment.
 Sec. 1542. Effective schools.
SUBPART 5—GENERAL PROVISIONS
 Sec. 1551. Maintenance of effort; Federal funds, supplementary.
 Sec. 1552. Participation of children enrolled in private schools.
 Sec. 1553. Evaluations and reporting.
 Sec. 1554. Federal administration.
PART B—NATIONAL PROGRAMS AND ACTIVITIES
 Sec. 1561. Basic authority.
 Sec. 1562. National diffusion network activities.
 Sec. 1563. Inexpensive book distribution program for reading motivation.
 Sec. 1564. Arts in education program.
 Sec. 1565. Law-related education program.
 Sec. 1566. National study of effective schools programs.
 Sec. 1567. Secretary's discretionary fund.
PART C—GENERAL PROVISIONS
 Sec. 1591. Repeal of chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981.
 Sec. 1592. Transition provisions.
Subtitle B—Miscellaneous Provisions
 Sec. 1601. Study of school reform.
 Sec. 1602. Office of comprehensive school health education.
- TITLE II—CRITICAL SKILLS IMPROVEMENT**
 Sec. 2010. Short title.
 Sec. 2020. Statement of purpose.
 Sec. 2030. Program authorized.
 Sec. 2040. Allocation of funds.
 Sec. 2050. Within state distribution.
 Sec. 2060. State application.
 Sec. 2070. Local application.
 Sec. 2080. Uses of state funds.
 Sec. 2090. Local educational agency uses of funds.
 Sec. 2100. Teacher training activities.
 Sec. 2110. Participation of children and teachers from private schools.
 Sec. 2120. Federal administration.
 Sec. 2130. National programs.
 Sec. 2145. Repeal.
 Sec. 2146. Reauthorization of partnership in education programs.
- TITLE III—MAGNET SCHOOLS ASSISTANCE**
 Sec. 3001. Short title.
 Sec. 3002. Authorization of appropriations.
 Sec. 3003. Eligibility.
 Sec. 3004. Statement of purpose.
 Sec. 3005. Program authorized.
 Sec. 3006. Definition.
 Sec. 3007. Uses of funds.
 Sec. 3008. Applications and requirements.
 Sec. 3009. Special consideration.
 Sec. 3010. Prohibitions.
 Sec. 3011. Limitation on payments.
 Sec. 3012. Payments.
 Sec. 3013. Withholding.
 Sec. 3014. Repeal.
- TITLE IV—GIFTED AND TALENTED PROGRAMS**
 Sec. 4001. Short title.
 Sec. 4020. Findings and purposes.
 Sec. 4030. Definitions.
 Sec. 4040. Authorized programs.
 Sec. 4050. Program priorities.
 Sec. 4060. Participation of private school children and teachers.
 Sec. 4070. Secretary's advisory committee.
 Sec. 4080. Administration.
 Sec. 4090. Authorization of appropriations.
- TITLE V—DRUG EDUCATION**
 Sec. 5101. Short title.
 Sec. 5102. Findings.
 Sec. 5103. Purpose.
PART A—FINANCIAL ASSISTANCE FOR DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS
 Sec. 5111. Authorization of appropriations.
 Sec. 5112. Reservations and State allotments.
PART B—STATE AND LOCAL PROGRAMS
 Sec. 5121. Use of allotments by States.
 Sec. 5122. State programs.
 Sec. 5123. State applications.
 Sec. 5124. Responsibilities of State educational agencies.
 Sec. 5125. Local drug abuse education and prevention programs.
 Sec. 5126. Local applications.
PART C—NATIONAL PROGRAMS
 Sec. 5131. Grants to institutions of higher education.
 Sec. 5132. Federal activities.
 Sec. 5133. Programs for Indian youth.
 Sec. 5134. Programs for Hawaiian natives.
 Sec. 5135. Regional centers.
PART D—GENERAL PROVISIONS
 Sec. 5141. Definitions.
 Sec. 5142. Functions of the Secretary of Education.
 Sec. 5143. Participation of children and teachers from private nonprofit schools.
 Sec. 5144. Materials.
PART E—MISCELLANEOUS PROVISIONS
 Sec. 5190. Indian education programs.
 Sec. 5191. Repeal.
- TITLE VI—SPECIAL PROGRAMS**
PART A—WOMEN'S EDUCATIONAL EQUITY
 Sec. 6001. Short title; findings and statement of purpose.
 Sec. 6002. Grant and contract authority.
 Sec. 6003. Application; participation.
 Sec. 6004. Challenge grants.
 Sec. 6005. Criteria and priorities.
 Sec. 6006. National advisory council on women's educational programs.
 Sec. 6007. Reports, evaluation, and dissemination.
 Sec. 6008. Authorization of appropriations.
 Sec. 6009. Repeal.
PART B—ALLEN J. ELLENDER FELLOWSHIP PROGRAM
 Sec. 6201. Findings.
 Sec. 6202. Establishment.
 Sec. 6203. Applications.
 Sec. 6204. Administrative provisions.
 Sec. 6205. Authorization of appropriations.
 Sec. 6206. Repeal.
PART C—IMMIGRANT EDUCATION
 Sec. 6301. Short title.
 Sec. 6302. Definitions.
 Sec. 6303. Authorizations and allocation of appropriations.
 Sec. 6304. State administrative costs.
 Sec. 6305. Withholding.
 Sec. 6306. State entitlements.
 Sec. 6307. Uses of funds.
 Sec. 6308. Applications.
 Sec. 6309. Payments.
 Sec. 6310. Reports.
 Sec. 6311. Repeal.
PART D—TERRITORIAL ASSISTANCE
 Sec. 6404. General assistance for the Virgin Islands.
 Sec. 6405. Territorial teacher training assistance.
 Sec. 6410. Repeal.
- PART E—EXCELLENCE IN EDUCATION**
 Sec. 6501. Short title.
 Sec. 6502. Statement of purpose.
 Sec. 6503. Definitions.
 Sec. 6504. School excellence awards authorized.
 Sec. 6505. Selection of schools for awards.
 Sec. 6506. Amount and conditions of awards.
 Sec. 6507. Special school awards.
 Sec. 6508. Research, evaluation, dissemination, and monitoring activities.
 Sec. 6509. Repeal.
- TITLE VII—BILINGUAL EDUCATION PROGRAMS**
 Sec. 7001. Short title.
 Sec. 7002. Policy; appropriations.
 Sec. 7003. Definitions; regulations.
PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS
 Sec. 7021. Bilingual education programs.
 Sec. 7022. Indian children in schools.
PART B—DATA COLLECTION, EVALUATION, AND RESEARCH
 Sec. 7031. Use of funds.
 Sec. 7032. Grants for State programs.
 Sec. 7033. Program evaluation requirements.
 Sec. 7034. Evaluation assistance centers.
 Sec. 7035. Research.
 Sec. 7036. Coordination of research.
 Sec. 7037. Education statistics.
PART C—TRAINING AND TECHNICAL ASSISTANCE
 Sec. 7041. Use of funds.
 Sec. 7042. Multifunctional resource centers.
 Sec. 7043. Fellowships.
 Sec. 7044. Priority.
 Sec. 7045. Stipends.
PART D—ADMINISTRATION
 Sec. 7051. Office of Bilingual Education and Minority Language Affairs.
 Sec. 7052. Limitation of authority.
PART E—REPEAL AND TRANSITION
 Sec. 7063. Repeal and transition.
- TITLE VIII—INDIAN AND NATIVE HAWAIIAN EDUCATION**
 Sec. 8001. Short title.
PART A—INDIAN STUDENTS IN FEDERALLY-OPERATED SCHOOLS
 Sec. 8101. Recognition of Federal schools.
 Sec. 8102. Transfers.
 Sec. 8103. Emergency actions.
 Sec. 8104. Boarding standards.
 Sec. 8105. Regulations.
 Sec. 8106. Formula provisions.
 Sec. 8107. Administrative formula.
 Sec. 8108. Administrative costs definition.
 Sec. 8109. Local procurement.
 Sec. 8110. Coordinated programs.
 Sec. 8111. Consultation.
 Sec. 8112. Indian preference.
 Sec. 8113. Personnel.
PART B—SELF-DETERMINATION GRANTS
 Sec. 8201. Short title.
 Sec. 8202. Congressional findings.
 Sec. 8203. Declaration of policy.
 Sec. 8204. Grants authorized.
 Sec. 8205. Grants eligibility.
 Sec. 8206. Determination of eligibility.
 Sec. 8207. Grants.
 Sec. 8208. Grant amounts.
 Sec. 8209. Applicability of other statutes.
 Sec. 8210. Role of director.
 Sec. 8211. Regulations.
 Sec. 8212. Definitions.

PART C—OTHER PROGRAMS OF INDIAN EDUCATION

Sec. 8301. Extensions of authorizations of other Indian education programs.

Sec. 8302. Proof of eligibility.

PART D—NATIVE AMERICAN INDIAN SCHOOLS

Sec. 8401. Short title.

Sec. 8402. Definitions.

Sec. 8403. Establishment of school.

Sec. 8404. Board of trustees.

Sec. 8405. General powers of the Board.

Sec. 8406. Superintendent of the school.

Sec. 8407. Staff of school.

Sec. 8408. Functions at the school.

Sec. 8409. Indian preference.

Sec. 8410. Nonprofit and nonpolitical nature of the school.

Sec. 8411. Tax status.

Sec. 8412. Reports.

Sec. 8413. Compliance with other Acts.

Sec. 8414. Endowment program.

Sec. 8415. Authorization of appropriations.

PART E—NATIVE HAWAIIAN EDUCATION PROGRAMS

Sec. 8701. Findings and declarations of policy.

Sec. 8702. Purpose.

Sec. 8703. Native Hawaiian model curriculum implementation project.

Sec. 8704. Native Hawaiian family-based education centers.

Sec. 8705. Native Hawaiian higher education demonstration programs.

Sec. 8706. Native Hawaiian gifted and talented demonstration program.

Sec. 8707. Native Hawaiian special education program.

Sec. 8708. Miscellaneous provisions.

Sec. 8709. Definitions.

TITLE IX—AMENDMENTS TO OTHER LAWS

PART A—ADULT EDUCATION

Sec. 9101. Short title.

Sec. 9102. Amendment to Adult Education Act.

PART B—IMPACT AID

Sec. 9201. Reauthorizations for impact aid.

Sec. 9202. Limitation on impact aid payments.

Sec. 9203. Children residing on, or whose parents are employed on, Federal property.

PART C—GENERAL EDUCATION PROVISIONS ACT

Sec. 9301. Enforcement under the General Education Provisions Act.

Sec. 9311. National Center for Education Statistics.

Sec. 9350. School Improvement Act of 1987 data.

TITLE X—GENERAL PROVISIONS

Sec. 10001. Definitions.

Sec. 10002. Budget Act provisions.

Sec. 10003. Effective date.

The CHAIRMAN. Are there any amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—BASIC PROGRAMS

Subtitle A—Aid for the Educationally-Deprived and for Educational Innovation

CHAPTER 1—FINANCIAL ASSISTANCE TO MEET SPECIAL EDUCATIONAL NEEDS OF CHILDREN

SEC. 1001. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

(a) DECLARATION OF POLICY.—In recognition of—

(1) the special educational needs of children of low-income families and the impact of concentrations of low-income families on

the ability of local educational agencies to provide educational programs which meet such needs, and

(2) the special educational needs of children of migrant parents, of Indian children, and of handicapped, neglected, and delinquent children,

the Congress declares it to be the policy of the United States to—

(A) provide financial assistance to State and local educational agencies to meet the special needs of such educationally deprived children at the preschool, elementary, and secondary levels;

(B) expand the program authorized by this chapter over the next six years to serve all educationally deprived children by increasing funding for this chapter by at least \$500,000,000 over baseline each fiscal year from fiscal year 1989 through fiscal year 1993; and

(C) provide such assistance in a way which eliminates unnecessary administrative burden and paperwork and overly prescriptive regulations and provides flexibility to State and local educational agencies in making educational decisions.

PART A—BASIC PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

Subpart 1—Allocations

SEC. 1001. BASIC GRANTS.

(a) AMOUNT OF GRANTS.—

(1) GRANTS FOR TERRITORIES.—There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 percent of the amount appropriated for such year for payments to States under part E (other than payments under such part to jurisdictions excluded from the term "State" by this subsection, and payments pursuant to section 1201). The amount appropriated pursuant to this paragraph shall be allotted by the Secretary (A) among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Secretary determines will best carry out the purposes of this chapter.

(2) GRANTS FOR LOCAL EDUCATIONAL AGENCIES AND PUERTO RICO.—

(A) In any case in which the Secretary determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State is eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)), be determined by multiplying the number of children counted under subsection (c) by 40 percent of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (i) if the average per pupil expenditure in the

State is less than 80 percent of the average per pupil expenditure in the United States, such amount shall be 80 percent of the average per pupil expenditure in the United States, or (ii) if the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, such amount shall be 120 percent of the average per pupil expenditure in the United States.

(B) In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under subparagraph (A) for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with the basic criteria prescribed by the Secretary.

(C) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in Puerto Rico is of the lowest average per pupil expenditure of any of the fifty States. The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) for Puerto Rico by the product of—

(i) the percentage determined under the preceding sentence and

(ii) 32 percent of the average per pupil expenditure in the United States.

(3) SPECIAL ALLOCATION PROCEDURES.—

(A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Secretary, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this chapter.

(C) In any State in which a large number of local educational agencies overlap county boundaries, the State educational agency may apply to the Secretary for authority during any particular fiscal year to make the allocations under this part (other than section 1006) directly to local educational agencies without regard to the counties. If the Secretary approves an application of a State educational agency for a particular year under this subparagraph, the State educational agency shall provide assurances that such allocations will be made using precisely the same factors for determining a grant as are used under this part and that a

procedure will be established through which local educational agencies dissatisfied with the determinations made by the State educational agency may appeal directly to the Secretary for a final determination.

(4) **DEFINITION.**—For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(b) **MINIMUM NUMBER OF CHILDREN TO QUALIFY.**—A local educational agency shall be eligible for a basic grant for a fiscal year under this subpart only if it meets the following requirements with respect to the number of children counted under subsection (c):

(1) In any case (except as provided in paragraph (3)) in which the Secretary determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Secretary has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies or all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Secretary for the purposes of this subsection.

(c) **CHILDREN TO BE COUNTED.**—

(1) **CATEGORIES OF CHILDREN.**—The number of children to be counted for purposes of this section is the aggregate of—

(A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A),

(B) the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and

(C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to subpart 3 of part D for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

(2) **DETERMINATION OF NUMBER OF CHILDREN.**—

(A) For the purposes of this section, the Secretary shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census.

(B) For purposes of this section, the Secretary shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families

receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of October of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the calendar year preceding such month of October) or, to the extent that such data are not available to the Secretary before January of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to the Secretary at the time of such determination. The Secretary of Health and Human Services shall collect and transmit the information required by this subparagraph to the Secretary not later than January 1 of each year.

(C) When requested by the Secretary, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families below the poverty level (as determined under subparagraph (A) of this paragraph) in each county or school district, and the Secretary is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(d) **PROGRAM FOR INDIAN CHILDREN.**—

(1) From the amount allotted for payments to the Secretary of the Interior under the second sentence of subsection (a)(1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Secretary determines will best carry out the purposes of this chapter with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 percent of (A) the average per pupil expenditure in the State in which the agency is located or (B) 120 percent of such expenditure in the United States, whichever is the greater.

(2) The amount allotted for payments to the Secretary of the Interior under the second sentence of subsection (a)(1) for any fiscal year shall be, as determined pursuant to criteria established by the Secretary, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payment shall be made pursuant to an agreement between the Secretary and the Secretary of the Interior containing such assurances and terms as the Secretary determines will best achieve the purposes of this chapter. Such agreement shall contain (A) an assurance that payments made pur-

suant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of subpart 2 of this part and that the Department of the Interior will comply in all other respects with the requirements of this chapter, and (B) provision for carrying out the applicable provisions of subpart 2 of this part and part F.

(e) **TREATMENT OF EARNINGS FOR PURPOSES OF AID TO FAMILIES WITH DEPENDENT CHILDREN.**—Notwithstanding the provisions of title IV of the Social Security Act, a State plan approved under section 402 of such Act shall provide that for a period of not less than twelve months, and may provide that for a period of not more than twenty-four months, the first \$85 earned by any person in any month for services rendered to any program assisted under this chapter of this Act shall not be regarded (1) in determining the need of such person under such approved State plan or (2) in determining the need for any other individual under such approved State plan.

(f) **STATE MINIMUM.**—(1) Subject to paragraph (2), for any fiscal year for which sums available for the purposes of this section exceed sums available under chapter 1 of the Education Consolidation and Improvement Act of 1981 for fiscal year 1987 and sums available for the purposes of section 1006 equal or exceed \$400,000,000, the aggregate amount allotted for all local educational agencies within a State may not be less than one-quarter of 1 percent of the total amount available for such fiscal year under this section.

(2) The provisions of paragraph (1) shall apply only if each State is allotted an amount which is not less than the payment made to each State under chapter 1 of the Education Consolidation and Improvement Act of 1981 for fiscal year 1987.

(3) No State shall, by reason of the application of the provisions of paragraph (1) of this subsection, be allotted more than 150 percent of the allotment of that State in the fiscal year preceding the fiscal year for which the determination is made.

(g) **DURATION OF ASSISTANCE.**—During the period beginning October 1, 1987, and ending September 30, 1993, the Secretary shall, in accordance with the provisions of this part, make payments to State educational agencies for grants made on the basis of entitlements created under this section.

SEC. 1006. GRANTS FOR LOCAL EDUCATIONAL AGENCIES IN COUNTIES WITH ESPECIALLY HIGH CONCENTRATIONS OF CHILDREN FROM LOW-INCOME FAMILIES.

(a) **ELIGIBILITY FOR AND AMOUNT OF SPECIAL GRANTS.**—

(1) Each county, in a State other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, which is eligible for a grant under this chapter for any fiscal year shall be entitled to an additional grant under this section for that fiscal year if—

(A) the number of children counted under section 1005(c) of this chapter in the school district of local educational agencies in such county for the preceding fiscal year exceeds 6,500, or

(B) the number of children counted under section 1005(c) exceeds 15 percent of the total number of children aged five to seventeen, inclusive, in the school districts of local educational agencies in such county in that fiscal year, except that no such State shall receive less than one-quarter of 1 percent of the sums appropriated under subsection (c) of this section for such fiscal year.

(2) For each county in which there are local educational agencies eligible to receive an additional grant under this section for any fiscal year the Secretary shall determine the product of—

(A) the greater of—

(i) the number of children in excess of 6,500 counted under section 1005(c) for the preceding fiscal year, in the school districts of local educational agencies of a county which qualifies on the basis of subparagraph (A) of paragraph (1); or

(ii) the number of children counted under section 1005(c) for the preceding fiscal year in the school districts of local educational agencies in a county which qualifies on the basis of subparagraph (B) of paragraph (1); and

(B) the quotient resulting from the division of the amount determined for those agencies under section 1005(a)(2) of this chapter for the fiscal year for which the determination is being made divided by the total number of children counted under section 1005(c) for that agency for the preceding fiscal year.

(3) The amount of the additional grant to which an eligible county is entitled under this section for any fiscal year shall be an amount which bears the same ratio to the amount reserved under subsection (c) for that fiscal year as the product determined under paragraph (2) for such county for that fiscal year bears to the sum of such products for all counties in the United States for that fiscal year.

(4) For the purposes of this section, the Secretary shall determine the number of children counted under section 1005(c) for any county, and the total number of children aged five to seventeen, inclusive, in school districts of local educational agencies in such county, on the basis of the most recent satisfactory data available at the time the payment for such county is determined under section 1005.

(5)(A) Pursuant to regulations established by the Secretary and except as provided in subparagraphs (B) and (C) and paragraph (6), funds allocated to counties under this part shall be allocated by the State educational agency only to those local educational agencies whose school districts lie (in whole or in part) within the county and which are determined by the State educational agency to meet the eligibility criteria of subparagraphs (A) and (B) of paragraph (1). Such determination shall be made on the basis of the available poverty data which such State educational agency determines best reflect the current distribution in the local educational agency of low-income families consistent with the purposes of this chapter. The amount of funds under this part that each qualifying local educational agency receives shall be proportionate to the number or percentage of children from low-income families in the school districts of the local educational agency.

(B) In counties where no local educational agency meets the criteria of subparagraph (A) or (B) of paragraph (1), the State educational agency shall allocate such funds among the local educational agencies within such counties (in whole or in part) in rank order of their respective concentration and numbers of children from low-income families and in amounts which are consistent with the degree of concentration of poverty. Only local educational agencies with concentrations of poverty that exceed the county wide average of poverty shall receive any funds pursuant to the provisions of this subparagraph.

(C) In States which receive the minimum grant amount under paragraph (1), the State educational agency shall allocate such funds among the local educational agencies

in such State by either of the following methods:

(i) In accordance with the provisions of subparagraphs (A) and (B) of this paragraph; or

(ii) without regard to the counties in which such local educational agencies are located, in rank order of their respective concentration and numbers of children from low-income families and in amounts which are consistent with the degree of concentration of poverty, except that only those local educational agencies with concentrations of poverty that exceed the Statewide average of poverty shall receive any funds pursuant to the provisions of this clause.

(6) A State may reserve not more than 2 percent of its allocation under this section for the purpose of making direct payments to local educational agencies that meet the criteria of subparagraphs (A) and (B) of paragraph (1), but are otherwise ineligible.

(b) PAYMENTS; USE OF FUNDS.—

(1) The total amount which counties in a State are entitled to under this section for any fiscal year shall be added to the amount paid to that State under section 1401 for such year. From the amount paid to it under this section, the State shall distribute to local educational agencies in each county of the State the amount (if any) to which it is entitled under this section.

(2) The amount paid to a local educational agency under this section shall be used by that agency for activities undertaken pursuant to its application submitted under section 1012 and shall be subject to the other requirements in subpart 2 of this part.

(c) RESERVATION OF FUNDS.—For any fiscal year for which amounts appropriated under this part subsequent to the date of enactment of this Act exceed amounts appropriated to carry out chapter 1 of the Education Consolidation and Improvement Act in fiscal year 1987, such excess sum, not to exceed \$400,000,000, shall first be available for the purposes of this section.

Subpart 2—Basic Program Requirements
SEC. 1011. USES OF FUNDS.

(a) PROGRAM DESCRIPTION.—

(1) A local educational agency may use funds received under this chapter only for programs and projects which are designed to meet the special educational needs of educationally deprived children identified in accordance with section 1014 and which are included in an application for assistance approved by the State educational agency.

(2) Such programs and projects under paragraph (1) may include preschool through secondary programs; the acquisition of equipment and instructional materials; books and school library resources; employment of special instructional personnel, school counselors, and other pupil services personnel; employment and training of education aides; payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools serving project areas; the training of teachers, librarians, other instructional and pupil services personnel, and as appropriate, early childhood education professionals (including training in preparation for the implementation of programs and projects in a subsequent school year); the construction, where necessary, of school facilities; parental involvement activities under section 1016; planning for and evaluation of such programs and projects assisted under this chapter; and other expenditures authorized under this chapter.

(3) Educational agencies are encouraged to develop programs to assist eligible children to improve their achievement in basic skills and more advanced skills and to consider year-round services and activities, including intensive summer school programs.

(b) INNOVATION PROJECTS.—

(1) Subject to the approval of the State educational agency, a local educational agency may use not more than 5 percent of payments under this part for not more than 50 percent of the costs of conducting innovative projects developed by the local educational agency that include only—

(A) the continuation of services to children eligible for services in any preceding year for a period sufficient to maintain progress made during their eligibility;

(B) the provision of extended services to eligible children transferred to ineligible areas or schools as part of a desegregation plan;

(C) incentive payments to schools that have demonstrated significant progress and success in attaining the goals of this chapter;

(D) training of teachers and librarians not paid with funds under this chapter with respect to the special educational needs of eligible children and to integrate activities under this chapter into regular classroom programs;

(E) programs to encourage innovative approaches to parental involvement or towards to or expansion of exemplary parental involvement programs; and

(F) encouraging community and private sector involvement and resources in meeting the needs of eligible children.

(c) WAIVER FOR POOR LOCAL EDUCATIONAL AGENCIES.—The provision under subsection (b)(1) limiting the Federal share of projects to not more than 50 percent shall not apply to any local educational agency which demonstrates to the State educational agency that it lacks the financial resources to comply with that requirement.

SEC. 1012. APPLICATIONS.

(a) IN GENERAL.—A local educational agency may receive a grant under this chapter for any fiscal year if it has on file with the State educational agency an application which describes the programs and projects to be conducted with such assistance for a period of not more than three years and which describes the desired outcomes, in terms of basic and more advanced skills, which will be used as the basis for evaluating the program or project as required by section 1019, and such application has been approved by the State educational agency.

(b) ASSURANCES.—Such application shall provide assurance that the programs and projects described—

(1) are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting the special educational needs of the children being served, are designed and implemented in consultation with teachers (including early childhood education professionals and librarians when appropriate), and provide for parental involvement in accordance with section 1016;

(2) make provision for services to educationally deprived children attending private elementary and secondary schools in accordance with section 1017; and

(3) allocate time and resources for frequent and regular coordination of the curriculum under this chapter with the regular instructional program.

SEC. 1013. ELIGIBLE SCHOOLS.

(a) GENERAL PROVISIONS.—

(1) Subject to subsection (b), a local educational agency shall use funds received under this chapter in school attendance areas having high concentrations of children from low-income families (hereinafter referred to as "eligible school attendance areas"), and where funds under this chapter are insufficient to provide programs and projects for

all educationally deprived children in eligible school attendance areas, a local educational agency shall annually rank its eligible school attendance areas from highest to lowest, according to relative degree of concentration of children from low-income families. A local educational agency may carry out a program or project assisted under this chapter in an eligible school attendance area only if it also carries out such program or project in all other eligible school attendance areas which are ranked higher under the first sentence.

(2) The same measure of low income, which shall be chosen by the local educational agency on the basis of the best available data and which may be a composite of several indicators, shall be used with respect to all such areas, both to identify the areas having high concentrations of children from low-income families and to determine the ranking of each area.

(3) The requirements of this subsection shall not apply in the case of a local educational agency with a total enrollment of less than one thousand children, but this paragraph does not relieve such an agency from the responsibility to serve eligible children according to the provisions of section 1014.

(b) LOCAL EDUCATIONAL AGENCY DISCRETION.—Notwithstanding subsection (a)(1) of this section, a local educational agency shall have discretion to identify and rank eligible attendance areas as follows:

(1) A local educational agency may designate as eligible and serve any of its attendance areas if the percentage of children from low income families in each attendance area of the agency is within five percentage points of the average percentage of such children for the entire local educational agency.

(2) A local educational agency may designate any school attendance area in which at least 25 percent of the children are from low-income families as an eligible school attendance area if the aggregate amount expended under this chapter and under a State program meeting the requirements of section 1018(d)(1)(B) in that fiscal year in each school attendance area of that agency in which projects assisted under this chapter were carried out in the preceding fiscal year equals or exceeds the amount expended from those sources in that area in such preceding fiscal year.

(3) A local educational agency may, with the approval of the State educational agency, designate as eligible and serve school attendance areas with substantially higher numbers or percentages of educationally deprived children before school attendance areas with higher concentrations of children from low-income families, but this paragraph shall not permit the provision of services to more school attendance areas than could otherwise be served. A State educational agency shall approve such a proposal only if the State educational agency finds that the proposal will not substantially impair the delivery of compensatory education services to educationally deprived children from low-income families in project areas served by the local educational agency.

(4) Funds received under this chapter may be used for educationally deprived children who are in a school which is not located in an eligible school attendance area when the proportion of children from low-income families in average daily attendance in such school is substantially equal to the proportion of such children in an eligible school attendance area of such agency.

(5) If an eligible school attendance area or eligible school was so designated in accordance with subsection (a) in the immediately preceding fiscal year, it may continue to be

so designated for the subsequent fiscal year even though it does not qualify in such additional year.

(6) With the approval of the State educational agency, eligible school attendance areas or eligible schools which have higher proportions or numbers of children from low-income families may be skipped if they are receiving, from non-Federal funds, services of the same nature and scope as would otherwise be provided under this chapter, except that (A) the number of children attending private elementary and secondary schools who receive services under this chapter shall be determined without regard to non-Federal compensatory education funds which serve eligible children in public elementary and secondary schools, and (B) children attending private elementary and secondary schools who receive assistance under this chapter shall be identified in accordance with this section and without regard to skipping public school attendance areas or schools under this paragraph.

(c) ALLOCATIONS.—

(1) Except as provided in paragraph (2), a local educational agency shall allocate funds under this chapter among project areas or schools on the basis of the number and needs of children to be served as determined in accordance with section 1014.

(2) Children in eligible schools, who receive services under this chapter and subsequently become ineligible due to academic achievement attributable to such services, may continue to be considered eligible for 2 additional years only for the purpose of determining the allocation of funds among eligible schools under paragraph (1). Any funds so allocated shall be used to provide services to any children determined to be eligible under section 1014.

SEC. 1014. ELIGIBLE CHILDREN.

(a) GENERAL PROVISIONS.—

(1) Except as provided in subsections (c), (d), and (e) of this section and section 1015, a local educational agency shall use funds received under this chapter for educationally deprived children, identified in accordance with subsection (b) as having the greatest need for special assistance, in school attendance areas or schools satisfying the requirements of section 1013.

(2) The eligible population for services under this part are—

(A) those children up to age 21 who are entitled to a free public education through grade 12, and

(B) those children who are not yet at a grade level where the local educational agency provides a free public education, yet are of an age at which they can benefit from an organized instructional program provided in a school or other educational setting.

(b) ASSESSMENT OF EDUCATIONAL NEED.—A local educational agency may receive funds under this chapter only if it makes an assessment of educational needs each year to

(1) identify educationally deprived children in all eligible attendance areas; (2) identify the general instructional areas on which the program will focus; (3) select those educationally deprived children who have the greatest need for special assistance, as identified on the basis of educationally related objective criteria established by the local educational agency, which include written or oral testing instruments, that are uniformly applied to particular grade levels throughout the local educational agency; and (4) determine the special educational needs (and library resource needs) of participating children with specificity sufficient to ensure concentration on such needs.

(c) LOCAL EDUCATIONAL AGENCY DISCRETION.—(1) Educationally deprived children who begin participation in a program or

project assisted under this chapter, in accordance with subsections (a) and (b) but who, in the same school year, are transferred to a school attendance area or school not receiving funds under this chapter, may, if the local agency so determines, continue to participate in a program or project funded under this chapter for the duration of that same school year.

(2) In providing services under this chapter a local educational agency may skip educationally deprived children in greatest need of assistance who are receiving, from non-Federal sources, services of the same nature and scope as would otherwise be provided under this chapter.

(3) A child who, in the previous year was identified as being in greatest need of assistance, and who continues to be educationally deprived, but who is no longer identified as being in greatest need of assistance, may participate in a program or project assisted under this chapter for two additional years.

(d) SPECIAL RULES.—(1) Children receiving

services to overcome a handicapping condition or limited English proficiency shall also be eligible to receive services under this chapter, if they have needs stemming from educational deprivation and not related solely to the handicapping condition or limited English proficiency. Such children shall be selected on the same basis as other children identified as eligible for and selected to receive services under this chapter. Funds under this chapter may not be used to provide services that are otherwise required by law to be made available to such children.

(2) A student who in the previous 2 years was receiving services under subpart 3 of part D of this chapter or under subpart 3 of part B of title I of the Elementary and Secondary Education Act (as amended by chapter 1 of the Education Consolidation and Improvement Act of 1981) shall be considered eligible for services under this part, and may be served subject to the provisions of subsections (a) and (b).

SEC. 1015. SCHOOLWIDE PROJECTS.

(a) USE OF FUNDS FOR SCHOOLWIDE PROJECTS.—In the case of any school serving an attendance area that is eligible to receive services under this chapter and in which, for the first year of projects assisted under this section, not less than 75 percent of the children are from low-income families or any eligible school in which not less than 75 percent of the children enrolled in the school are from low-income families, the local educational agency may carry out a project under this chapter to upgrade the entire educational program in that school if the requirements of subsections (b), (c), and (d) are met.

(b) DESIGNATION OF SCHOOLS.—A school may be designated for a schoolwide project under subsection (a) if—

(1) a plan has been developed for that school by the local educational agency and has been approved by the State educational agency which—

(A) provides for a comprehensive assessment of educational needs of all students in the school, in particular the special needs of educationally deprived children;

(B) establishes goals to meet the special needs of all students and to ensure that educationally deprived children are served effectively and demonstrate performance gains comparable to other students;

(C) describes the instructional program, pupil services, and procedures to be used to implement those goals;

(D) describes the specific uses of funds under this chapter as part of that program; and

(E) describes how the school will move to implement an effective schools program as defined in section 1471;

(2) the plan has been developed with the involvement of those individuals who will be engaged in carrying out the plan, including parents, teachers, librarians, education aides, pupil services personnel, and administrators (and secondary students if the plan relates to a secondary school);

(3) the plan provides for consultation among such individuals under paragraph (2) as to the educational progress of all students and the participation of such individuals in the development and implementation of the accountability measures required by subsection (d);

(4) appropriate training is provided to parents of children to be served, teachers, librarians, and other instructional, administrative, and pupil services personnel to enable them effectively to carry out the plan;

(5) the plan includes procedures for measuring progress, as required by subsection (d), and describes the particular measures to be used; and

(6)(A) in the case of a school district in which there are one or more schools described in subsection (a) and there are also one or more other schools serving project areas, the local educational agency makes the Federal funds provided under this part available for children in such schools described in subsection (a) in amounts which per educationally deprived child served, equal or exceed the amount of such funds made available per educationally deprived child served in such other schools; and

(B) the average per pupil expenditure in schools described in subsection (a) (excluding amounts expended under a State compensatory education program) for the fiscal year in which the plan is to be carried out will not be less than such expenditure in such schools in the previous fiscal year, except that the cost of services for programs described in section 1018(d)(2)(A) shall be included for each fiscal year as appropriate only in proportion to the number of children in the building served in such programs in the year for which this determination is made.

(C) APPROVAL OF PLAN; OPERATION OF PROJECT.—

(1) The State educational agency shall approve the plan of any local educational agency for a schoolwide project if that plan meets the requirements of subsection (b).

(2) For any school which has such a plan approved, the local educational agency—

(A) shall, in order to carry out the plan, be relieved of any requirements under this chapter with respect to the commingling of funds provided under this chapter with funds available for regular programs;

(B) shall use funds received under this chapter only to supplement, and to the extent practicable, increase the level of funds that would in the absence of such Federal funds, be made available from non-Federal sources for the school approved for a schoolwide project under paragraph (1); and

(C) shall comply with the provisions of section 1018(c).

(d) USE OF FUNDS.—In addition to uses under section 111, funds may be used in schoolwide projects for—

(1) planning and implementing effective schools programs, and

(2) other activities to improve the instructional program and pupil services in the school, such as reducing class size, training staff and parents of children to be served, and implementing extended schoolday programs.

(e) ACCOUNTABILITY.—

(1) The State educational agency may grant authority for a local educational agency to operate a schoolwide project for a period of three years. If a school meets the accountability requirements in paragraphs (2) and (3) at the end of such period, as determined by the State educational agency, that school will be allowed to continue the schoolwide project for an additional three-year period.

(2)(A) Except as provided in subparagraph (B), after 3 years, a school must be able to demonstrate (i) that the achievement level of eligible children as measured according to the means specified in the plan required by subsection (b) exceeds the average achievement of participating children districtwide, or (ii) that the achievement of eligible children in that school exceeds the average achievement of such children in that school in the three fiscal years prior to initiation of the schoolwide project.

(B) For a secondary school, demonstration of lower dropout rates, increased retention rates, or increased graduation rates is acceptable in lieu of increased achievement, if achievement levels do not decline.

(3) Schools shall annually collect achievement and other assessment data for the purposes of paragraph (2). The results of achievement and other assessments shall be made available annually to parents, the public, and the State educational agency.

SEC. 1018. PARENTAL INVOLVEMENT.

(a) FINDINGS; GENERAL REQUIREMENT.—

(1) Congress finds that activities by schools to increase parental involvement are a vital part of programs under this chapter.

(2) Toward that end, a local educational agency may receive funds under this chapter only if it implements programs, activities, and procedures for the involvement of parents in programs assisted under this chapter. Such activities and procedures shall be planned and implemented with meaningful consultation with parents of participating children and must be of sufficient size, scope, and quality to give reasonable promise of substantial progress toward achieving the goals under subsection (b).

(3) For purposes of this section, parental involvement includes, but is not limited to, parent input into the design and implementation of programs under this chapter, volunteer or paid participation by parents in school activities, and programs, training, and materials which build parents' capacity to improve their children's learning in the home and in school.

(b) GOALS OF PARENT INVOLVEMENT.—In carrying out the requirements of subsection (a), a local educational agency shall, in coordination with parents of participating children, develop programs, activities, and procedures which have the following goals—

(1) to inform parents of participating children of the program under this chapter, the reasons for their children's participation in such programs, and the specific instructional objectives and methods of the program;

(2) to support the efforts of parents, including training parents, to the maximum extent practicable, to work with their children in the home to attain the instructional objectives of programs under this chapter and to understand the program requirements of this chapter and to train parents and teachers to build a partnership between home and school;

(3) to train teachers and other staff involved in programs under this chapter to work effectively with the parents of participating students; and

(4) to consult with parents, on an ongoing basis, concerning the manner in which the school and parents can better work together to achieve the program's objectives and to

give parents a feeling of partnership in the education of their children.

(c) MECHANISMS FOR PARENTAL INVOLVEMENT.—

(1) Each local educational agency, after consultation with and review by parents, shall develop written policies to ensure that parents are involved in the planning, design, and implementation of programs and shall provide such reasonable support for parental involvement activities as parents may request. Such policies shall be made available to parents of participating children.

(2) Each local educational agency shall convene an annual meeting to which all parents of participating children shall be invited, to explain to parents the programs and activities provided with funds under this chapter. Such meetings may be districtwide or at the building level, as long as all such parents are given an opportunity to participate.

(3) Each local educational agency shall provide parents of participating children with reports on the children's progress, and to the extent practical hold a parent-teacher conference with parents of each child served in the program, to discuss that child's progress, placement, and methods by which parents can complement the child's instruction. Educational personnel under this chapter shall be readily accessible to parents and shall permit parents to observe activities under this chapter.

(4) Local educational agencies shall (A) provide opportunities for regular meetings of parents to formulate parental input into the program, if parents of participating children so desire; (B) provide parents of participating children with timely information about the program; and (C) make parents aware of parental involvement requirements and other relevant provisions of programs under this chapter.

(5) Parent programs, activities, and procedures may include regular parent conferences; parent resource centers; parent training programs and reasonable and necessary expenditures associated with the attendance of parents at training sessions; hiring, training, and utilization of parental involvement liaison workers; reporting to parents on the children's progress; training and support of personnel to work with parents, to coordinate parent activities, and to make contact in the home; use of parents as classroom volunteers, tutors, and aides; provision of school-to-home complementary curriculum and materials and assistance in implementing home-based education activities that reinforce classroom instruction and student motivation; provision of timely information on programs under this chapter (such as program plans and evaluations); soliciting parents' suggestions in the planning, development, and operation of the program; providing timely responses to parent recommendations; parent advisory councils; and other activities designed to enlist the support and participation of parents to aid in the instruction of their children.

(6) Parents of participating children are expected to cooperate with the local educational agency by becoming knowledgeable of the program goals and activities and by working to reinforce their children's training at home.

(d) COORDINATION WITH ADULT EDUCATION ACT.—Programs of parental involvement shall coordinate, to the extent possible, with programs funded under the Adult Education Act.

(e) ACCESSIBILITY REQUIREMENT.—Information, programs, and activities for parents pursuant to this section shall be provided in

a language and form which the parents understand.

SEC. 1017. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) **GENERAL REQUIREMENTS.**—To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall, after timely and meaningful consultation with appropriate private school officials, make provisions for including special educational services and arrangements (such as dual enrollment, educational radio and television, other technology, and mobile educational services and equipment) in which such children can participate and which meet the requirements of sections 1011, 1012(b)(1), 1013, 1014, and 1018(b). Expenditures for educational services and arrangements pursuant to this section for educationally deprived children in private schools shall be equal (taking into account the number of children to be served and the special educational needs of such children) to expenditures for children enrolled in the public schools of the local educational agency.

(b) **BYPASS PROVISION.**—

(1) If a local educational agency is prohibited by law from providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Secretary shall waive such requirements, and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

(2) If the Secretary determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Secretary shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a), upon which determination the provisions of subsection (a) shall be waived.

(3)(A) The Secretary shall develop and implement written procedures for receiving, investigating, and resolving complaints from parents, teachers, or other concerned organizations or individuals concerning violations of this section. The Secretary shall investigate and resolve each such complaint within 120 days after receipt of the complaint.

(B) When the Secretary arranges for services pursuant to this subsection, the Secretary shall, after consultation with the appropriate public and private school officials, pay to the provider the cost of such services, including the administrative cost of arranging for such services, from the appropriate allocation or allocations under this chapter.

(C) Pending final resolution of any investigation or complaint that could result in a determination under this subsection, the Secretary may withhold from the allocation of the affected State or local educational agency the amount the Secretary estimates would be necessary to pay the cost of such services.

(D) Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the local educational agency to meet the requirements of subsection (a).

(4)(A) The Secretary shall not take any final action under this subsection until the State educational agency and local educational agency affected by such action have had an opportunity, for at least forty-five days after receiving written notice thereof,

to submit written objections and to appear before the Secretary or a designee to show cause why such action should not be taken.

(B) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(C) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(D) Upon the filing of a petition under subparagraph (B), the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(c) **PRIOR DETERMINATION.**—Any bypass determination by the Secretary under title I of the Elementary and Secondary Education Act of 1965 or chapter 1 of the Education Consolidation and Improvement Act shall remain in effect to the extent consistent with the purposes of this chapter.

(d) **CAPITAL EXPENSES.**—

(1) A local educational agency may apply to the State educational agency for payments for capital expenses consistent with the provisions of this subsection. State educational agencies shall distribute funds to local educational agencies based on the degree of need as set forth in the application. Such an application shall contain information on such capital expenses by fiscal year and shall contain an assurance that any funds received pursuant to this subsection shall be used solely for purposes of the program authorized by this chapter.

(2)(A) From the amount appropriated for the purposes of this subsection for any fiscal year, the amount which each State shall be eligible to receive shall be an amount which bears the same ratio to the amount appropriated as the number of children enrolled in private schools who were served under chapter I of the Education Consolidation and Improvement Act of 1981 in the State during the period July 1, 1984 through June 30, 1985, bears to the total number of such children served during such period in all States.

(B) Amounts which are not used by a State for the purposes of this subsection shall be reallocated by the Secretary among other States on the basis of need.

(3) There is authorized to be appropriated \$30,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993. Any sums appropriated under this provision shall be used for increases in capital expenses paid from funds under chapter 1 of the Education Consolidation and Improvement Act or this section subsequent to July 1, 1985, of local educational agencies in providing the instructional services required under section 557 of the Education Consoli-

dation and Improvement Act and this section, when without such funds, services to private schoolchildren would have been or have been reduced or would be reduced or adversely affected.

(4) For the purposes of this subsection, the term "capital expenses" is limited to expenditures for noninstructional goods and services such as the purchase, lease and renovation of real and personal property (including but not limited to mobile educational units and computer equipment and materials), insurance and maintenance costs, transportation, and other comparable goods and services.

SEC. 1018. FISCAL REQUIREMENTS.

(a) **MAINTENANCE OF EFFORT.**—

(1) Except as provided in paragraph (2), a local educational agency may receive funds under this chapter for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(2) The State educational agency shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which a local educational agency fails to meet the requirement of paragraph (1) by falling below 90 percent of both the combined fiscal effort per student and aggregate expenditures (using the measure most favorable to such local agency), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) The State educational agency may waive, for one fiscal year only, the requirements of this subsection if the State educational agency determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the local educational agency.

(b) **FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT REGULAR NON-FEDERAL FUNDS.**—A State educational agency or other State agency in operating its State level programs or a local educational agency may use funds received under this chapter only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs and projects assisted under this chapter and in no case may such funds be so used as to supplant such funds from such non-Federal sources. In order to demonstrate compliance with this subsection, no State educational agency, other State agency, or local educational agency shall be required to provide services under this chapter through use of a particular instructional method or in a particular instructional setting.

(c) **COMPARABILITY OF SERVICES.**—

(1) A local educational agency may receive funds under this chapter only if State and local funds will be used in the district of such agency to provide services in project areas which, taken as a whole, are at least comparable to services being provided in areas in such district which are not receiving funds under this chapter. Where all school attendance areas in the district of the agency are designated as project areas, the agency may receive such funds only if State and local funds are used to provide services which, taken as a whole, are substantially comparable in each project area.

(2)(A) A local educational agency shall be considered to have met the requirements of paragraph (1) if it has filed with the State educational agency a written assurance that it has established and implemented—

- (i) a districtwide salary schedule;
- (ii) a policy to ensure equivalence among schools in teachers, administrators, and auxiliary personnel; and
- (iii) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.

(B) Unpredictable changes in student enrollment or personnel assignments which occur after the beginning of a school year shall not be included as a factor in determining comparability of services.

(3) Local educational agencies shall develop procedures for compliance with the provisions of this subsection, and shall annually maintain records documenting compliance. State educational agencies shall monitor the compliance of local educational agencies within their States with respect to the requirements of this paragraph.

(4) Local educational agencies with not more than one building for each grade span shall not be subject to the provisions of this subsection.

(5) Local educational agencies which are found to be out of compliance with this provision shall be subject to withholding of funds only to the amount or percentage by which the local educational agency has failed to comply.

(d) EXCLUSION OF SPECIAL STATE AND LOCAL PROGRAM FUNDS.—

(1)(A) For the purposes of determining compliance with the requirements of subsections (b) and (c), a local educational agency may exclude State and local funds expended for carrying out special programs to meet the educational needs of educationally deprived children including compensatory education for educationally deprived children (which meets the requirements of subparagraph (B)).

(B) A State or local program meets the requirements of this subparagraph if it is similar to programs assisted under this part. The Secretary shall consider a State or local program to be similar to programs assisted under this part if—

- (i) all children participating in the program are educationally deprived,
- (ii) the program is based on similar performance objectives related to educational achievement and is evaluated in a manner consistent with those performance objectives,
- (iii) the program provides supplementary services designed to meet the special educational needs of the children who are participating,
- (iv) the local educational agency keeps such records and affords such access thereto as are necessary to assure the correctness and verification of the requirements of this subparagraph, and
- (v) the State educational agency monitors performance under the program to assure that the requirements of this subparagraph are met.

(2)(A) For the purpose of determining compliance with the requirements of subsection (c), a local educational agency may exclude State and local funds expended for—

- (i) bilingual education for children of limited English proficiency,
- (ii) special education for handicapped children or children with specific learning disabilities, and
- (iii) certain State phase-in programs as described in subparagraph (B).

(B) A State education program which is being phased into full operation meets the requirements of this subparagraph if the Secretary is satisfied that—

(i) the program is authorized and governed specifically by the provisions of State law;

(ii) the purpose of the program is to provide for the comprehensive and systematic restructuring of the total educational environment at the level of the individual school;

(iii) the program is based on objectives, including but not limited to, performance objectives related to educational achievement and is evaluated in a manner consistent with those objectives;

(iv) parents and school staff are involved in comprehensive planning, implementation, and evaluation of the program;

(v) the program will benefit all children in a particular school or grade-span within a school;

(vi) schools participating in a program describe, in a school level plan, program strategies for meeting the special educational needs of educationally deprived children;

(vii) at all times during such phase-in period at least 50 percent of the schools participating in the program are the schools serving project areas which have the greatest number or concentrations of educationally deprived children or children from low-income families;

(viii) State funds made available for the phase-in program will supplement, and not supplant, State and local funds which would, in the absence of the phase-in program, have been provided for schools participating in such program;

(ix) the local educational agency is separately accountable, for purposes of compliance with the clauses of this subparagraph, to the State educational agency for any funds expended for such program; and

(x) the local educational agencies carrying out the program are complying with the clauses of this subparagraph and the State educational agency is complying with applicable provisions of this paragraph.

(3) The Secretary shall make an advance determination of whether or not a State program meets the requirements of this subsection. The Secretary shall require each State educational agency to submit the provisions of State law together with implementing rules, regulations, orders, guidelines, and interpretations which are necessary for an advance determination. The Secretary's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent State law affecting the program, the State educational agency shall submit such changes to the Secretary.

(4) The State educational agency shall make an advance determination of whether or not a local program meets the requirements of this subsection. The State educational agency shall require each local educational agency to submit the provisions of local law, together with implementing rules, regulations, guidelines, and interpretations which are necessary to make such an advance determination. The State educational agency's determination shall be in writing and shall include the reasons for the determination. Whenever there is any material change in pertinent local law affecting the program, the local educational agency shall submit such changes to the State educational agency.

(e) PROHIBITION REGARDING STATE AID.—No State shall take into consideration payments under this chapter in determining the eligibility of any local educational agency in that State for State aid, or the amount of State aid, with respect to free public education of children.

SEC. 1019. EVALUATIONS.

(a) LOCAL EVALUATION.—In accordance with national standards, each local educational agency shall—

(1) evaluate the effectiveness of programs assisted under this part at least once every three years (using objective measurement of individual student achievement in basic skills and more advanced skills, aggregated for the local educational agency as a whole) as an indicator of the impact of the program;

(2) submit such evaluation results to the State educational agency at least once during each three-year application cycle;

(3) conduct a review of the program's effectiveness in improving student achievement in any year in which the local educational agency does not conduct an evaluation pursuant to paragraph (1) and make the results of such review available to teachers, parents of participating children, and other appropriate parties;

(4) determine whether improved performance under paragraph (1) is sustained over a period of more than one program year; and

(5) use the results of such evaluation and review in program improvement efforts.

(b) STATE EVALUATIONS.—In accordance with national standards, each State educational agency shall—

(1) conduct an evaluation (based on local evaluation data collected under subsection (a) and sections 1124(e), 1132(b), 1202(a)(16), and 1242(d)) of the programs assisted under this chapter at least every two years, submit that evaluation to the Secretary and make public the results of that evaluation;

(2) inform local educational agencies, in advance, of the specific evaluation data that will be needed and how it may be collected; and

(3) collect data on the race, age, and gender of children served by the programs assisted under this chapter and on the number of children served by grade-level under the programs assisted under this chapter and annually submit such data to the Secretary.

SEC. 1024. PROGRAM IMPROVEMENT.

(a) SCHOOL PROGRAM IMPROVEMENT.—With respect to each school which shows no improvement or a decline in aggregate achievement of children served under this chapter for one school year, the local educational agency shall—

(1) develop and implement in coordination with such school a plan for program improvement which shall incorporate those program changes which have the greatest likelihood of improving the performance of educationally disadvantaged children including—

- (A) technical assistance,
- (B) alternative curriculum that has shown promise in similar schools,
- (C) improving coordination between the chapter 1 and the regular school program,
- (D) evaluation of parent involvement,
- (E) appropriate inservice training for staff paid with funds under this chapter and other staff who teach children served under this chapter,
- (F) other measures proposed by the local educational agency, and

(2) submit the plan to the local school board and the State educational agency, and make it available to parents of children served under this chapter in that school.

(b) STATE ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES.—(1) If for two consecutive years, the aggregate achievement of children served under this chapter in a school does not improve or declines, the local educational agency shall, in consultation with the State educational agency, school staff and

parents of participating children, develop and implement a joint plan for program improvement in that school until improved achievement in the aggregate is sustained over a period of more than one year.

(2) The State educational agency shall provide appropriate technical assistance to each school identified under paragraph (1) and shall jointly establish with local educational agency representatives objective measures of educational performance in identified schools and disseminate such criteria to local educational agencies.

(c) LOCAL CONDITIONS.—The local educational agency and the State educational agency, in performing their responsibilities under subsections (a) and (b), shall take into consideration—

(1) the mobility of the student population;

(2) the extent of educational deprivation among program participants which may negatively affect improvement efforts;

(3) the difficulties involved in dealing with older children in secondary school programs funded under this chapter, and

(4) whether indicators other than improved achievement demonstrate the positive effects on participating children of the activities funded under this chapter.

(d) STUDENT PROGRAM IMPROVEMENT.—On the basis of the evaluations and reviews under section 1019, each local educational agency shall—

(1) identify students who have been served for a program year and have shown no improvement or a decline in achievement;

(2) consider modifications in the program offered to better serve students so identified, and

(3) conduct a thorough assessment of the educational needs of students who remain in the program after two consecutive years of participation with no improvement in achievement.

(e) TECHNICAL ASSISTANCE.—In carrying out the program improvement and student improvement activities required in subsections (a), (b), and (d), local educational agencies and State educational agencies shall utilize the resources of the regional technical assistance centers established by section 1437(d) to the full extent such resources are available.

PART B—EVEN START PROGRAMS OPERATED BY LOCAL EDUCATIONAL AGENCIES

SEC. 1051. STATEMENT OF PURPOSE.

It is the purpose of this part to improve the educational opportunities of the Nation's children and adults by integrating early childhood education and adult education for parents into a unified program to be referred to as "Even Start". The program shall be implemented through cooperative projects that build on existing community resources to create a new range of services.

SEC. 1052. GRANT ALLOCATION.

(a) STATE ALLOCATION.—Except as provided in subsections (b) and (c), grants shall be made to each State in the same proportion as grants are allocated under section 1005.

(b) STATE MINIMUM.—

(1) Except as provided in paragraph (2), no State shall receive less than three-fourths of one percent of the amount appropriated for this part for any fiscal year. For any fiscal year for which amounts appropriated are less than \$50,000,000, no State shall receive more than 5 percent. For any fiscal year for which amounts appropriated are greater than \$50,000,000 no State shall receive less than three-fourths of one percent of sums appropriated in excess of \$50,000,000.

(2) Subject to the availability of appropriations, no State shall receive less than \$100,000 for any fiscal year.

(c) RESERVATION FOR MIGRANT PROGRAMS.—The Secretary shall reserve an amount equal

to three percent of the sums appropriated for this part for programs consistent with the purposes of this part for migrant children and their families to be conducted through the Office of Migrant Education.

SEC. 1053. USES OF FUNDS.

(a) IN GENERAL.—Funds made available to local educational agencies under this part shall be used to provide family-centered education programs which involve parents and children in a cooperative effort to help parents become full partners in the education of their children and to assist children in reaching their full potential as learners.

(b) PROGRAM ELEMENTS.—Each program assisted under this part shall include—

(1) the identification and recruitment of eligible children;

(2) screening and preparation of parents and children for participation, including testing, referral to necessary counseling, and related services;

(3) design of programs and provision of support services (when unavailable from other sources) appropriate to the participants' work and other responsibilities, including—

(A) scheduling and location of services to allow joint participation by parents and children;

(B) child care; and

(C) transportation;

(4) the establishment of instructional programs that promote adult literacy, training parents to support the education and growth of their children, and preparation of children for success in regular school programs;

(5) provision of special training to enable staff to develop the skills necessary to work with parents and young children in the full range of instructional services offered through this part (including child care staff in programs enrolling children of participants under this part on a space available basis);

(6) provision of and monitoring of integrated instructional services to participating parents and children through home-based programs; and

(7) coordination of programs assisted under this part with programs assisted under part A, the Adult Education Act, the Job Training Partnership Act, and with the Head Start program, volunteer literacy programs, and other relevant programs.

(c) LIMITATION.—Funds under this part may be used for not more than 80 percent of the total cost of the program in the first year of funding, 60 percent in the second year, 40 percent in the third year, and 20 percent in the fourth and any subsequent year of funding. Funds may not be used for indirect costs. Additional funds may be obtained from any available source (including Federal, State, and local programs and part A of this chapter).

SEC. 1054. ELIGIBLE PARTICIPANTS.

Eligible participants shall be—

(1) a parent or parents who are eligible for participation in an adult basic education program under the Adult Education Act; and

(2) the child or children (aged 1 to 7, inclusive) of any individual under paragraph (1) who reside in a school attendance area designated for participation in programs under part A.

SEC. 1055. APPLICATIONS.

(a) SUBMISSION.—To be eligible to receive a grant a local educational agency shall submit an application in such form and containing or accompanied by such information as the State educational agency may require.

(b) REQUIRED DOCUMENTATION.—Such application shall include documentation that the

local educational agency has the qualified personnel required—

(1) to develop, administer, and implement the program required by this part, and

(2) to provide special training necessary to prepare staff for the program.

(c) PLAN.—Such application shall also include a plan of operation for the program which includes—

(1) a description of the program goals;

(2) a description of the activities and services which will be provided under the program (including training and preparation of staff);

(3) a description of the population to be served and an estimate of the number of participants;

(4) a statement of the methods which will be used—

(A) to ensure that the programs will serve those eligible participants most in need of the activities and services provided by this part;

(B) to provide services under this part to special populations, such as individuals with limited English proficiency and individuals with handicaps; and

(C) to encourage participants to remain in the programs for a time sufficient to meet program goals; and

(5) a description of the methods by which the applicant will coordinate programs under this part with programs under part A of this chapter, the Adult Education Act, the Job Training Partnership Act, and with Head Start programs, volunteer literacy programs, and other relevant programs.

SEC. 1056. AWARD OF GRANTS.

(a) SELECTION PROCESS.—Each State educational agency shall appoint a review panel that will award grants on the basis of proposals which—

(1) are most likely to be successful in meeting the goals of this part;

(2) are serving areas of the State in greatest need of services provided under this part;

(3) demonstrate the greatest degree of cooperation and coordination between a variety of relevant service providers in all phases of the program;

(4) submit budgets which appear reasonable, given the scope of the proposal;

(5) demonstrate the local educational agency's ability to provide additional funding under section 1053(c);

(6) are representative of urban and rural regions of the State; and

(7) show the greatest promise for providing models which may be transferred to other local educational agencies.

(b) REVIEW PANEL.—A review panel shall consist of 7 members as follows:

(1) an early childhood education professional;

(2) an adult education professional;

(3) a representative of parent-child education organizations;

(4) a representative of community-based literacy organizations;

(5) a member of a local board of education;

(6) a representative of business and industry with a commitment to education; and

(7) an individual involved in the implementation of programs under this chapter within the State.

(c) DURATION.—Grants may be awarded for a period not to exceed 4 years.

SEC. 1057. EVALUATION.

(a) INDEPENDENT ANNUAL EVALUATION.—The Secretary shall provide for the annual independent evaluation of programs under this part to determine their effectiveness in providing—

(1) services to special populations;

(2) adult education services;

- (3) parent training;
- (4) home-based programs involving parents and children;
- (5) coordination with related services programs; and
- (6) training of related personnel in appropriate skill areas.

(b) CRITERIA.—

(1) Evaluations shall be conducted by individuals not directly involved in the administration of the program or project operation under this part. Such independent evaluators and the program administrators shall jointly develop evaluation criteria which provide for appropriate analysis of the factors under subsection (a). When possible, evaluations shall include comparisons with appropriate control groups.

(2) In order to determine a program's effectiveness in achieving its stated goals, the evaluations shall contain objective measures of such goals and, whenever feasible, shall obtain the specific views of program participants about such programs.

(c) REPORT TO CONGRESS AND DISSEMINATION.—The Secretary shall prepare and submit to the Congress an annual review and summary of the results of such evaluations. The annual evaluations shall be submitted to the National Diffusion Network in the form required for consideration for possible dissemination.

SEC. 1658. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the purposes of this part \$50,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.

PART C—SECONDARY SCHOOL PROGRAMS FOR BASIC SKILLS IMPROVEMENT AND DROPOUT PREVENTION AND REENTRY

Subpart 1—Authorization and Funds Distribution

SEC. 1101. PURPOSE.

It is the purpose of this part to reduce the number of youths who do not complete their elementary and secondary education and to improve the basic skills of secondary school students by providing—

(1) national demonstration grants for 3 years to local educational agencies to establish and demonstrate dropout prevention and reentry or secondary school basic skills improvement programs; and

(2) funds to States on a formula basis for the subsequent 3 years for grants to local educational agencies to implement effective dropout prevention and reentry or secondary school basic skills improvement programs.

SEC. 1102. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the purposes of this part \$100,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993. Funds appropriated pursuant to this section shall be used in accordance with section 1103.

SEC. 1103. USE OF FUNDS FOR NATIONAL DEMONSTRATION GRANTS AND STATE IMPLEMENTATION GRANTS.

(a) From the funds appropriated under section 1102 for fiscal years 1988, 1989, and 1990, the Secretary shall carry out a program of national demonstration grants as provided under subpart 2.

(b) From the funds appropriated under section 1102 for fiscal years 1991, 1992, and 1993, the Secretary shall allocate funds to State educational agencies to carry out a program of State implementation grants as provided in subpart 3.

(c) The provisions of section 414 of the General Education Provisions Act shall not apply to the national demonstration program authorized in subpart 2 and funded under subsection (a) of this section.

Subpart 2—National Demonstration Program

SEC. 1121. RESERVATIONS OF FUNDS.

(a) RESERVATION FOR MIGRANT PROGRAMS.—From the amount appropriated under section 1102 for fiscal years 1988, 1989, and 1990, the Secretary shall first reserve an amount equal to 3 percent of such amount for programs consistent with the purposes of this part for national demonstration programs for migrant children conducted through the Office of Migrant Education.

(b)(1) Subject to paragraph (2), from the remainder of such amount for fiscal years 1988, 1989, and 1990, the Secretary shall reserve 50 percent, for national demonstration grants for dropout prevention and reentry activities (as described in section 1142) to be distributed in accordance with the provisions of section 1122, and 50 percent for secondary school basic skills improvement activities (as described in section 1143), to be distributed in accordance with the provisions of section 1123.

(2) The percentage allotments of funds for dropout prevention and reentry activities or secondary school basic skills improvement activities in paragraph (1) may be adjusted by the Secretary, if additional funds remain after meeting the funding needs for activities described in section 1142 or section 1143, based on the number of applications and the types of programs being proposed.

(3) In calculating the percentages under paragraph (1), the Secretary shall, for those applicants which propose both dropout prevention activities and basic skills improvement activities, attribute an appropriate share toward each percentage reservation, on the basis of the amount which the applicant estimates in its application will be required for each category of activity.

SEC. 1122. ALLOTMENT OF FUNDS FOR DROPOUT PREVENTION AND REENTRY GRANTS.

(a) CATEGORIES OF LOCAL EDUCATIONAL AGENCIES.—From the funds reserved for dropout prevention and reentry activities in section 1121(b), the Secretary shall allot the following percentages to each of the following categories of local educational agencies:

(1) Local educational agencies administering schools with a total enrollment of 250,000 or more elementary and secondary school students shall be allotted 20 percent of the amount appropriated.

(2) Local educational agencies administering schools with a total enrollment of at least 50,000, but less than 250,000 elementary and secondary school students, shall be allotted 25 percent of the amount appropriated.

(3) Local educational agencies administering schools with a total enrollment of at least 20,000, but less than 50,000 elementary and secondary school students, shall be allotted 25 percent of the amount appropriated.

(4) Local educational agencies administering schools with a total enrollment of less than 20,000 elementary and secondary school students shall be allotted 30 percent of the amount appropriated. Grants may be made under this paragraph to intermediate educational units and consortia of not more than 5 local educational agencies with a total enrollment of less than 20,000 elementary and secondary students. Such units and consortia may apply in conjunction with the State educational agency. Not less than 20 percent of funds available under this paragraph shall be awarded to local educational agencies administering schools with a total enrollment of less than 2,000 elementary and secondary school students.

(b) FUNDS TRANSFER.—If all applicants in a category have received grants which sufficiently address the needs as stated in their applications with regard to the number of

students to be served and the level of funding requested and funds remain available under that category, the Secretary may use such available funds for purposes of grants for other categories of local educational agencies with unmet needs.

(c) AWARD OF GRANT.—From the amount allotted for any fiscal year to a category of local educational agencies under subsection (a), the Secretary shall award as many grants as practicable within each such category to local educational agencies that propose dropout prevention and reentry programs pursuant to section 1142, whose applications have been approved by the Secretary for such fiscal year, and whose applications propose a program that will be of value as a demonstration of the activities in section 1142. The Secretary shall give first priority within each category under section 1121(a) to applicants that have either very high numbers or very high percentages of school dropouts.

(d) AMOUNT.—The amount of a grant awarded under this section to a local educational agency for any fiscal year, to the extent practicable, shall be proportionate to the extent and severity of the local dropout problem.

(e) MATCHING REQUIREMENT.—

(1) For the first fiscal year of assistance under this part, a local educational agency shall provide, from other Federal, State, or local public or private sources, a cash amount which is not less than 10 percent of such grant for the purposes of projects under this part.

(2) A local educational agency shall provide 25 percent of such grant for the second year and 40 percent for the third and each subsequent year for the purposes of projects under this part. Such matching assistance under this paragraph shall be from other Federal, State, or local public or private sources and may be in the form of cash or of in-kind contributions (such as facilities, overhead, personnel, and equipment) fairly valued.

SEC. 1123. ALLOTMENT OF FUNDS FOR SECONDARY SCHOOL BASIC SKILLS IMPROVEMENT GRANTS.

(a) From the funds reserved for secondary school basic skills improvement activities in section 1121(b), the Secretary shall award grants to local educational agencies that propose basic skills improvement activities pursuant to section 1143, whose applications have been approved by the Secretary for such fiscal year, and whose applications propose a program of sufficient size and scope to be of value as a demonstration.

(b) In awarding such grants, the Secretary shall—

(1) consider the quality of the applicant's proposal and the extent to which it proposes remedial activities specifically tailored to the needs of secondary students; and

(2) provide for an equitable distribution of awards on the basis of geographic area, urban and rural areas, size of school districts and schools, and characteristics of students involved in the program.

SEC. 1124. GENERAL PROVISIONS FOR NATIONAL DEMONSTRATION GRANTS.

(a) TIMELY AWARD OF GRANTS.—To the extent possible, for any fiscal year the Secretary shall award grants to local educational agencies under this subpart not later than July 1 preceding such fiscal year.

(b) MAXIMUM NUMBER OF GRANTS.—

(1) A local educational agency may receive no more than one grant for each of 3 fiscal years under this part.

(2) In any application from a local educational agency for a grant to continue a project for the second or third fiscal year following the first fiscal year in which a grant

was awarded to such local educational agency, the Secretary shall review the progress being made toward meeting the objectives of the project. The Secretary may refuse to award a grant if the Secretary finds that sufficient progress has not been made toward meeting such objectives, but only after affording the applicant notice and an opportunity for a hearing.

(3) If additional funds become available in the second or third fiscal year after continuation grants have been funded, the Secretary may use such additional funds to initiate new demonstration projects under this subpart, equally divided between activities for section 1142 and section 1143, for a shorter duration than 3 years.

(c) The grants shall be made under such terms and conditions as the Secretary shall prescribe consistent with the provisions of this subpart.

(d) In administering the national program, the Secretary shall ensure maximum coordination between the dropout prevention grants and basic skills improvement grants awarded.

(e) With the advice and consultation of the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, the Secretary shall, with funds available under section 1439, conduct an evaluation of the programs funded under this subpart. Such evaluation shall incorporate information from any locally conducted evaluations and other objective evidence. The results of such evaluations shall be made available to the Congress, State educational agencies, and the National Diffusion Network.

Subpart 2—State Implementation Grants

SEC. 1131. DISTRIBUTION OF FUNDS.

(a) RESERVATION FOR MIGRANT PROGRAMS.—From the amount appropriated under section 1102 for fiscal years 1991, 1992, and 1993, the Secretary shall first reserve an amount equal to 3 percent of such amount for programs consistent with the purposes of this part for dropout prevention and reentry and secondary school basic skills improvement grants for migrant children conducted through the Office of Migrant Education.

(b) ALLOCATION TO STATES.—From remaining funds appropriated under section 1102 for fiscal years 1991, 1992, and 1993, the Secretary shall make grants to States to carry out dropout prevention and reentry and secondary school basic skills improvement programs in local educational agencies within the State. Such grants shall be allocated among States in the same proportion as grants to States are allocated under section 1005.

(c) AWARD OF GRANTS TO LOCAL EDUCATIONAL AGENCIES.—(1) From funds received under subsection (a), each State may first reserve not more than 5 percent of the amounts available under this subpart for any fiscal year for State administrative costs.

(2) The remainder shall be used for grants to local educational agencies that—

(A) have the greatest need for services under this subpart based on their numbers or proportions of secondary school children from low-income families, low-achieving secondary school children, or dropouts;

(B) are representative of urban and rural regions within the State; and

(C) have the greatest financial need for funds to initiate or expand the programs authorized under this part.

(d) DURATION.—Grants may be awarded for a period not to exceed 3 years.

SEC. 1132. PROGRAM REQUIREMENTS.

(a) A local educational agency may use funds under this subpart for dropout prevention and reentry activities pursuant to

section 1142, for secondary schools basic skills improvement activities pursuant to section 1143, or for a combination of such activities.

(b) Local educational agencies shall annually evaluate the effectiveness of programs under this subpart and shall, every 2 years, submit the results of such evaluations to the State educational agency, either in conjunction with the evaluations required under section 1019 or separately.

(c) Programs under this subpart shall comply with the provisions of section 1018.

(d) SUPPLEMENTARY FUNDING.—

(1) Local educational agencies shall use funds under this subpart to supplement the level of funds under this chapter that are used for secondary school programs.

(2) In order to comply with paragraph (1) local educational agencies which operate secondary school programs funded under chapter 1 of the Education Consolidation and Improvement Act of 1981 or part A of this Act and which are operating secondary school basic skills programs under this subpart shall continue the same aggregate level of funding for such programs, at the same schools or at other eligible schools within the local educational agency.

Subpart 4—General Requirements

SEC. 1131. APPLICATIONS.

(a) Any local educational agency which desires a grant under subpart 2 or subpart 3 shall submit to the Secretary or to the State educational agency, as appropriate, an application describing the program to be supported with funds under this part and complying with the provisions of subsection (b).

(b) GENERAL CONTENTS.—Applications under subsection (a) shall—

(1) describe the program goals and the manner in which funds will be used to initiate or expand services to secondary school students, dropouts, and potential dropouts;

(2) describe the activities and services which will be provided by the program (including documentation to demonstrate that the local educational agency has the qualified personnel required to develop, administer, and implement the program under this subpart);

(3) assure that the programs will be conducted in schools with the greatest need for assistance, in terms of achievement levels, poverty rates, or dropout rates;

(4) assure that the programs will serve those eligible students most in need of the activities and services provided by this part;

(5) assure that services will be provided under this part to special populations, such as individuals with limited English proficiency and individuals with handicaps;

(6) assure that parents of eligible students will be involved in the development and implementation of programs under this part;

(7) describe the methods by which the applicant will coordinate programs under this chapter with programs for the eligible student population operated by community-based organizations, social service organizations and agencies, private sector entities, and other agencies, organizations, and institutions, and with programs conducted under the Vocational Education Act, the Adult Education Act, the Job Training Partnership Act, and other relevant Acts;

(8) assure that, if feasible, the local educational agency will enter into arrangements with local businesses, labor organizations, or chambers of commerce under which such businesses and organizations will help secure employment for graduates of schools operating projects under this part;

(9) assure that to the extent consistent with the number of students in the school district of the local educational agency who are enrolled in private secondary schools,

such agency shall, after timely and meaningful consultation with appropriate private school officials, make provision for including such services and arrangements for the benefit of such students as will assure their equitable participation in the purposes and benefits of this part. If the Secretary determines that a local educational agency has substantially failed (by reason of State law or otherwise) or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirement, and, subject to the provisions of section 1017(b) of part A of this chapter, shall arrange for the provision of services to such students;

(10) in the case of a local educational agency that is seeking funding for both dropout prevention and reentry and secondary school basic skills improvement activities, identify which activities in the applicant's proposed program are primarily dropout prevention and reentry activities, and which activities are primarily secondary school basic skills improvement activities and the amount of funding requested for each such type of activity;

(11) contain annual procedures for (A) evaluating the effectiveness of the project, and (B) where possible, determining the cost-effectiveness of the particular methods used and the potential for reproducing such methods in other areas of the State or the country; and

(12) provide such other information as the Secretary or the State educational agency may require to determine the nature and quality of the proposed project and the applicant's ability to carry it out.

(c) SPECIAL PROVISIONS FOR DROPOUT PREVENTION PROGRAMS.—In addition to the requirements of subsection (b), an application from a local educational agency which proposes to use funds under national demonstration grants or implementation grants for dropout prevention and reentry activities in section 1142 shall also—

(1) be developed in consultation with any appropriate community-based organizations of demonstrated performance;

(2) provide the best available information concerning (A) the number of children formerly enrolled in the applicant's schools who have not completed their elementary or secondary education, and (B) the percentage of such children in the total school-age population in the applicant's schools;

(3) include a plan for the development and implementation of a dropout information collection and reporting system for documenting the extent and nature of the dropout problem, in accordance with requirements for data collection, reporting, and evaluation established by the Secretary; and

(4) include a plan for the development and implementation of a project which, through the provision of educational, occupational, and testing services and activities, will—

(A) implement comprehensive identification, prevention, outreach, and reentry programs for dropouts and potential dropouts;

(B) address the special needs of school-age parents, Indians, migrants, and other identified high-risk populations, and coordinate with migrant programs under sections 1121(a) and 1131(a);

(C) disseminate information to students, parents, and the community related to the dropout problem;

(D) include coordinated activities involving at least one high school and its feeder junior high or middle schools and elementary schools for those local educational agencies having such feeder systems;

(E) establish an advisory council, or designate an existing council which is broadly representative of the entire community and

the populations to be served and, as appropriate, includes representatives of business, juvenile justice and social services agencies, labor unions, professional associations, and community-based organizations;

(F) as appropriate, provide mechanisms which focus on the importance of developing occupational competencies which link job skill preparation and training with other employee training programs and genuine job opportunities; and

(G) as appropriate, utilize educational telecommunications and broadcasting technologies and educational materials for programs of dropout prevention, outreach, and reentry.

(d) **SPECIAL PROVISION FOR BASIC SKILLS IMPROVEMENT PROGRAMS.**—In addition to the requirements of subsection (b), an application from a local educational agency which proposes to use funds under a national demonstration grant or an implementation grant for secondary school basic skills improvement activities pursuant to section 1143 shall also provide information on the number of educationally deprived students in the secondary schools of the school district of such local educational agency that are not being served by existing programs under this chapter or similar programs and provide information on the number of schools and students to be served by programs under this part.

SEC. 1142. USES OF FUNDS FOR DROPOUT PREVENTION AND REENTRY.

(a) **IN GENERAL.**—Funds received under national demonstration or State implementation grants may be used by local educational agencies for effective programs to—

(1) identify potential dropouts and prevent them from dropping out;

(2) identify and encourage children who have already dropped out to reenter school and complete their elementary and secondary education;

(3) identify at-risk students in elementary and secondary schools and provide early intervention for such students; and

(4) develop model systems for collecting and reporting information to local school officials on the number, ages, and grade levels of the children not completing their elementary and secondary education and the reasons why such children have dropped out of school.

(b) **AUTHORIZED ACTIVITIES.**—In addition, grants may be used for educational, occupational, and testing services and activities, including the following:

(1) to establish systemwide or school-level policies, procedures, and plans for dropout prevention and school reentry;

(2) to provide social work services (including peer interaction activities);

(3) to provide ombudsman or mentor services;

(4) to develop and implement activities, including extended day or summer programs, to address poor achievement, language deficiencies, or course failures, in order to assist students at risk of dropping out of school and students reentering school;

(5) to establish or expand work-study, apprentice, or internship programs;

(6) to use the resources of the community, including contracting with public or private entities or community-based organizations of demonstrated performance, to provide services to the grant recipient or the target population;

(7) to evaluate and revise program placement of students at risk;

(8) to review curriculum relevancy;

(9) to implement activities which will improve student motivation and the school learning environment;

(10) to provide training for school staff on strategies and techniques to identify chil-

dren at risk of dropping out, to intervene in the instructional program with support and remedial services, to develop realistic expectations for student performance, and to improve student-staff interactions;

(11) to coordinate dropout prevention and reentry programs with appropriate drug prevention and youth gang prevention programs, such as those funded under the Drug-Free Schools and Communities Act of 1986;

(12) to study and conduct a comparative analysis of the incidence of dropouts among gifted and talented students and the incidence of dropouts among the general student population; and

(13) to provide other educational, occupational, and testing services and activities which directly relate to the purpose of this subpart.

SEC. 1143. USES OF FUNDS FOR SECONDARY SCHOOL BASIC SKILLS IMPROVEMENT.

(a) **IN GENERAL.**—Funds received under national demonstration or State implementation grants may be used by local educational agencies for effective programs to improve the basic skills of secondary schools students who meet the requirements of section 1014.

(b) **AUTHORIZED ACTIVITIES.**—Funds made available under this subpart shall be used—

(1) to initiate or expand programs to meet the special educational needs of secondary school students and to help such students attain grade level proficiency in basic skills;

(2) to develop remedial programs specifically tailored to the needs of secondary school students;

(3) to develop and implement remedial activities to address the problems of poor achievement and course failure among eligible children;

(4) to develop innovative approaches for surmounting barriers that make secondary school programs under this chapter difficult to administer, such as scheduling problems and graduation requirements;

(5) to provide training for staff who will work with the target population on strategies and techniques for identifying, instructing, and assisting such students;

(6) to provide counseling, support services, exploration of postsecondary educational opportunities, youth employment activities, and other pupil services which are necessary to assist eligible students; and

(7) to recruit, train, and supervise secondary school students (including the provision of stipends to low-income students) to serve as peer tutors of other students eligible for services under this subpart, in order to assist such eligible students with homework assignments, provide instructional activities, and foster good study habits and improved achievement.

(c) **LIMITATION.**—Not more than 25 percent of amounts available for this section may be used by a local educational agency for non-instructional services.

SEC. 1144. FISCAL AND COORDINATION PROVISIONS.

(a) **ADMINISTRATIVE COSTS.**—Not more than 10 percent of a grant may be used for local administrative costs.

(b) **COORDINATION AND DISSEMINATION.**—Local educational agencies receiving grants under this part shall cooperate with the coordination and dissemination efforts of the National Diffusion Network and State educational agencies.

(c) **REPORTING REQUIREMENTS.**—The Secretary shall establish uniform requirements for applications, data collection, reporting, and evaluation under this part. In developing such requirements, the Secretary shall consult with representatives of State and local educational agencies and with the General Accounting Office. The Secretary shall give special consideration to the inter-

im and final findings of the studies concerning school dropouts of the General Accounting Office.

PART D—PROGRAMS OPERATED BY STATE AGENCIES

Subpart 1—Programs for Migratory Children

SEC. 1201. GRANTS—ENTITLEMENT AND AMOUNT.

(a) **ENTITLEMENT.**—A State educational agency or a combination of such agencies shall, upon application, be entitled to receive a grant for any fiscal year under this part to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen which meet the requirements of section 1202.

(b) **AMOUNT OF GRANT.**—

(1) Except as provided in section 1291, the total grants which shall be made available for use in any State (other than Puerto Rico) for this subpart shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States) multiplied by (i) the estimated number of such migratory children aged three to twenty-one, inclusive, who reside in the State full time, and (ii) the full-time equivalent of the estimated number of such migratory children aged three to twenty-one, inclusive, who reside in the State part time, as determined by the Secretary in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under section 1202, the Secretary shall allocate such excess, to the extent necessary, to other States, whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. In determining the full-time equivalent number of migratory children who are in a State during the summer months, the Secretary shall adjust the number so determined to take into account the special needs of those children for summer programs and the additional costs of operating such programs during the summer. In determining the number of migrant children for the purposes of this section the Secretary shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students. In submitting the information required to make such determination, the States shall not exceed a standard error rate of 5 percent.

(2) To carry out the determinations of eligibility required by this section, the Secretary shall develop a national standard form for certification of migrant students.

(3) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in Puerto Rico is of the lowest average per pupil expenditure of any of the fifty States. The grant which Puerto Rico shall be eligible to receive under this section for a fiscal year shall be the amount arrived at by multiplying the number of such migrant children in Puerto Rico by the product of—

(A) the percentage determined under the preceding sentence, and

(B) 32 percent of the average per pupil expenditure in the United States.

SEC. 1202. PROGRAM REQUIREMENTS.

(a) REQUIREMENTS FOR APPROVAL OF APPLICATION.—The Secretary may approve an application submitted under section 1201(a) only upon a determination—

(1) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate such programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

(2) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under section 418 of the Higher Education Act, section 402 of the Job Training Partnership Act, the Community Services Block Grant Act, the Head Start program, the migrant health program, and all other appropriate programs under the Departments of Education, Labor, and Agriculture;

(3) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of section 1011 (other than subsection (b)), sections 1012, 1014, and 1018, and subpart 2 of part F;

(4) that, in the planning and operation of programs and projects at both the State and local educational agency level, there is appropriate consultation with parent advisory councils (established in order to comply with this provision) for programs extending for the duration of a school year, and that all programs are carried out in a manner consistent with the requirements of section 1016;

(5) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool education needs of migratory children of migratory agricultural workers or of migratory fishermen; and

(6) that programs conducted under this subpart will be evaluated in terms of their effectiveness in achieving stated goals, including objective measurements of educational achievement in basic skills, and that for formerly migratory children who have been served under this subpart in a full school year program for at least 2 years, such evaluations shall include a determination of whether improved performance is sustained for more than 1 year.

(b) CONTINUATION OF MIGRANT STATUS.—For purposes of this subpart, with the concurrence of the parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be considered to continue to be such a child for a period, not in excess of five years. Such children who are currently migrant, as determined pursuant to regulations of the Secretary, shall be given priority in the consideration of programs and activities contained in applications submitted under this section.

(c) DEFINITIONS.—The Secretary shall continue to use the definitions of "agricultural activity", "currently migratory child", and "fishing activity" which were published in the Federal Register on April 30, 1985, in regulations prescribed under section 555(b) of the Education Consolidation and Improvement Act of 1981 and subpart 1 of part 3 of title 1 of the Elementary and Secondary Education Act of 1985. No additional definition of "migratory agricultural worker" or "migratory fisherman" may be applied to the provisions of this subpart.

(d) BY-PASS PROVISION.—If the Secretary determines that a State is unable or unwill-

ing to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, the Secretary may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose the Secretary may use all or part of the total of grants available for any such State under this subpart.

SEC. 1203. COORDINATION OF MIGRANT EDUCATION ACTIVITIES.

(a) ACTIVITIES AUTHORIZED.—

(1) The Secretary is authorized to make grants (in consultation with and with the approval of the States) to State educational agencies for activities to improve the interstate and intrastate coordination among State and local educational agencies of the educational programs available for migratory students. Each grant issued under this paragraph shall not exceed 3 years for its stated purpose.

(2) The Secretary is also authorized to enter into contracts with State educational agencies to operate a system for the transfer among State and local educational agencies of migrant student records (including individualized education programs). For the purpose of ensuring continuity in the operation of such system, the Secretary shall, not later than July 1 of each year, continue to award such contract to the State educational agency receiving the award in the preceding year, unless a majority of the States notify the Secretary in writing that such agency has substantially failed to perform its responsibilities under the contract during that preceding year. No activity under this section shall, for purposes of any Federal law, be treated as an information collection that is conducted or sponsored by a Federal agency.

(3) Grants or contracts shall also be made under this section to State educational agencies to develop and establish a national program of credit exchange and accrual for migrant students so that such students will be better able to meet graduation requirements and receive their high school diplomas. Such grants or contracts may not exceed 3 years.

(b) AVAILABILITY OF FUNDS.—The Secretary shall, from the funds appropriated for carrying out this subpart, reserve for purposes of this section for any fiscal year an amount, determined by the Secretary, which shall not be less than \$6,000,000 nor more than 5 percent of the amount appropriated.

Subpart 2—Programs for Handicapped Children

SEC. 1221. AMOUNT AND ELIGIBILITY.

(a) ELIGIBILITY FOR GRANT.—A State educational agency shall be eligible to receive a grant under this subpart for any fiscal year.

(b) APPLICATION.—In order to receive a grant under this section, an eligible State educational agency shall provide assurances that—

(1) all grant recipients under this part will comply with the requirements of part B of the Education of the Handicapped Act and, if appropriate, part H of such Act;

(2) it will monitor compliance under paragraph (1);

(3) programs and projects under this subpart are coordinated with services under the Education of the Handicapped Act;

(4) for fiscal year 1991, and each subsequent fiscal year, the State office responsible for administering part B of the Education of the Handicapped Act shall administer the program authorized by this subpart;

(5) the agency shall report, annually, to the Secretary the number of children served under this subpart for each disability and age category as described in part B of the Education of the Handicapped Act;

(6) the agency shall report, annually, to the Secretary the number of children served under this subpart in each of the educational placements described in section 618(b)(1) of the Education of the Handicapped Act (and shall report separately State-operated and State-supported programs and local educational agency programs for children previously served in such State programs);

(7) the agency shall report, annually, to the Secretary on the uses of funds and the allocation of such funds for such uses under this subpart; and

(8) the agency shall report to the Secretary such other information as the Secretary may reasonably request.

Consistent with part B of the Education of the Handicapped Act and regulations pursuant to such part related to least restrictive environment, a State educational agency shall set forth policies, procedures, and guidelines for transferring children from State operated or supported institutions and programs and from separate schools and programs operated or supported by local educational agencies into regular educational environments operated by a local educational agency.

(c) AMOUNT OF GRANT.—

(1) Except as provided in section 1291, the grant which a State educational agency (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States), multiplied by the number of such handicapped children enrolled on December 1, as determined by the Secretary, in programs or schools for handicapped infants or children operated or supported by a State agency, including programs and schools providing special education and related services or early intervention services for handicapped infants and children operated or supported by a State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available.

(2) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in Puerto Rico is of the lowest average per pupil expenditure of any of the fifty States. The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of such handicapped children in Puerto Rico by the product of—

(A) the percentage determined under the preceding sentence, and

(B) 33 percent of the average per pupil expenditure in the United States.

(d) COUNTING OF CHILDREN TRANSFERRING FROM STATE TO LOCAL PROGRAMS.—In the case where a child described in subsection (a) leaves an educational program for handicapped children operated or supported by the State educational agency in order to participate in such a program operated or supported by a local educational agency,

such child shall be counted under subsection (c) if—(1) the child continues to receive an appropriately designed educational program; and (2) the State educational agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in section 1222.

SEC. 1222. PROGRAM REQUIREMENTS.

(a) **GENERAL REQUIREMENTS.**—A State educational agency shall use the payments made under this subpart for programs and projects (including the acquisition of equipment) which are designed to supplement the special education needs of handicapped children or the early intervention needs of handicapped infants. Such programs and projects shall be administered in a manner consistent with this subpart, subpart 2 of part F, part B of the Education of the Handicapped Act, and, as determined by the Secretary to be appropriate, part H of the Education of the Handicapped Act.

(b) **SERVICES.**—Funds under this subpart shall be used to supplement the provision of special education and related services for handicapped children or early intervention services for handicapped infants.

(c) **LIMITATION.**—Funds under this subpart may not be used for any program, project, service, or activity which in the previous year was funded by State or local funds. The Secretary may waive the limitation under this paragraph if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State educational agency.

(d) **DEMONSTRATION OF BENEFIT.**—Recipients of funds under this subpart shall collect and maintain such evaluations and assessments as may be necessary to demonstrate that the programs and projects were beneficial to the children or infants served.

(e) **LETTER OF REQUEST.**—The State educational agency may accept, in lieu of a project application, a letter of request for payment from a local educational agency, if the local agency intends to serve fewer than five children with its payment or to use the payments for a single purpose. In such a letter the agency shall include an assurance that the payment shall be used to supplement the provision of special education and related services or early intervention services.

SEC. 1223. USES OF FUNDS.

Programs and projects under this subpart may include, but are not limited to—(1) services provided in early intervention, preschool, elementary, secondary, and transition programs; (2) acquisition of equipment and instructional materials; (3) employment of special personnel; (4) training and employment of education aides; (5) training in the use and provision of assistive devices; (6) training of teachers and other personnel; (7) training of parents of handicapped infants and children; (8) training of nonhandicapped children to facilitate their participation with handicapped children and infants in joint activities; (9) training of employers and independent living personnel involved in assisting the transition of handicapped children from school to the world of work and independent living; (10) outreach activities to identify and involve handicapped infants and children and their families more fully in a wide range of educational and recreational activities in their communities; and (11) planning for such programs and projects assisted under this subpart.

SEC. 1224. APPLICATIONS.

(a) **IN GENERAL.**—A State agency or local educational agency may receive a grant under this subpart for any fiscal year if it has on file with the State educational agency an application which describes the services, programs, and projects to be conducted with such assistance for a period of not more than three years, and such applications have been approved by the State educational agency.

(b) **ASSURANCES.**—Any such application shall provide assurances that services, programs, and projects to be conducted under this subpart—

(1) comply with the requirements of part B of the Education of the Handicapped Act, and, as appropriate, part H of such Act;

(2) are of sufficient size, scope, and quality to contribute a demonstrable benefit to the children served; and

(3) comply with all reporting requirements in a timely manner.

(c) **REQUIREMENTS.**—At a minimum applications shall—

(1) indicate the number of children to be served;

(2) specify the ages and handicapping conditions of the children to be served;

(3) describe the purpose or purposes of the project and the method or methods of judging the effectiveness of the services, projects, or program;

(4) specify the services to be provided with these funds; and

(5) include other requirements the Secretary may request.

SEC. 1225. ELIGIBLE CHILDREN.

The eligible population for services under this subpart are—

(1) those handicapped children from birth to 21, inclusive, who—

(A) the State is legally responsible for providing education to, and

(B)(i) who are participating in a State-operated or State-supported school or program for handicapped children, or

(ii) who previously participated in such a program and are being educated by local educational agencies;

(2) other handicapped children, if children described in paragraph (1) have been fully served.

SEC. 1226. GAO STUDY.

The Comptroller General of the United States, through the General Accounting Office, shall conduct a study of the implementation of the State Operated Program for Handicapped Children under chapter 1 and its relationship to part B and part H of the Education of the Handicapped Act. Not later than January 30, 1989, the Comptroller General shall submit a report containing the findings of such study to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

Subpart 3—Programs for Neglected and Delinquent Children

SEC. 1241. AMOUNT AND ENTITLEMENT.

(a) **ENTITLEMENT TO GRANTS.**—A State agency which is responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this subpart for any fiscal year (but only if grants received under this subpart are used only for children in such institutions).

(b) **AMOUNT OF GRANT.**—

(1) Except as provided in section 1291, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 percent of the average per pupil expenditure in the State (or (A) in the case where the average per pupil expenditure in the State is less

than 80 percent of the average per pupil expenditure in the United States, of 80 percent of the average per pupil expenditure in the United States, or (B) in the case where the average per pupil expenditure in the State is more than 120 percent of the average per pupil expenditure in the United States, of 120 percent of the average per pupil expenditure in the United States) multiplied by the number of such neglected or delinquent children in average daily attendance, as determined by the Secretary, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available.

(2) For each fiscal year, the Secretary shall determine the percentage which the average per pupil expenditure in Puerto Rico is of the lowest average per pupil expenditure of any of the fifty States. The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of such neglected or delinquent children in Puerto Rico by the product of—

(A) the percentage determined under the preceding sentence, and

(B) 32 percent of the average per pupil expenditure in the United States.

SEC. 1242. PROGRAM REQUIREMENTS.

(a) **USE OF PAYMENTS.**—A State agency shall use payments under this subpart only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of children in institutions for neglected or delinquent children, children attending community day programs for neglected and delinquent children, or children in adult correctional institutions. Such programs and projects shall be designed to support educational services supplemental to the basic education of such children which must be provided by the State, and such programs and projects shall be administered and carried out in a manner consistent with subpart 2 of part F and sections 1011 (other than subsection (b)), 1014, and section 1018 (other than subsection (c)). The transfer among State and local educational agencies, institutions, and programs of neglected and delinquent student records shall include any individualized education programs of such students.

(b) **COMPLIANCE.**—In determining whether programs under this subpart have complied with the supplement not supplant requirement under section 1018(b), programs which are supplementary in terms of the number of hours of instruction students are receiving from State and local sources, shall be considered in compliance without regard to the subject areas in which those instructional hours are given.

(c) **THREE-YEAR PROJECTS.**—Where a State agency operates programs under this chapter in which children are likely to participate for more than one year, the State educational agency may approve the application for a grant under this subpart for a period of more than one year, but not to exceed three years.

(d) **EVALUATION.**—Programs for neglected and delinquent children under this subpart shall be evaluated annually to determine their impact on the ability of such children to maintain and improve educational achievement, to maintain school credit in compliance with State requirements, and to make the transition to a regular program operated by a local educational agency.

SEC. 1241. TRANSITION SERVICES.

(a) **TRANSITION SERVICES.**—Each State may reserve not more than 10 percent of the amount it receives under section 1241 for any fiscal year to support projects that facilitate the transition of children from State operated institutions for neglected and delinquent children into locally operated programs.

(b) **CONDUCT OF PROJECTS.**—Projects supported under this section may be conducted directly by the State agency, or by contracts or other arrangements with one or more local educational agencies, other public agencies, or private nonprofit organizations.

(c) **LIMITATION.**—Assistance under this section shall be used only to provide special educational services to neglected and delinquent children in schools other than State operated institutions.

SEC. 1244. DEFINITIONS.

For the purposes of this subpart, the following terms have the following meanings:

(1) The term "institution for delinquent children", as determined by the State educational agency, means a public or private residential facility that is operated for the care of children who have been determined to be delinquent or in need of supervision.

(2) The term "institution for neglected children" means, as determined by the State educational agency, a public or private residential facility (other than a foster home) that is operated for the care of children who have been committed to the institution or voluntarily placed in the institution under applicable State law, due to abandonment, neglect, or death of parents or guardians.

Subpart 4—General Provisions for State Operated Programs

SEC. 1245. RESERVATION OF FUNDS FOR STATE OPERATED PROGRAMS.

There is authorized to be appropriated for each fiscal year for purposes of parts 1, 2, and 3 of this subpart an amount equal to not more than 1 percent of the amount appropriated for such year for such subparts, for payments to Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands under each such subpart. The amounts appropriated for each such subpart shall be allotted among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Secretary determines will best carry out the purposes of this chapter.

SEC. 1246. DUAL ELIGIBILITY FOR PROGRAMS.

Neglected and delinquent children under subpart 3 who are eligible for programs for handicapped children under subpart 2, may be counted under each subpart for purposes of grant determination and may be served under each such program.

PART E—PAYMENTS

SEC. 1401. PAYMENT METHODS.

The Secretary shall, from time to time pay to each State, in advance or otherwise, the amount which it and the local educational agencies of that State are eligible to receive under this chapter. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this chapter (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

SEC. 1402. AMOUNT OF PAYMENTS TO LOCAL EDUCATIONAL AGENCIES.

From the funds paid to it pursuant to section 1401 each State educational agency shall distribute to each local educational

agency of the State which is eligible to receive a grant under this chapter and which has submitted an application approved pursuant to section 1012 the amount for which such application has been approved, and the amount which the local educational agency is eligible to receive under section 1052 or 1131 except that the amount shall not exceed the amount determined for that local educational agency under this chapter.

SEC. 1403. ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS.

(a) **ADJUSTMENT ALLOCATION.**—If the sums appropriated for any fiscal year for making the payments provided in this chapter are not sufficient to pay in full the total amounts which all local and State educational agencies are entitled to receive under this chapter for such year, the amount available for each grant to a State agency eligible for a grant under subpart 1, 2, or 3 of part D shall be equal to the total amount of the grant as computed under each such subpart. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are entitled to receive under subpart 1 of part A of this chapter for such year, the allocations to such agencies shall, subject to section 1005(c) and to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 percent of its allocation under subpart 1 of the part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 percent of its allocation for such year.

(b) **ADDITIONAL FUNDS ALLOCATION.**—(1) In case additional funds become available for making payments under this chapter for that year, allocations that were reduced pursuant to subsection (a) shall be increased on the same basis that they were reduced.

(2) In order to permit the most effective use of all appropriations made to carry out this chapter, the Secretary may set dates by which (A) State educational agencies must certify to the Secretary the amounts for which the applications of educational agencies have been or will be approved by the State and (B) State educational agencies referred to in subpart 1 of part D must file applications. If the maximum grant a local educational agency would receive (after any ratable reduction which may have been required under the first sentence of subsection (a) of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Secretary, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available by the State educational agency in furtherance of the purposes of this chapter in accordance with criteria prescribed by the Secretary which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of section 1005(a) as a result of such factors as population shifts and changing

economic circumstances. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Secretary shall prescribe for use by local educational agencies in such States for the purposes of this chapter in such manner as the respective State educational agencies shall prescribe.

SEC. 1404. PAYMENTS FOR STATE ADMINISTRATION.

(a) **IN GENERAL.**—The Secretary is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this chapter, except that the total of such payments in any fiscal year shall be the greater of the following:

(1) 1 percent of the amount allocated to the State and its local educational agencies and to other State agencies as determined for that year under parts A and D; or

(2) \$300,000, or \$50,000 in the case of Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

(b) **LIMITATION ON INDIRECT COSTS.**—Not more than 15 percent of the State administrative allocation under subsection (a) may be used for indirect costs of the grant.

SEC. 1405. LIMITATION ON GRANT TO PUERTO RICO.

Notwithstanding the provisions of this chapter, the amount paid to the Commonwealth of Puerto Rico under this chapter for any fiscal year shall not exceed 150 percent of the amount received by Puerto Rico under chapter 1 of the Education Consolidation and Improvement Act or under this chapter in the preceding fiscal year. Any excess over such amount shall be used to ratably increase the allocations under subpart 1 of part A of the other local educational agencies whose allocations do not exceed the maximum amount for which they are eligible under section 1005.

PART F—GENERAL PROVISIONS

Subpart 1—Federal Administration

SEC. 1401. FEDERAL REGULATIONS.

(a) **IN GENERAL.**—The Secretary is authorized to issue such regulations as are considered necessary to reasonably ensure that there is compliance with the specific requirements and assurances required by this chapter.

(b) **LIMITATION.**—Programs under this chapter may not be required to follow any one instructional model, such as the provision of services outside the regular classroom or school program.

(c) **REVIEW PANEL.**—The Secretary shall ensure that before publication in the Federal register, proposed regulations pursuant to this chapter are reviewed by regional panels of Federal, State, and local administrators, parents, teachers, and members of local boards of education involved with implementation of programs under this chapter. In an emergency situation where such regulation must be issued within a very limited time to assist State and local educational agencies with the operation of the program, the Secretary may issue a regulation without such prior consultation, but shall immediately thereafter convene regional panels to review the emergency regulation prior to issuance in final form.

SEC. 1402. AVAILABILITY OF APPROPRIATIONS.

(a) **GENERAL PROVISION.**—Notwithstanding any other provision of law, unless expressly in limitation of this section, funds appropriated in any fiscal year to carry out activities under this chapter shall become available for obligation on July 1 of such fiscal year and shall remain available for obligation until the end of the subsequent fiscal year.

(b) CARRYOVER AND WAIVER.—Notwithstanding section 412 of General Education Provisions Act, subsection (a) or any other provision of law—

(1) not more than 25 percent of funds appropriated for fiscal year 1988 and 15 percent of funds appropriated for fiscal year 1989 and each subsequent year may remain available for obligation for one additional year;

(2) a State educational agency may grant a one-time waiver of the percentage limitation under paragraph (1) if the agency determines that the request by a local educational agency is reasonable and necessary or may grant a waiver in any fiscal year in which supplemental appropriations for this chapter become available for obligation; and

(3) the percentage limitation under paragraph (1) shall not apply with respect to any local educational agency which receives less than \$50,000 under this chapter for any fiscal year.

SEC. 1432. WITHHOLDING OF PAYMENTS.

(a) WITHHOLDING.—Whenever the Secretary after reasonable notice to any State educational agency and an opportunity for a hearing on the record, finds that there has been a failure to comply substantially with any assurances required to be given or conditions required to be met under this chapter the Secretary shall notify such agency of these findings and that beginning sixty days after the date of such notification, further payments will not be made to the State under this chapter, or affected part or subpart thereof (or, in his discretion, that the State educational agency shall reduce or terminate further payments under the affected part or subpart thereof, to specified local educational agencies or State agencies affected by the failure) until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, (1) no further payments shall be made to the State under the part or subpart thereof, or (2) payments by the State educational agency under the part or subpart thereof shall be limited to local educational agencies and State agencies not affected by the failure, or (3) payments to particular local educational agencies shall be reduced, as the case may be.

(b) NOTICE TO PUBLIC.—Upon submission to a State of a notice under subsection (a) that the Secretary is withholding payments, the Secretary shall take such action as may be necessary to bring the withholding of payments to the attention of the public within the State.

SEC. 1434. JUDICIAL REVIEW.

(a) FILING APPEALS.—If any State is dissatisfied with the Secretary's action under section 1433(a), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The filing of such petition shall act to suspend any withholding of funds by the Secretary pending the judgment of the court and prior to a final action on any review of such judgment. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary's action was based, as provided in section 2112 of title 28, United States Code.

(b) BASIS OF REVIEW.—For the purposes of this chapter, the basis of review shall be as provided in section 458(c) of the General Education Provisions Act.

(c) JUDICIAL APPEALS.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review

by the Supreme Court of the United States upon certiorari of certification as provided in section 1254 of title 28, United States Code.

SEC. 1435. EVALUATION.

(a) NATIONAL STANDARDS.—In consultation with State and local educational agencies (including members of State and local boards of education and parent representatives), the Secretary shall develop national standards for local evaluation of programs under this chapter. Such standards shall ensure a common reporting format to allow national aggregation of evaluation results. The Secretary shall provide advance notification to State and local educational agencies of the requirements of such national standards of evaluation.

(b) REPORTS.—The Secretary shall submit a comprehensive and detailed report concerning State and local evaluation results based on data collected under sections 1019, 1107(a), 1202(a)(6), and 1242(d) to the appropriate committees of the Congress on a biennial basis.

SEC. 1436. NATIONAL STUDY ON EFFECT OF PROGRAMS ON CHILDREN.

(a) NATIONAL LONGITUDINAL STUDY.—The Secretary shall contract with the organization or agency conducting the National Assessment of Educational Progress to conduct a national longitudinal study of eligible children participating in programs under this chapter. The study shall assess the impact of participation by such children in chapter 1 programs until they are 18 years of age. The study shall compare educational achievement of those children with significant participation in chapter 1 programs and comparable children who did not receive chapter 1 services. Such study shall consider the impact of participation in programs under this chapter on academic achievement, delinquency rates, truancy, pregnancy rates, school dropout rates, employment, and adult enrollment in and completion of postsecondary education, and incidence of suicide. The study shall be conducted throughout the country in urban, rural, and suburban areas and shall be of sufficient size and scope to assess and evaluate the effect of the program in all geographic areas of the Nation.

(b) FOLLOW-UP.—The National Assessment of Educational Progress shall conduct a follow-up of the initial survey which shall include a periodic update on the participation and achievement of a representative group of children who participated in the initial study. Such follow-up shall evaluate the effects of participation until such children are 25 years of age.

(c) REPORT.—A final report summarizing the findings of the study shall be submitted to the appropriate committees of the Congress not later than January 1, 1997; an interim report shall be so submitted not later than January 1, 1993.

SEC. 1437. COORDINATION OF FEDERAL, STATE, AND LOCAL ADMINISTRATION.

(a) POLICY MANUAL.—The Secretary shall, not later than six months after the publication of final regulations with respect to this chapter, prepare and distribute to State educational agencies, State agencies operating programs under part D, and local educational agencies, and shall make available to parents and other interested individuals, organizations, and agencies, a policy manual for this chapter to—

(1) assist such agencies in (A) preparing applications for program funds under this chapter, (B) meeting the applicable program requirements under this chapter, and (C) enhancing the quality, increasing the depth, or broadening the scope of activities for programs under this chapter;

(2) assist State educational agencies in achieving proper and efficient administration of programs funded under this chapter;

(3) assist parents to become involved in the planning for, and implementation and evaluation of, programs and projects under this chapter; and

(4) ensure that officers and employees of the Department of Education, including officers and employees of the Secretary and officers and employees of such Department charged with auditing programs carried on under this chapter, uniformly interpret, apply, and enforce requirements under this chapter throughout the United States.

(b) CONTENTS OF POLICY MANUAL.—The policy manual shall, with respect to programs carried on under this chapter, contain descriptions, statements, procedural and substantive rules, opinions, policy statements and interpretations and indices to and amendments of the foregoing, and in particular, whether or not such items are required under section 552 of title 5, United States Code to be published or made available, the manual shall include (but not be limited to)—

(1) a statement of the requirements applicable to the programs carried on under this chapter including such requirements contained in this chapter, the General Education Provisions Act, other applicable statutes, and regulations issued under the authority of such statutes;

(2) an explanation of the purpose of each requirement and its interrelationship with other applicable requirements;

(3) a statement of the procedures to be followed by the Secretary with respect to proper and efficient performance of administrative responsibilities;

(4) summaries of (A) advisory opinions interpreting and applying applicable requirements, and (B) final audit determinations relevant to programs under this chapter, including examples of actual applications of the legal requirements of applicable statutes and regulations;

(5) model forms and instructions developed by the Secretary for use by State and local educational agencies, at their discretion, including, but not limited to, application forms, application review checklists, and instruments for monitoring programs under this chapter;

(6) summaries of appropriate court decisions concerning programs under this chapter; and

(7) model forms, policies, and procedures developed by State educational agencies.

(c) RESPONSE TO INQUIRIES.—The Secretary shall respond in not more than 90 days to any written request from a State or local educational agency regarding a policy, question, or interpretation under this chapter. In the case of a request from a local educational agency, such agency must first have addressed its request to the State educational agency.

(d) TECHNICAL ASSISTANCE.—From funds available to the Secretary for studies, evaluations, and technical assistance, the Secretary shall continue, establish, and expand technical assistance centers to provide assistance to State and local educational agencies with respect to programs under this chapter. In providing such assistance, centers shall place particular emphasis on information relating to program improvement, parental involvement, instruction, testing and evaluation, and curriculum under this chapter. Such centers shall be accessible through electronic means.

(e) FEDERAL DISSEMINATION OF EXEMPLARY PROGRAMS.—To the extent possible, the Secretary shall provide information to State and local educational agencies regarding

opportunities for dissemination of exemplary programs under this chapter through the National Diffusion Network authorized by section 583(a) of the Education Consolidation and Improvement Act. The Secretary shall emphasize programs which are exemplary in their implementation of the parent involvement provisions of section 1016. The Secretary shall coordinate Federal exemplary project identification activities with such network.

(f) **FEDERAL REVIEW OF STATE AND LOCAL ADMINISTRATION.**—The Secretary shall provide for a review of State and local administration of programs under this chapter. In addition to such other areas as the Secretary may consider appropriate, the review shall consider State policies, guidance materials, monitoring and enforcement activities, and the detection and resolution of problems of local noncompliance.

SEC. 1438. FEDERAL RESEARCH AND INNOVATION.

(a) **GRANTS.**—The Secretary is authorized to make small grants for applied research and innovative projects on promising educational models for serving educationally deprived children under this chapter and promoting parental involvement. Such funds as may be available to the Secretary for studies, evaluation, and technical assistance may be used for the purposes of this subsection.

(b) **RESEARCH ON TUTORING PROGRAMS.**—If sums are available for the purposes of this section, the Secretary shall give priority to research on tutoring programs for eligible children under section 1014 carried out by students in institutions of higher education. In such research, the Secretary shall (1) determine if such programs are effective; (2) determine the role the Federal Government should play in promoting and encouraging such programs; (3) determine if such programs would be effective if conducted on a volunteer basis or whether it would be necessary to offer material incentives, such as tuition assistance or reduced obligations for student loans, to induce participation by students in institutions of higher education; and (4) examine similar programs being conducted in foreign countries with a view toward determining whether their experience is applicable to the United States. The Secretary shall report the results of the study to the Congress within 1 year of the date of the enactment of this Act.

(c) **RESEARCH ON RURAL DISTRICTS.**—If sums are available for the purposes of this section, the Secretary shall give priority to research on the problems of providing effective services under this chapter in rural school districts and districts facing declining enrollments, with particular attention to issues inherent in consolidating, jointly administering, or otherwise combining the resources of two or more school districts.

SEC. 1439. AUTHORIZATION OF APPROPRIATIONS FOR EVALUATION, TECHNICAL ASSISTANCE, AND RESEARCH.

There are authorized to be appropriated for the purposes of sections 1435, 1436, 1437, and 1438, for other Federal evaluation, technical assistance, and research activities related to this chapter, and authorized studies under this chapter, \$12,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.

SEC. 1440. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

(a) Except as otherwise specifically provided by this section, the General Education Provisions Act shall apply to the programs authorized by this chapter.

(b) The following provisions of the General Education Provisions Act shall be superseded by the specified provisions of this

chapter with respect to the programs authorized by this subtitle:

(1) Section 408(a)(1) of the General Education Provisions Act is superseded by section 1431 of this chapter.

(2) Section 426(a) of such Act is superseded by section 1437 of this chapter.

(3) Section 427 of such Act is superseded by section 1016 of this chapter.

(4) Section 430 of such Act is superseded by sections 1012, 1055, 1105(b), 1153, 1202, and 1224 of this chapter.

(5) Section 453 of such Act is superseded by section 1433 of this chapter.

(6) Section 455 of such Act is superseded by section 1434 of this chapter with respect to judicial review of withholding of payments.

(c) Sections 434, 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 the programs authorized by this chapter and shall not be construed to authorize the Secretary to require any reports or take any actions not specifically authorized by this chapter.

SEC. 1441. NATIONAL COMMISSION ON MIGRANT EDUCATION.

(a) **ESTABLISHMENT.**—There is established, as an independent agency within the executive branch, a National Commission on Migrant Education (referred to in this section as the "Commission").

(b) **MEMBERSHIP.**—

(1) The Commission shall be composed of twelve members. Four of the members shall be appointed by the President. Four of the members shall be appointed by the Speaker of the House, including two Members of the House, one from each political party. Four of the members shall be appointed by the President pro tempore of the Senate, including two Members of the Senate, one from each political party.

(2) The chairman shall be designated by the President from among the members appointed by the President. If the President has not appointed four members of the Commission and designated a chairman within sixty days of the enactment of this Act, the members of the Commission appointed by the Speaker of the House and the President pro tempore of the Senate shall elect a chairman who shall continue to serve for the duration of the Commission.

(3) Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(c) **STUDY.**—The Commission shall make a study of the following issues:

(1) What are the demographics of the children of migratory workers today compared with 10 years ago and how are the demographics expected to change over the next decade.

(2) What are the individual roles of the Federal, State, and private sectors in migrant affairs; how has each sector enhanced migrant educational opportunities, including entry into all types of postsecondary education programs; and should Federal programs include incentives for private and State participation.

(3) What is the number of unserved or underserved migrant students who are eligible for the programs under this chapter nationwide and on a State-by-State basis.

(4) How can migrant education, migrant health, migrant Head Start, Job Training Partnership programs serving migrants, HEP/CAMP, and adult literacy programs be integrated and coordinated at both the Federal and State levels.

(5) How many migrant students are identified as potential drop-outs; how might this issue be addressed at the national policy

level; and what effect does the migrant mother have on her children's performance.

(6) How do the migrant programs under this chapter vary from State to State; how do their administrative costs vary; how do parent involvement and services vary.

(7) What role has the Migrant Student Record Transfer System performed in assisting the migrant population; to what degree is it utilized for enhancing the education program at the local level and by the classroom teacher; is it cost effective; and how well would such a system adapt to other mobile populations like those in the inner cities or those in the Department of Defense overseas.

(8) How many prekindergarten programs are available to migratory children; what services are they provided; what is the degree of parent involvement with these programs; what is a typical profile of a student in such a program.

(9) How well are migrant handicapped and gifted and talented students identified and served; and what improvements might be made in this area.

(10) How many of the students being served are identified as "currently migrant" and how many are "formerly migrant"; what differences are there in their needs; and how do services provided differ between those of "currently migrant" and those of "formerly migrant".

(11) How does interstate and intrastate coordination occur at the State and local levels.

(12) Is there a need to establish a National Center for Migrant Affairs and what are the options for funding such a Center.

(d) **REPORTS.**—

(1) The Commission shall prepare and submit reports and recommendations to the President and to the appropriate committees of the Congress on the studies required to be conducted under this section. The reports for the studies required shall be submitted as soon as practicable.

(2) Any recommendations and reports submitted under this paragraph which contemplate changes in Federal legislation shall include draft legislation to accomplish the recommendations.

(e) **COMPENSATION.**—

(1) Members of the Commission who are officers or full-time employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States; but they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(2) Members of the Commission who are not officers or full-time employees of the United States may each receive \$150 per diem when engaged in the actual performance of duties vested in the Commission. In addition, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(f) **STAFF.**—Such personnel as the Commission deems necessary may be appointed by the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subtitle III of chapter 53 of such title relating to classification and General Schedule pay rates, but no individual so appointed shall be paid in excess of the rate authorized for GS-18 of the General Schedule.

(g) **ADMINISTRATION.**—

(1) The Commission or, on the authorization of the Commission, any committee thereof, may, for the purpose of carrying out the provisions of the Act, hold such hearings and sit and act at such times and such places within the United States as the Commission or such committee may deem advisable.

(2) In carrying out its duties under this section, the Commission shall consult with other Federal agencies, representatives of State and local governments, and private organizations to the extent feasible.

(3) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this section, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed, to the extent permitted by law, to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(4) For the purpose of securing the necessary data and information, the Commission may enter into contracts with universities, research institutions, foundations, and other competent public or private agencies. For such purpose, the Commission is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(5) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out this section.

(6) The Commission is authorized to utilize, with their consent, the services, personnel, information, and facilities of other Federal, State, local, and private agencies with or without reimbursement.

(7) The Commission shall have authority to accept in the name of the United States, grants, gifts, or bequests of money for immediate disbursement in furtherance of the functions of the Commission. Such grants, gifts, or bequests, after acceptance by the Commission, shall be paid by the donor or his representative to the Treasurer of the United States whose receipts shall be their acquittance. The Treasurer of the United States shall enter them in a special account to the credit of the Commission for the purposes in each case specified.

(8) Six members of the Commission shall constitute a quorum, but a lesser number of two or more may conduct hearings.

(h) TERMINATION.—The Commission shall terminate 3 years after the date of its first meeting.

(i) AUTHORIZATION OF APPROPRIATIONS.—Effective October 1, 1987, there is authorized to be appropriated \$2,000,000 to carry out the provisions of this section, which shall remain available until expended or until the termination of the Commission, whichever occurs first.

SEC. 1442. STUDY OF THE IMPACT OF THE DECISION OF THE SUPREME COURT IN AGUILAR V. FELTON ON THE PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to assess the extent to which the participation in programs under this chapter of eligible children enrolled in private nonprofit schools has been adversely affected by the decision of the Supreme Court in *Aguilar v. Felton*. The study shall consider:

(1) The disruptive effect of the decision on local educational agency plans to provide services under this chapter in the fall of 1985 to eligible public and private school children.

(2) Changes in the numbers of eligible private school children in programs under this chapter and in the quality of services provided to these children since July 1985 resulting from the decision.

(3) The effect of the August 1985 and June 1986 Department of Education "Questions and Answers" issued as guidance to Chief State School Officers on the participation of eligible private school children in programs under this chapter.

(4) An evaluation of the various methods of delivering off-site services adopted by local educational agencies to comply with the requirement that private school children continue to receive equitable services under this chapter, and identification of methods which are educationally sound.

(5) The effectiveness of various methods in providing services comparable to those provided eligible public school children.

(6) Of the methods adopted by local educational agencies, which methods are most effective in increasing achievement levels of private school children and which methods are most acceptable to parents and school officials.

(7) What other methods of providing services to eligible private school children are available which would comply with the limitations of the Court's decision.

(8) Identify those elements that contribute to or inhibit the development of practical, successful programs within local educational agencies to serve eligible private school children.

(9) In local educational agencies which have not yet developed workable programs for private school children to continue to receive equitable services under this chapter, how have chapter 1 funds which should have been used to provide services to eligible private school children actually been used?

(10) Whether funding for serving private school children is adequate.

(11) Whether eligible public school children are losing services under this chapter as a result of the *Felton* decision.

(12) The differences in and adequacy of methods used to serve eligible private school children in rural and nonrural school settings.

(13) The formula and procedures used by State educational agencies in making allocation to local educational agencies for capital expenditures under section 1017(d).

(b) REPORTS.—Not later than April 15, 1989, the Comptroller General shall submit a report of such study to the appropriate committees of the Congress and shall annually update such study and submit reports by April 15th of each year.

Subpart 2—State Administration

SEC. 1444. STATE REGULATIONS.

(a) IN GENERAL.—

(1) Except as provided in paragraph (2), nothing in this chapter may be interpreted to preempt, prohibit, or encourage State regulations issued pursuant to State law which are not inconsistent with the provisions of this chapter, regulations promulgated under this chapter, or other applicable Federal statutes and regulations.

(2) State rules or policies may not limit local school districts' decisions regarding the grade levels to be served; the basic skills areas (such as reading, math, or language arts) to be addressed; instructional settings or teaching techniques to be used; instructional staff to be employed (as long as such staff meet State certification and licensing requirements for education personnel); or other essential support services (such as counseling and other pupil personnel services) to be provided as part of the programs authorized under this chapter.

(b) REVIEW BY COMMITTEE OF PRACTITIONERS.—Before publication of any proposed or

final State rule or regulation pursuant to this chapter, each such rule shall be reviewed by a State committee of practitioners which shall include administrators, teachers, parents, and members of local boards of education, and on which a majority of the members shall be local educational agency representatives. In an emergency situation where such regulation must be issued within a very limited time to assist local educational agencies with the operation of the program, the State educational agency may issue a regulation without such prior consultation, but shall immediately thereafter convene a State committee of practitioners to review the emergency regulation prior to issuance in final form.

(c) IDENTIFICATION AS STATE REQUIREMENT.—The imposition of any State rule or policy relating to the administration and operation of programs funded by this chapter (including those based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.

SEC. 1452. RECORDS AND INFORMATION.

Each State educational agency shall keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter).

SEC. 1453. ASSIGNMENT OF PERSONNEL.

(a) LIMITATIONS.—Public school personnel paid entirely by funds made available under this chapter may be assigned limited supervisory duties which are assigned to similarly situated personnel who are not paid with such funds, and such duties need not be limited to classroom instruction or to the benefit of children participating in programs or projects funded under this chapter. Such duties may not exceed the same proportion of total time as prevails with respect to similarly situated personnel at the same school site except that such time may not exceed one period per day.

(b) USE IN STATE PROGRAMS.—If a State carries out a program as defined under section 1018(d), the State may use funds under this chapter to pay salaries of personnel assigned to both the State program and the program under this chapter for administration, training, and technical assistance, if the State educational agency maintains time distribution records reflecting the actual amount of time spent by each such employee signed by that employee's supervisor, and costs are charged on a prorated basis to both programs.

Subpart 3—Definitions

SEC. 1471. DEFINITIONS.

Except as otherwise provided, for purposes of this Act:

(1) The term "average daily attendance" means attendance determined in accordance with State law, except that notwithstanding any other provision of this chapter, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this chapter the attendance of such child at such school shall be held and considered (A) to be in attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (B) not to be in attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

(2) The term "average per pupil expenditure" means in the case of a State or the United States, the aggregate current expend-

itures, during the third fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(3) The term "Secretary" means the United States Secretary of Education.

(4) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(5) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

(6) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance, and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under this chapter, chapter 2, or chapter 2 of the Education Consolidation and Improvement Act.

(7) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(8) The term "equipment" includes machinery, utilities, and building equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(9) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that such term does not include any education provided beyond grade 12.

(10) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or

agency having administrative control and direction of a public elementary or secondary school.

(11) The term "parent" includes a legal guardian or other person standing in loco parentis.

(12) The term "project area" means a school attendance area having a high concentration of children from low-income families which, without regard to the locality of the project itself, is designated as an area from which children are to be selected to participate in a program or project assisted under this chapter.

(13) The term "school attendance area" means in relation to a particular school, the geographical area in which the children who are normally served by that school reside.

(14) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(15) The term "State" means a State, Puerto Rico, Guam, the District of Columbia, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

(16) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(17) The terms "pupil services personnel" and "pupil services" mean school counselors, school social workers, school psychologists, and other qualified professional personnel involved in providing assessment, diagnosis, counseling, educational, therapeutic, and other necessary services as part of a comprehensive program to meet student needs, and the services provided by such individuals.

(18) The term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objective of (A) promoting school-level planning, instructional improvement, and staff development, (B) increasing the academic achievement levels of all children and particularly educationally deprived children, and (C) achieving as ongoing conditions in the school the following factors identified through effective school research as distinguishing effective from ineffective schools—

(i) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

(ii) emphasis on the acquisition of basic and higher order skills;

(iii) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

(iv) a climate of expectations that virtually all children can learn under appropriate conditions; and

(v) continuous assessment of students and programs to evaluate the effects of instruction.

(19) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(20) The term "parent advisory council" means a body composed primarily of members who are parents of children served by the programs or projects assisted under this chapter and who are elected by such parents, in order to advise the State or local educa-

tional agency in the planning, implementation, and evaluation of programs under this chapter.

(21) The term "more advanced skills" means skills including reasoning, analysis, interpretation, problem-solving, and decisionmaking as they relate to the particular subjects in which instruction is provided under programs supported by this chapter.

(22) The term "community-based organization" means a private nonprofit organization which is representative of a community or significant segments of a community and which provides educational or related services to individuals in the community.

Subpart 4—Miscellaneous Provisions

SEC. 1491. REPEAL OF OTHER ACTS.

(a) EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981.—Chapter 1 of the Education Consolidation and Improvement Act of 1981 is repealed.

(b) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Title I of the Elementary and Secondary Education Act of 1965 is repealed.

SEC. 1492. TRANSITION PROVISIONS.

(a) REGULATIONS.—All orders, determinations, rules, regulations, permits, grants, and contracts, which have been issued under chapter 1 of the Education Consolidation and Improvement Act of 1981 and title I of the Elementary and Secondary Education Act of 1965 (as in effect on the date before the effective date of this Act), or which are issued under such Acts on or before the effective date of this Act shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law other than this Act.

(b) EFFECT ON PENDING PROCEEDINGS.—The provisions of this chapter shall not affect administrative or judicial proceedings pending on the effective date of this Act under chapter 1 of the Education Consolidation and Improvement Act of 1981 or title I of the Elementary and Secondary Education Act of 1965.

(c) TRANSITION.—With respect to the period beginning on October 1, 1987, and ending June 30, 1988, no recipient of funds under this Act or the Education Consolidation and Improvement Act of 1981 shall be held to have expended such funds in violation of the requirements of this Act or of such Act if such funds are expended either in accordance with this Act or such Act.

CHAPTER 2—FEDERAL, STATE, AND LOCAL PARTNERSHIP FOR EDUCATIONAL INNOVATION

SEC. 1491. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) chapter 2 of the Education Consolidation and Improvement Act of 1981 has been successful in achieving the goals of increasing local flexibility, reducing administrative burden, providing services for private school students, encouraging innovation, and contributing to the improvement of elementary and secondary educational programs;

(2) State and local governments have placed a new focus on education; and

(3) school effectiveness can be increased through effective schools programs to improve student achievement, student behavior, teaching, learning, and school management.

(b) STATEMENT OF PURPOSE.—It is the purpose of programs under this chapter—

(1) to provide the initial funding to enable State and local educational agencies to implement promising educational programs that can be supported by State and local sources of funding after such programs are demonstrated to be effective;

(2) to provide a continuing source of innovation, educational improvement, and support for library and instructional materials;

(3) to place the basic responsibility for the administration of funds made available under this chapter with the State educational agencies, but in a manner that requires a minimum of paperwork;

(4) to place the responsibility for the design and implementation of programs assisted under this chapter principally with local educational agencies, school superintendents and principals, and classroom teachers and support personnel, because they have the most direct contact with students and are most directly responsible to parents and because they are the most likely to be able to design programs to meet the educational needs of the students in their own districts; and

(5) to enhance the quality of teaching and learning through initiating and expanding effective schools programs.

PART A—STATE AND LOCAL PROGRAMS

Subpart 1—Funding

SEC. 1511. AUTHORIZATION OF APPROPRIATIONS; PAYMENTS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$580,000,000 for fiscal year 1988 and such sums as may be necessary for each of the five succeeding fiscal years to carry out the provisions of this chapter.

(b) **PAYMENTS.**—During the period beginning October 1, 1987, and ending September 30, 1993, the Secretary shall, in accordance with the provisions of this chapter, make payments to State educational agencies for the purposes of this chapter.

SEC. 1512. ALLOTMENTS TO STATES.

(a) **RESERVATION.**—From the sums appropriated to carry out this chapter in any fiscal year, the Secretary shall reserve—

(1) not more than 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs; and

(2) not more than 6 percent to carry out national programs and activities under part B.

(b) **ALLOTMENTS.**—From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than an amount equal to one-half of one percent of such remainder.

(c) **DEFINITIONS.**—For the purposes of this section:

(1) The term "school-age population" means the population aged five through seventeen.

(2) The term "States" means the fifty States, the District of Columbia, and Puerto Rico.

SEC. 1513. ALLOCATIONS TO LOCAL EDUCATIONAL AGENCIES.

(a) **BASIS OF ALLOCATIONS.**—

(1) From the sum made available each year under section 1512, a State educational agency shall reserve not more than 20 percent for the purposes of State programs under subpart 2. A State shall distribute the remainder of that sum among eligible local educational agencies within the State according to the adjusted relative enrollments in public and private nonprofit schools within the school attendance areas served by such agencies in accordance with paragraphs (2) and (3).

(2) Relative enrollments under paragraph (1) shall be calculated on the basis of the total of (A) the number of children enrolled

in public schools, and (B) the number of children enrolled in private nonprofit schools who desire to participate in programs or projects assisted under this chapter. Nothing in this paragraph shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within the areas served by such agencies in order to determine whether such schools desire that their children participate in programs assisted under this chapter.

(3)(A) Relative enrollments under paragraph (1) shall be adjusted, in accordance with criteria approved by the Secretary under subparagraph (B), to provide higher per pupil allocations only to local educational agencies which serve the greatest numbers or percentages of—

(i) children from low-income families, or

(ii) children living in sparsely populated areas.

(B) The Secretary shall review criteria submitted by a State educational agency for adjusting allocations under paragraph (1) and shall approve such criteria only if the Secretary determines that such criteria are reasonably calculated to produce an adjusted allocation that reflects the relative needs within the State's local educational agencies based on the factors set forth in subparagraph (A).

(b) **PAYMENT OF ALLOCATIONS.**—

(1) From the funds paid to it pursuant to sections 1512 and 1513 for a fiscal year, a State educational agency shall distribute to each eligible local educational agency which has submitted an application as required in section 1531 the amount of its allocation as determined under subsection (a).

(2) Additional funds resulting from higher per pupil allocations provided to a local educational agency on the basis of adjusted enrollments of children described in subsection (a)(3)(A) may only be used by the local educational agency for expenditures to provide services for children enrolled in public and private nonprofit schools in direct proportion to the number of children described in subsection (a)(3)(A) and enrolled in such schools within the local educational agency.

Subpart 2—State Programs

SEC. 1521. STATE APPLICATIONS.

(a) **APPLICATION REQUIREMENTS.**—Any State which desires to receive grants under this chapter shall submit to the Secretary an application which—

(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this chapter;

(2) provides for a process of active and continuing consultation with the State educational agency of an advisory committee, appointed by the Governor and determined by the Governor to be broadly representative of the educational interests and the general public in the State, including individuals representative of—

- (A) public and private elementary and secondary schoolchildren;
- (B) classroom teachers;
- (C) parents of elementary and secondary schoolchildren;
- (D) local boards of education;
- (E) local and regional school administrators (including principals, superintendents, and administrators of intermediate educational units);
- (F) institutions of higher education;
- (G) the State legislature;
- (H) librarians; and
- (I) school counselors and other pupil services personnel.

to advise the State educational agency on the allocation among authorized functions of funds reserved for State use under section

1513, on the formula for the allocation of funds to local educational agencies, and on the planning, development, support, implementation, and evaluation of State programs assisted under this chapter;

(3) describes how the funds reserved for State use under section 1513 will be distributed among the various activities authorized under section 1522, as well as the reasons for the proposed distribution;

(4) describes how funds reserved under section 1522(b)(2) will be used to carry out subpart 4;

(5) provides for timely public notice and public dissemination of the information provided pursuant to paragraphs (2) and (3);

(6) provides for an annual evaluation of the effectiveness of programs assisted under this chapter, which shall include comments of the advisory committee and shall be made available to the public;

(7) provides that the State educational agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation (consistent with the responsibilities of the Secretary under this chapter);

(8) provides assurance that, apart from technical and advisory assistance and monitoring compliance with this chapter, the State educational agency has exercised and will exercise no influence in the decision-making processes of local educational agencies as to the expenditures made pursuant to an application under section 1531;

(9) provides the following information: (A) how the State will adjust its formula to comply with section 1513(a)(3), (B) how children under section 1513(a)(3)(A) are defined, (C) the basis on which a determination of the local educational agencies under section 1513(a)(3)(A) is made, and (D) the percentage of the State grant which is proposed to be allotted on an adjusted basis under section 1513; and

(10) contains assurances that there is compliance with the specific requirements of this chapter.

(b) **DURATION OF APPLICATION.**—An application filed by the State under subsection (a) shall be for a period not to exceed three fiscal years, and may be amended annually as may be necessary to reflect changes without filing a new application.

SEC. 1522. STATE USES OF FUNDS.

(a) **AUTHORIZED ACTIVITIES.**—A State educational agency may use funds reserved for State use under this chapter only for—

(1) State administration of programs under this chapter including—

(A) supervision of the allocation of funds to local educational agencies;

(B) planning, supervision, and processing of State funds;

(C) monitoring and evaluation of programs and activities under this part; and

(D) operations of the State advisory council;

(2) technical assistance and direct grants to local educational agencies and statewide activities which assist local educational agencies to accomplish the purposes of this chapter;

(3) assistance to local educational agencies and statewide activities to carry out effective schools programs under subpart 4.

(b) **LIMITATIONS AND REQUIREMENTS.**—

(1) Not more than 25 percent of funds available for State programs under this part may be used for State administration under subsection (a)(1).

(2) Not less than 25 percent of funds available for State programs under this part may be used for the purposes of subsection (a)(3).

Subpart 3—Local Programs

SEC. 1531. LOCAL APPLICATIONS.

(a) A local educational agency or consortia of local educational agencies may receive an allocation of funds under this chapter for any year for which an application is submitted to the State educational agency and such application is certified to meet the requirements of this section. The State educational agency shall certify any such application if such application—

(1) sets forth the planned allocation of funds among authorized programs and projects under section 1532 and describes the specific programs which such local educational agency intends to support, including the allocation of such funds required to implement section 1552;

(2) provides assurances of compliance with provisions of this chapter relating to such programs, including the participation of children enrolled in private nonprofit schools in accordance with section 1552;

(3) agrees to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this chapter; and

(4) in the allocation of funds for programs authorized by this chapter, and in the design, planning, and implementation of such programs, provides for systematic consultation with parents of children attending elementary and secondary schools in the area served by the local agency, with teachers and administrative personnel in such schools, and with other groups involved in the implementation of this chapter (such as librarians, school counselors, and other pupil services personnel) as may be considered appropriate by the local educational agency.

(b) **DURATION OF APPLICATION.**—An application filed by a local educational agency under subsection (a) shall be for a period not to exceed three fiscal years, may provide for the allocation of funds among programs and purposes authorized by this chapter for a period of three years, and may be amended annually as may be necessary to reflect changes without filing a new application.

(c) **LOCAL DISCRETION.**—Subject to the limitations and requirements of this chapter, a local educational agency shall have complete discretion in determining how funds under this subpart shall be divided among the authorized purposes of this subpart. In exercising such discretion, a local educational agency shall ensure that expenditures under this subpart carry out the purposes of this chapter and are intended to meet the educational needs within the schools of that local educational agency.

SEC. 1532. LOCAL USES OF FUNDS.

(a) **GENERAL PROVISION.**—Local educational agencies shall use funds available for the purposes of this subpart to carry out innovative programs and projects selected from the full range of activities that are authorized by this section or to promote educational excellence by enhancing the quality and effectiveness of the instructional program and materials.

(b) **AT-RISK AND HIGH COST CHILDREN.**—

(1) Funds may be used for programs and projects to assist in meeting the educational needs of at-risk and high cost children through services and programs that supplement, complement, and enhance other programs targeted to such individuals.

(2) For the purposes of this section, the term "at-risk and high cost children" includes children who are potential dropouts, children subject to drug and alcohol use and abuse, neglected or abused children, children of limited English proficiency, migratory

children of migrant and seasonal workers, economically disadvantaged children, and children with special educational needs stemming from minority group isolation, educational deprivation, or handicapping condition.

(c) **EFFECTIVE SCHOOLS.**—Funds may be used for effective schools programs and activities as provided under subpart 4.

(d) **INSTRUCTIONAL AND EDUCATIONAL MATERIALS IMPROVEMENT.**—

(1) Funds may be used to support innovative instructional programs, curricula, library books, and reference and other materials which show promise for improving student achievement in basic skills (including reading, writing, and computational skills) and other critical subject areas, such as science and mathematics.

(2) Improvement activities may include the development of model curricula; the provision of grants to schools or teachers for innovative instructional approaches; the purchase of library books, reference materials, and instructional aids; and testing programs which lead to better academic achievement.

(e) **PERSONNEL ENHANCEMENT.**—Funds may be used—

(1) for programs of training and development to enhance the knowledge and skills of all educational personnel, including teachers, teacher aides, librarians, school counselors, other pupil services personnel, administrators, supervisors, and school board members; and

(2) to improve the recruitment and training of individuals working with preschool children in education programs.

(f) **SPECIAL PROJECTS.**—

(1) Funds may be used to carry out selected activities designed to improve or expand educational services to students. These special projects include programs for gifted and talented students; programs for youth suicide prevention; technology education, community education, and career education.

(2) For the purposes of this section—

(A) the term "gifted and talented" means those preschool and elementary and secondary school children who demonstrate potential abilities that give evidence of high performance capability in areas such as intellectual, creative, specific academic, or leadership ability; and

(B) the term "technology education" means a comprehensive educational process designed to develop a population that is knowledgeable about technology, its evolution, systems, techniques, utilization in industry and other fields, and social and cultural significance.

Subpart 4—Effective Schools Programs

SEC. 1541. ESTABLISHMENT.

As provided in sections 1522 and 1532, funds shall be available under this chapter to—

(1) plan, implement, support, evaluate, and revise effective schools programs;

(2) plan and conduct training and other professional development activities for teachers, administrators and other education personnel on the implementation of effective schools programs;

(3) provide technical assistance and promote State and local educational agency awareness of effective schools research, model programs, and implementation;

(4) develop and implement systems to evaluate and analyze effective schools programs;

(5) improve parent and community involvement and participation as part of an ongoing effective schools program;

(6) support model and demonstration programs related to effective schools programs; and

(7) develop and disseminate educational materials related to effective schools programs.

SEC. 1542. EFFECTIVE SCHOOLS.

For the purposes of this chapter the term "effective schools programs" means school-based programs that may encompass preschool through secondary school levels and that have the objective of (1) promoting school-level planning, instructional improvement, and staff development, (2) increasing the academic achievement levels of all children and particularly educationally deprived children, and (3) achieving as ongoing conditions in the school the following factors identified through effective schools research as distinguishing effective from ineffective schools:

(A) strong and effective administrative and instructional leadership that creates consensus on instructional goals and organizational capacity for instructional problem solving;

(B) emphasis on the acquisition of basic and higher order skills;

(C) a safe and orderly school environment that allows teachers and pupils to focus their energies on academic achievement;

(D) a climate of expectation that virtually all children can learn under appropriate conditions; and

(E) continuous assessment of students and programs to evaluate the effects of instruction.

Subpart 5—General Provisions

SEC. 1551. MAINTENANCE OF EFFORT; FEDERAL FUNDS SUPPLEMENTARY.

(a) **MAINTENANCE OF EFFORT.**—

(1) Except as provided in paragraph (2), a State is entitled to receive its full allocation of funds under this chapter for any fiscal year if the Secretary finds that either the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the preceding fiscal year was not less than 90 per centum of such combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

(2) The Secretary shall reduce the amount of the allocation of funds under this chapter in any fiscal year in the exact proportion to which the State fails to meet the requirements of paragraph (1) by falling below 90 per centum of both the fiscal effort per student and aggregate expenditures (using the measure most favorable to the State), and no such lesser amount shall be used for computing the effort required under paragraph (1) for subsequent years.

(3) The Secretary may waive, for one fiscal year only, the requirements of this subsection if he determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

(b) **FEDERAL FUNDS SUPPLEMENTARY.**—A State or local educational agency may use and allocate funds received under this chapter only so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of Federal funds made available under this chapter, be made available from non-Federal sources, and in no case may such funds be used so as to supplant funds from non-Federal sources.

SEC. 1552. PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS.

(a) **PARTICIPATION ON EQUITABLE BASIS.**—

(1) To the extent consistent with the number of children in the school district of a local educational agency which is eligible to receive funds under this chapter or which serves the area in which a program or

project assisted under this chapter is located who are enrolled in private nonprofit elementary and secondary schools, or with respect to instructional or personnel training programs funded by the State educational agency from funds reserved for State use, such agency after consultation with appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment including the participation of the teachers of such children (and other educational personnel serving such children) in training programs, and the repair, minor remodeling, or construction of public facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this chapter.

(2) If no program or project is carried out under subsection (a)(1) of this section in the school district of a local educational agency, the State educational agency shall make arrangements, such as through contracts with nonprofit agencies or organizations, under which children in private schools in that district are provided with services and materials to the extent that would have occurred if the local educational agency had received funds under this chapter.

(3) The requirements of this section relating to the participation of children, teachers, and other personnel serving such children shall apply to programs and projects carried out under this chapter by a State or local educational agency, whether directly or through grants to or contracts with other public or private agencies, institutions, or organizations.

(b) **EQUAL EXPENDITURES.**—Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs under this chapter for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors which relate to such expenditures, and when funds available to a local educational agency under this chapter are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance area, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c) **FUNDS.**—

(1) The control of funds provided under this chapter and title to materials, equipment, and property repaired, remodeled, or constructed therewith shall be in a public agency for the uses and purposes provided in this chapter, and a public agency shall administer such funds and property.

(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which, in the provision of such services, is independent of such private school and of any religious organizations, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this chapter

shall not be commingled with State or local funds.

(d) **STATE PROHIBITION WAIVER.**—If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Secretary shall waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e) **WAIVER AND PROVISION OF SERVICES.**—

(1) If the Secretary determines that a State or a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, he may waive such requirements and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(2) Pending final resolution of any investigation or complaint that could result in a determination under this subsection or subsection (d), the Secretary may withhold from the allocation of the affected State or local educational agency the amount he estimated would be necessary to pay the cost of those services.

(f) **DETERMINATION.**—Any determination by the Secretary under this section shall continue in effect until the Secretary determines that there will no longer be any failure or inability on the part of the State or local educational agency to meet the requirements of subsections (a) and (b).

(g) **PAYMENT FROM STATE ALLOTMENT.**—When the Secretary arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services, including the administrative costs of arranging for those services, from the appropriate allotment of the State under this chapter.

(h) **REVIEW.**—

(1) The Secretary shall not take any final action under this section until the State educational agency and the local educational agency affected by such action have had an opportunity, for at least forty-five days after receiving written notice thereof, to submit written objections and to appear before the Secretary or his designee to show cause why that action should not be taken.

(2) If a State or local educational agency is dissatisfied with the Secretary's final action after a proceeding under paragraph (1) of this subsection, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based this action, as provided in section 2112 of title 28, United States Code.

(3) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in

whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(i) **PRIOR DETERMINATION.**—Any bypass determination by the Secretary under chapter 2 of the Education Consolidation and Improvement Act of 1981 shall to the extent consistent with the purposes of this chapter apply to programs under this chapter.

SEC. 1553. EVALUATIONS AND REPORTING.

(a) **LOCAL EDUCATIONAL AGENCIES.**—A local educational agency which receives financial assistance under this chapter shall report annually to the State educational agency on the use of funds under section 1532. Such reporting shall be carried out in a manner which minimizes the amount of paperwork required while providing the State educational agency with the necessary information under the preceding sentence. Such report shall be made available to the public.

(b) **STATE EDUCATIONAL AGENCIES.**—A State educational agency which receives financial assistance under this chapter shall annually evaluate the effectiveness of State and local programs under this chapter. Such evaluations shall be submitted for review and comment by the State advisory committee and shall be made available to the public. The State educational agency shall submit to the Secretary a copy of such evaluations and a summary of the reports under subsection (a).

(c) **REPORTS.**—

(1) The Secretary, in consultation with State and local educational agency representatives, shall develop a model system which State educational agencies may use for data collection and reporting under this chapter.

(2) The Secretary shall submit annually a report to the Congress summarizing evaluations under subsection (b) in order to provide a national overview of the uses of funds and effectiveness of programs under this chapter.

SEC. 1554. FEDERAL ADMINISTRATION.

(a) **TECHNICAL ASSISTANCE.**—The Secretary, upon request, shall provide technical assistance to State and local educational agencies under this chapter, particularly with respect to implementation of the programs and activities under subpart 4.

(b) **RULEMAKING.**—The Secretary shall issue regulations under this chapter only to the extent that such regulations are necessary to ensure that there is compliance with the specific requirements and assurances required by this chapter.

PART B—NATIONAL PROGRAMS AND ACTIVITIES

SEC. 1561. BASIC AUTHORITY.

(a) **FUNDING.**—From funds reserved under section 1512(a)(2), the Secretary is authorized to carry out the programs and activities under this part.

(b) **PRIORITY FUNDING.**—

(1) Subject to the availability of funds for any fiscal year the Secretary shall make available for the purposes of section 1562 an amount which is not less than 34 percent of the funds available under subsection (a).

(2) Subject to the availability of appropriations and subject to subparagraph (1), for any fiscal year from funds available for the purposes of this part the Secretary shall make funds available for the purposes of programs under section 1563 at least in amounts necessary to sustain the activities described in that section at the level of operations during fiscal year 1987 under section 583 of the Education Consolidation and Improvement Act of 1981.

(3) Subject to paragraphs (1) and (2) and subject to the availability of appropriations, for any fiscal year from funds available for the purposes of this part the Secretary shall make funds available for the purposes of programs under sections 1564 and 1565 at least in amounts necessary to sustain the activities described in those sections at the level of operations during fiscal year 1987 under section 583 of the Education Consolidation and Improvement Act of 1981.

SEC. 1542. NATIONAL DIFFUSION NETWORK ACTIVITIES.

(a) **PURPOSES.**—The National Diffusion Network shall be a national program that recognizes and furthers excellence in education by: (A) promoting the awareness and implementation of exemplary educational programs, products, and practices to interested elementary, secondary, and postsecondary institutions throughout the Nation; and (B) promoting the utilization of the knowledge, talents, and services of local staff associated with various educational excellence recognition efforts. The National Diffusion Network shall be directed toward improving the quality of education through the implementation of promising and validated innovations and improvements in educational programs, products, and practices, and through the provision of training, consultation, and related assistance services.

(b) **RESPONSIBILITIES OF SECRETARY.**—In carrying out the activities under this section, which shall be limited to activities directly related to the National Diffusion Network, the Secretary shall—

(1) acquaint persons responsible for the operation of elementary, secondary, and postsecondary schools with information about exemplary educational programs, products, practices, and services;

(2) assist such persons in implementing programs, products, and practices, which such persons determine may improve the quality of education in the schools for which they are responsible by providing materials, initial training, and ongoing implementation assistance;

(3) ensure that all such activities, programs, products, and practices are subjected to rigorous evaluation with respect to their effectiveness and their capacity for implementation;

(4) provide program development assistance toward the recognition, dissemination, and implementation of promising practices that hold the potential for answering critical needs and that have achieved credibility because of their effective use in schools; and

(5) ensure that a substantial percentage of the innovations disseminated represent significant changes in practice for schools and teachers.

(c) **ELIGIBLE RECIPIENTS OF GRANTS AND CONTRACTS.**—For the purpose of carrying out the activities under this section, the Secretary is authorized to make grants to, and contracts with, local educational agencies, State educational agencies, institutions of higher education, and other public and nonprofit private educational institutions and organizations.

SEC. 1543. INEXPENSIVE BOOK DISTRIBUTION PROGRAM FOR READING MOTIVATION.

(a) **AUTHORIZATION.**—The Secretary is authorized (1) to enter into a contract with Reading is Fundamental (RIF) (hereinafter in this section referred to as the "contractor"), a private nonprofit organization which has as its primary purpose the motivation of children to learn to read, to support and promote the establishment of reading motivation programs which include the distribution of inexpensive books to students, and (2) to pay the Federal share of the cost of such programs.

(b) **REQUIREMENTS OF CONTRACT.**—The contract shall provide that—

(1) the contractor will enter into subcontracts with local private nonprofit groups or organizations or with public agencies (hereinafter referred to as "subcontractors") under which the subcontractors will agree to establish, operate, and provide the non-Federal share of the cost of reading motivational programs which include the distribution of books by gift or loan, to preschool and elementary and secondary schoolchildren;

(2) funds made available by the Secretary to a contractor pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating reading motivational programs as provided in paragraph (1); and

(3) the contractor will meet such other conditions and standards as the Secretary determines to be necessary to assure the effectiveness of the programs authorized by this section and will provide such technical assistance as may be necessary to carry out the purposes of this section.

(c) **RESTRICTION ON PAYMENTS.**—The Secretary shall make no payment of the Federal share of the cost of acquiring and distributing books pursuant to a contract authorized by this section unless the Secretary determines that the contractor or subcontractor, as the case may be, has made arrangements with book publishers or distributors to obtain books at discounts that are customarily given by such publisher or distributor for book purchases made under similar circumstances in the absence of Federal assistance.

(d) **DEFINITIONS.**—For purposes of this section the term "Federal share" means—

(1) with respect to the cost of books purchased by a subcontractor for a program in a locality for distribution of such books to children in that locality, 75 percent of the cost to such subcontractor; or

(2) with respect to the cost of books purchased by a subcontractor for a program of distribution of books to children of migrant or seasonal farmworkers, 100 percent of the cost to such subcontractor for such books.

SEC. 1544. ARTS IN EDUCATION PROGRAM.

(a) The Secretary shall carry out a program of grants and contracts to encourage and assist State and local educational agencies and other public and private agencies, organizations, and institutions to establish and conduct programs in which the arts are an integral part of elementary and secondary school curricula such as—

(1) programs with public and private cultural organizations, agencies, and institutions, including museums, libraries, and theaters;

(2) a program to develop and implement model projects and programs in the performing arts for children and youth, through arrangements made with the John F. Kennedy Center for the Performing Arts; and

(3) a program for the identification, development and implementation of model programs and projects in the arts for individuals with handicaps through arrangements with the National Committee, Arts for the Handicapped.

SEC. 1545. LAW-RELATED EDUCATION PROGRAM.

(a) **AUTHORIZATION.**—The Secretary shall carry out a program of grants and contracts to encourage State and local educational agencies and other public and private nonprofit agencies, organizations, and institutions to provide law-related education programs.

(b) **DEFINITION.**—For the purpose of this section, the term "law-related education" means education to equip nonlawyers with knowledge and skills pertaining to the law, the legal process, the legal system, and the

fundamental principles and values on which they are based.

(c) **AUTHORIZED ACTIVITIES.**—Funds made available for the purposes of this section may be available for activities such as—

(1) awareness activities, to provide educators, law-related personnel, and the public with an understanding of what law-related education is;

(2) support for new and ongoing programs in elementary and secondary schools, adult education, community organizations, and institutions of higher education, to provide law-related education, to develop materials and methods, to conduct pilot and demonstration projects, and to disseminate the products of such activities;

(3) clearinghouse and technical assistance, to collect and provide information and assistance to institutions, groups, agencies, organizations, and individuals to aid in establishing, improving, and expanding law-related education activities;

(4) training for law-related personnel in the substance and practice of law-related education, including preservice and in-service seminars, workshops, institutes, and courses;

(5) research and evaluation to study and improve the effectiveness of materials and methods in law-related education;

(6) involvement of law-related organizations, agencies, and personnel, such as lawyers, law schools, law students, and law enforcement personnel in the provision of law-related education activities; and

(7) youth internships for outside-the-classroom experiences with the law and the legal system.

SEC. 1546. NATIONAL STUDY OF EFFECTIVE SCHOOLS PROGRAMS.

From funds available for the purposes of this part, the Secretary shall design and implement a study to determine the impact of effective schools programs, particularly such programs under this chapter. The study shall consider relevant measures of the impact of the effective schools programs, including student achievement, attitudes, and graduation rates.

SEC. 1547. SECRETARY'S DISCRETIONARY FUND.

From funds available for the purposes of this part, the Secretary is authorized to carry out programs and projects which further the purposes specified in section 1532 and shall give priority consideration to projects of technology education. Such programs and projects may be carried out directly or through grants to or contracts with State and local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions. Any such projects or programs shall have the goals of identifying and disseminating innovative educational approaches, facilitating program improvement from a national perspective, or meeting urgent national needs within the categories identified in section 1532.

PART C—GENERAL PROVISIONS

SEC. 1591. REPEAL OF CHAPTERS 2 AND 3 OF THE EDUCATION CONSOLIDATION AND IMPROVEMENT ACT OF 1981.

Chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981 are repealed.

SEC. 1592. TRANSITION PROVISIONS.

(a) **REGULATIONS.**—All orders, determinations, rules, regulations, permits, grants, and contracts, which have been issued under chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981 (as in effect on the date before the effective date of this Act), or which are issued under such Act on or before the effective date of this Act shall continue in effect until modified or re-

voked by the Secretary, by a court of competent jurisdiction, or by operation of law other than this Act.

(b) **EFFECT ON PENDING PROCEEDINGS.**—The provisions of this chapter shall not affect administrative or judicial proceedings pending on the effective date of this Act under chapters 2 and 3 of the Education Consolidation and Improvement Act of 1981.

(c) **TRANSITION.**—With respect to the period beginning October 1, 1987, and ending June 30, 1988, no recipient of funds under this Act or chapter 2 of the Education Consolidation and Improvement Act of 1981 shall be held to have expended such funds in violation of the requirements of this Act or of such Act if such funds are expended in accordance with this Act or such Act.

Subtitle B—Miscellaneous Provisions

SEC. 1601. STUDY OF SCHOOL REFORM.

(a) The Secretary of Education shall conduct a study of school reform efforts, in order to evaluate the impact of recent State and local elementary and secondary educational reforms related to—

(1) student achievement, particularly as compared to the educational achievement of students in other nations with which the United States competes for world trade;

(2) the number of students completing high school and the number who drop out of school in States which have increased graduation requirements as part of recent educational reform programs;

(3) the amount and proportion of State funding for elementary and secondary education in States with educational reform programs;

(4) relative enrollment in academic courses, vocational education courses, and general education courses at the secondary school level; and

(5) achievement of low-income, handicapped, limited-English proficient, and educationally disadvantaged students.

(b) Not later than July 1, 1989, the Secretary shall submit a final report on such study to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(c) There are authorized to be appropriated \$1,000,000 to carry out this section.

SEC. 1602. OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION.

The Secretary may establish within the Office of the Secretary an Office of Comprehensive School Health Education with the following responsibilities:

(1) To recommend mechanisms for the coordination of school health education programs conducted by various Federal agencies.

(2) To advise the Secretary on the formulation of school health education policy within the Department of Education.

(3) To disseminate information on the benefits to health education of utilizing a comprehensive health curriculum in schools.

AMENDMENTS OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HAWKINS: Page 71, strike lines 10 through 18, and insert the following:

(1) Except as provided in paragraph (2), for any fiscal year, no State shall receive less than three-fourths of one percent of the total amount appropriated for this part and no State shall receive more than 5% of the first \$50,000,000 appropriated for this part. The only limitation on funds appropriated for this part in excess of \$50,000,000 is that no State shall receive less than three-fourths of one percent of such funds.

Page 109, line 18, strike "618(b)(1)" and insert "618(b)(2)".

Page 111, line 12, after the period insert "The State educational agency shall distribute such funds on the basis of the December 1 child count by distributing an equal amount for each child counted."

Page 112, line 3, strike "subsection (a)" and insert "subparagraphs (A) and (B)(i) of section 1225(1)".

Page 173, line 23, strike "materials" and insert "instructional materials and equipment".

Page 244, strike line 20, and insert "their relative enrollments in public and private nonprofit schools".

Page 262, strike line 18 and all that follows through "education" on line 19 and insert "State, agency, or consortium".

Page 249, after line 8 insert the following paragraph (and redesignate the subsequent paragraphs accordingly):

(D) describe the extent of the current drug and alcohol problem in the schools of the applicant;

Page 250, after line 19, insert the following:

(b)(1) An applicant shall submit to the State educational agency a progress report on the first two fiscal years of implementation of its plan. The progress report shall include—

(A) the applicant's significant accomplishments under the plan during the preceding two years; and

(B) the extent to which the original objectives of the plan are being achieved.

(2) If the State educational agency determines that the applicant's progress report shows that it is not making reasonable progress toward accomplishing the objectives of its plan and the purposes of this Act, the State educational agency shall provide such technical assistance to the applicant as may be necessary.

Page 250, after line 19, insert the following section (and amend the table of contents accordingly):

SEC. 517. STATE REPORTS.

Each State shall submit to the Secretary an annual report that contains information on the State or local programs the State conducts under this Act.

Page 253, line 15, after "shall" insert "directly or through grants, cooperative agreements, or contracts".

Page 255, line 17, strike "operated" and insert "funded".

Page 256, line 18, strike "enter into" and insert "make grants to or enter into cooperative agreements or".

Page 257, line 4, after "Secretary" insert ", through grants, cooperative agreements, or contracts".

Page 345, line 22, strike "No" and insert "Notwithstanding any other provision of law, no".

Page 345, line 23, insert ", or contracted" after "terminated".

Page 346, line 20, strike "(i) no action under this provision can be for longer than one academic year or one calendar year, whichever is shorter, and (ii)".

Page 347, line 22, after "consideration," insert "the views of the Indian tribe or tribes affected".

Page 347, line 24, strike "Notwithstanding" and insert "Within two years of the date of enactment and notwithstanding".

Page 348, line 22, strike "1986" and insert "1987".

Page 348, line 25, after the period insert "Where these provisions are determined not to be in conformity with a previous statute, the statutory provision will govern".

Page 349, line 1, strike "99-288" and insert "99-228, regulation to implement a gifted and talented factor for the formula, as set forth in section 1128(a)(1)(H)".

Page 349, lines 15 and 16, strike "shall use a factor of 200 students when determining an adjustment for a small school factor" and insert "for purposes of implementing the small school adjustment factor a school with less than 50 students in average daily attendance shall be considered to have 50 students in average daily attendance".

Page 350, beginning on line 12, strike the comma and all that follows before the period on line 13, and insert after the period "This percentage will then be multiplied times the weighted student units for each school program, as determined by regulation, and added to the total weighted student unit count for each school before the weighted student unit counts for all schools are computed".

Page 351, strike lines 8 through 15.
Page 351, after line 7, insert the following:
"(iv) Computations under this paragraph shall be based upon data from the fiscal year preceding the fiscal year for which computation is being made.

"(v) This provision shall take effect for the fiscal year beginning October 1, 1988."

Page 353, after line 4, insert the following:

"(D) The percentage determined in subparagraph (2)(A) shall be applied to each grantee's total direct program funding for Bureau elementary and secondary education functions, as defined under paragraph (3) and all other Bureau programs or parts of programs contracted for, or for which grants are received from the Bureau, for the fiscal year for which this computation is being performed which will share common administrative services (as defined by subsection (g)).

Page 353, line 12, strike "(4)" and insert "(5)".

Page 353, after line 11, insert the following:

"(4) Each year, the Secretary shall send to Congress a projection of the costs associated with paragraph (2)(A) of this section."

Page 353, line 15, after "conducted" insert "through the same organizations and".

Page 355, line 1, strike the period and insert ", but which are not normally carried on by the Assistant Secretary in his direct performance of the function or is provided to or by the Assistant Secretary or other Federal official in support of the function from resources other than those under contract."

Page 355, line 5, after "direction", insert "insurance, audit, legal."

Page 356, line 7, strike "tribes" and insert "tribe or tribes whose children are served by a Bureau operated program".

Page 358, line 3, strike "by" and all that follows through line 4 and insert "striking 'employee' and inserting in lieu thereof 'applicant'".

Page 359, line 21, strike "The presence of more than 10 percent vacancy in staff positions or".

Page 363, line 24, strike "95" and insert "90".

Page 364, line 1, after "percent" insert "\$400,000, whichever is least."

Page 364, line 2, after the period insert "All funds must be spent at a school si

covered by the grant on education related activities covered by the grant."

Page 364, after line 2, insert the following: "(d) For purposes of this section, 'school site' means the physical location and the facilities of an elementary or secondary educational and/or residential program operated by or under contract with the Bureau of Indian Affairs, for which a discreet student count is identified under the funding formula established in section 1128 of the Education Amendments of 1978, P.L. 95-561."

Page 365, line 13, strike "other" and insert after "entity" "other than a tribe or tribal organization".

Page 356, line 18, strike "the applicant can maintain a tribally controlled school", and insert "to approve an application under this subsection".

Page 371, line 3, after "Education Officer" insert "or the Director of the Office of Indian Education Programs".

Page 371, line 7, strike "this" and insert "the designated".

Page 371, line 10, after "taken" insert ", including the costs associated with such actions."

Page 373, line 20, after "(d)" insert "Grants under this Act may not be terminated, modified, suspended, or reduced for the convenience of the administering agency."

Page 374, line 2, after the period insert "The Bureau shall provide to the tribe or tribes served by a grant which is retroceded for cause not less than the same quantity and quality of service as would have been provided at the level intended by the grant."

Page 374, line 5, after "notice" insert "to the tribally controlled school and".

Page 376, after line 4, insert the following: "(d) The Secretary shall make payments to grantees under this Act in two payments, one to be made no later than October 1 of each fiscal year, said payment to be one-half the amount paid to the grantee or a contractor electing to be covered by this Act during the preceding fiscal year, and the second payment to be the full remainder to which said grantee or contractor is entitled for the fiscal year, said payment to be made no later than January 1 of the fiscal year. For any school for which no payment was made in the preceding fiscal year, full payment of the amount computed for each fiscal year shall be made by January 1 of the fiscal year."

Page 376, line 6, strike "109".

Page 376, line 10, strike "Until 120 days after the date of enactment, contractors for activities covered by this Act" and insert "Contractors".

Page 376, lines 13 and 14, strike "shall be afforded an opportunity to" and insert "may".

Page 376, line 15, before the period insert "upon notice to the Secretary of such election, provided that the election shall become effective no less than 60 days after notice is given, or October 1 of the fiscal year following the fiscal year in which notice is given, whichever is later."

Page 422, line 21, after "percent" insert "or \$50,000, whichever is greater."

Page 466, strike "the preliminary" on line 10 and all that follows through line 11, and insert "final agency action under section 452(e) is taken".

Page 468, line 7, after the comma insert "libraries."

Page 469, line 23, strike "paragraph" and insert "paragraphs".

Page 469, after line 24, insert "(E) Chairman, National Commission on Libraries and Information Science."

Page 472, line 17, after "schools," insert "libraries."

Page 473, line 9, after the comma insert "libraries."

Page 479, after line 14, insert the following (and redesignate the subsequent clauses accordingly):

"(iii) the availability and use of school libraries and their resources;"

Page 479, strike line 15 and insert the following:

"(iii) teachers, librarians, and school administrators;"

Page 477, line 19, strike "shall be fined not more than \$5,000" and insert "shall be fined under title 18, United States Code."

Page 477, line 13, after the comma insert "knowingly".

Page 477, line 7, before the period insert "))."

Page 480, line 6, strike the semicolon and insert ", including the timely dissemination of such data;"

Mr. HAWKINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Chairman, these are purely technical amendments. They are committee amendments. I know of no objection to the amendments, and I ask that they be adopted.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. HAWKINS].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. OWENS OF UTAH

Mr. OWENS of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS of Utah: Page 198, after line 9, insert the following new section:

SEC. 1403. STUDY OF FUND DISTRIBUTION.

The Secretary of Education shall conduct a study concerning the methods used for the allocation of funds among the States in the various programs of financial assistance to elementary and secondary education administered by the Department of Education. The study shall consider whether States and local school districts should be rewarded for making greater tax and fiscal efforts in support of general elementary and secondary education through adjustment of allocations under the various Federal financial assistance programs. The study shall investigate various methods of defining tax and fiscal efforts. Such study may consider other issues relating to the allocation of funds, such as the reliability and currency of poverty data used for purposes of chapter 1 program allocations. The Secretary shall submit an interim report of such study on June 30, 1988, and shall submit a final report of such study not later than June 30, 1989.

Mr. OWENS of Utah (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. OWENS of Utah. Mr. Chairman, I want to commend Chairman Haw-

kins and the Education Committee for their work in drafting this bill and to express my support for H.R. 5, the School Improvement Act of 1987.

Federal aid to education has been one of this country's great success stories. Because of our emphasis on educational values, and through heavy investment, we have created one of the best educational systems in the world—one that attempts to provide equal educational opportunities for children throughout the country. We can be proud of our efforts to provide adequate education to all of our children, including the poor, the handicapped, and the children of immigrants.

While this system is good, it is not perfect. The Department of Education, with the direction of Congress, has sought ways to fairly distribute limited funds to meet the educational needs of the country. The various educational programs are allocated funds according to many different criteria, usually based on genuine need. By establishing the need of different States or localities, the Federal Government under chapter 1 is able to assist children who are educationally disadvantaged. This is an admirable goal and one that I fully support.

Many States, however, face real educational economic disadvantage because their children do not meet the traditional criteria. Many factors can contribute to this problem, for example, a higher than average birthrate or a lower than average tax base. Many States, including my own, find themselves spending an unusually high percentage of their revenues for the support of their schools. And the citizens of these States find themselves paying an unusually high percentage of their personal incomes in taxes for their children's education. My State also has a birthrate that is twice the national average. Because of these factors, the quality of education delivered to our children is compromised. This educational economic disadvantage is not covered by the current chapter 1 criteria.

I represent a district which faces this kind of problem. The State of Utah, and my district, Salt Lake County, do not face the traditional problems of inner-city, urban poverty. Neither do we face the problems of rural poverty. This is not to say, however, that the children of my State are not facing educational economic disadvantage. The "Digest of Educational Statistics" for 1985-86 indicates that Utahns pay 6.1 percent of their personal income for the support of the public elementary and secondary schools. This is well over the national average of 4.2 percent. And yet, despite the fact that each taxpayer in my State is paying much more than national average for our schools, the latest "Secretary's Wall Chart" published by the Department of Education indicates that Utah has the

lowest expenditure per pupil than any other State, and has the second highest pupil-teacher ratio in the country. These children are also educationally disadvantaged, although their parents are dedicating a greater than average portion of their incomes to the support of the public schools.

I am proposing an amendment to study the question of whether, given the unique, educationally disabling ec-

nomics I have just described, we can find a more equitable method of allocating our funds which would recognize those States and districts which make a greater tax or fiscal effort to support their schools. The study would also investigate various methods of defining tax and fiscal efforts. I believe that such a study will help us to develop a broader interpretation of educational economic disadvantage.

The amendment authorizes no new funds, nor does it change any of the existing criteria for fund allocation.

I urge my colleagues to support this amendment. It will help us to address a serious problem in providing equal educational opportunities, and to assist those States and local school districts that are making greater, though inadequate, efforts to educate their children.

DIGEST OF EDUCATION STATISTICS, 1985-86

(By W. Vance Grant and Thomas D. Snyder, Specialists in Education Statistics, Center for Statistics)

TABLE 74.—PERSONAL INCOME, 1982, RELATED TO TOTAL EXPENDITURES AND TO STATE AND LOCAL REVENUES FOR PUBLIC SCHOOLS, BY STATE: 1982-83

State	Personal income		Estimated total expenditures for public elementary and secondary education ¹		State and local revenues for public elementary and secondary schools	
	Total (millions)	Per capita	Amount (thousands)	As a percent of personal income	Amount (thousands)	As a percent of personal income
1	2	3	4	5	6	7
United States	\$2,575,847	\$11,113	\$119,093,398	4.6	\$169,572,797	4.2
Alabama	34,273	8,643	1,561,110	4.6	1,343,858	3.9
Alaska	7,491	16,854	602,174	8.0	560,779	7.5
Arizona	29,068	10,050	1,333,600	4.6	1,135,885	3.9
Arkansas	19,451	8,432	906,628	4.7	700,445	3.6
California	311,609	12,617	12,180,000	3.9	10,218,860	3.3
Colorado	37,590	12,242	1,636,181	4.4	1,814,856	4.8
Connecticut	43,642	13,963	1,858,683	4.3	1,636,911	3.8
Delaware	7,097	11,828	325,145	4.6	306,015	4.2
District of Columbia	9,135	14,587	306,258	3.4	306,518	3.4
Florida	114,370	10,927	4,421,307	3.9	4,029,735	3.5
Georgia	54,521	9,654	2,437,029	4.5	2,362,416	4.3
Hawaii	11,552	11,598	541,100	4.7	438,346	3.8
Idaho	8,801	8,008	450,000	5.1	375,691	4.3
Illinois	137,731	12,012	5,356,892	3.9	4,788,712	3.5
Indiana	55,136	10,357	2,554,428	4.6	2,369,029	4.3
Iowa	32,914	10,538	1,548,399	5.0	1,462,258	4.7
Kansas	28,274	11,743	1,297,833	4.8	1,236,342	4.4
Kentucky	33,587	9,697	1,508,400	4.5	1,329,777	3.3
Louisiana	44,038	10,648	2,078,800	4.7	1,922,990	4.4
Maine	10,543	9,278	568,762	5.3	508,680	4.8
Maryland	52,359	12,261	2,350,029	4.5	2,075,113	4.0
Massachusetts	70,632	12,285	2,983,931	4.2	2,981,553	4.2
Michigan	97,975	10,748	5,643,799	5.8	5,719,238	5.3
Minnesota	46,605	11,277	2,335,900	5.0	2,218,063	4.8
Mississippi	19,972	7,775	895,242	4.5	678,054	3.4
Missouri	51,732	10,489	1,948,687	3.8	1,945,919	3.6
Montana	7,741	8,618	532,000	6.9	494,278	6.4
Nebraska	17,299	10,882	732,806	4.2	757,531	4.4
Nevada	10,425	11,902	477,485	3.9	355,609	3.4
New Hampshire	10,886	11,388	477,956	3.7	398,354	3.8
New Jersey	97,329	13,089	4,864,300	5.0	4,428,177	4.6
New Mexico	12,718	9,307	676,615	6.9	739,638	5.7
New York	214,687	12,222	11,680,800	5.4	10,973,325	5.1
North Carolina	55,053	9,148	2,439,684	4.4	2,011,798	3.7
North Dakota	7,306	10,877	383,480	5.2	347,133	4.8
Ohio	114,873	10,664	5,689,808	4.4	4,876,137	4.2
Oklahoma	35,752	11,084	1,855,000	5.2	1,659,563	4.6
Oregon	27,131	10,168	1,687,012	5.9	1,416,634	5.2
Pennsylvania	129,944	10,939	6,160,908	4.7	5,943,294	4.6
Rhode Island	10,422	10,937	444,947	4.3	438,935	4.2
South Carolina	27,765	8,695	1,459,657	5.3	1,184,575	4.3
South Dakota	6,504	8,366	309,340	4.2	282,296	4.6
Tennessee	41,960	9,013	1,763,898	4.2	1,532,686	3.2
Texas	174,148	11,578	8,184,476	4.7	7,464,579	4.3
Utah	13,893	9,714	685,518	6.3	831,453	6.1
Vermont	4,949	9,518	278,687	5.6	262,753	5.3
Virginia	62,457	11,386	2,637,948	4.3	2,504,862	4.0
Washington	49,952	11,682	2,435,243	4.9	2,368,399	4.7
West Virginia	17,588	8,970	943,036	5.4	856,985	4.8
Wisconsin	51,139	10,777	2,571,853	5.0	2,393,345	4.7
Wyoming	6,192	12,157	499,600	8.1	548,973	8.9

¹ Compiled by the National Education Association.

Note.—Because of rounding, details may not add to totals.

Sources: (1) U.S. Department of Education, National Center for Education Statistics, "Common Core of Data" survey; (2) U.S. Department of Commerce, Bureau of Economic Analysis, unpublished tabulations; and (3) National Education Association, "Estimates of School Statistics, 1983-84" (Copyright 1984 by the National Education Association. All rights reserved).

The following States would benefit from an "effort provision" in Federal education funds: Alaska, Colorado, Georgia, Idaho, Indiana, Iowa, Kansas, Louisiana, Maine, Michigan, Minnesota, Montana, Nebraska, New Jersey, New Mexico, New York, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.¹

¹ According to "Digest of Education Statistics 1985-1986."

□ 1055

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. OWENS of Utah. I yield to the gentleman from California.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Utah [Mr. OWENS] has proposed in his amendment a study to be conducted by the Secretary of Education on changing Federal allocation procedures. I think that his amendment is

correctly drafted. It does address a problem that is a serious one, and we on this side are willing to accept the Owens amendment, because it leads to what we consider to be a very thoughtful consideration of an important policy issue.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. OWENS of Utah. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, we have examined the amendment and accept it on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. OWENS].

The amendment was agreed to.

Mr. PORTER. Mr. Chairman, I move to strike the last word.

(Mr. PORTER asked and was given permission to revise and extend his remarks.)

Mr. PORTER. Mr. Chairman, I rise in support of the bill, and I am glad that the Committee on Education and Labor has reported a bill. It is helpful to those of us involved in the appropriations process to have an authorization. Often we do not, and often it is a problem for us. It is incumbent, it seems to me, Mr. Chairman, that we have authorizations, separate appropriations, and no continuing resolution. If only we had a budget conference agreement, we could get on with our work as well as the work being done here.

In this bill specifically there are two subjects that interest me. The first is impact aid. I understand that the bill reauthorizes current law for impact aid, and efforts to change this have been abandoned.

Members of Congress need to know about impact aid. It should not be seen as simply another discretionary appropriation. It seems to me that impact aid is an absolute obligation of the Federal Government. It compensates local education agencies for lost revenue, lost because of the Federal Government. When the Feds control land and people live there, school districts lose property taxes. When people work on Federal land, school districts lose other tax revenue. When people both live and work on Federal land, school districts get devastated. The school district is still obliged to teach these people's children.

Current impact aid appropriations do not compensate for the loss—often it is not even close. Even the higher authorization in this bill does not fully compensate for the loss. So the local school districts, often in low-income areas, are forced to make up the difference, Mr. Chairman, because the Federal Government does not take care of the problems that we create. Without enough money in the kitty, a fight develops between the A impacted districts and the B impacted districts.

Yes, there is great merit to helping the A's first—the A's revenue base is much more seriously compromised. Like many Members, I would have supported the initiative developed by the gentleman from Illinois [Mr. HAYES] had it been offered here today. But the root problem is scarce resources and our inability to face the deficit. Nevertheless, over the long term, the U.S. Government must meet its obligations. The gentleman from New Jersey [Mr. SAXTON] and I share a view of impact aid—it should be an entitlement program, Mr. Chairman.

H.R. 2371—to make impact aid an entitlement—should be enacted. This is not just another discretionary program. Over the long term we need to make it automatic. We have created this problem, and we must compensate for it.

Another issue of interest to me is the reform of the audit appeals process. This bill replaces the Education Appeals Board with administrative law judges and requires abiding by the Administrative Procedures Act. The Education Appeals Board was a good idea which became, Mr. Chairman, a sham. It is a sham because it was designed to be a good faith way to expedite audit settlements—an alternative to the courts. But instead, the Department of Education—specifically, the General Counsel's office—has utilized the appeals board to pursue the return of unfairly high amounts of money. This is because the Education Appeals Board makes it too easy to deny States numerous due-process rights. Instead of being a good-faith settlement process, the EAB process has become a tool of the General Counsel's office to deny States their due-process rights. Numerous States, including my own, Mr. Chairman, have had ridiculous experiences with this board and the way in which the General Counsel's office has used it. Over at the Department of Education, the audit process has become stacked and inequitable, and I salute the committee's decision to go to the root of the problem and eliminate the Education Appeals Board and replace it with a process working under the Administrative Procedures Act.

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I stand in support of the Education Committee's technical amendments, which include important improvements in the fight against drug abuse.

Mr. Chairman, the committee's package includes language that I introduced to improve the Drug-Free Schools and Communities Act of 1986 that was part of last year's omnibus drug bill. These amendments will increase the State and local accountability for the results of programs undertaken with the grant funds and rectify a funding complication that every State has encountered.

The Drug Free Schools Act provides \$200 million for States to help rid their schools of drugs. This amendment will improve the quality of State programs by requiring an annual report to the Secretary on the effectiveness of State and local programs.

The 1987 act required that the Federal Government distribute money to the States on the basis of State population and that the States, in turn distribute the money to the localities on the basis of local population. Unfortunately, as the law now stands, local population statistics for educational purposes are derived from 1980 census data. This amendment will allow States to use current local enrollment data which is updated annually so that the money would be distributed to where the students are—rather than where they were.

I urge my colleagues support for the Education Committee's amendments.

AMENDMENT OFFERED BY MR. GRANT

Mr. GRANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRANT: Page 175, after line 2, insert the following paragraph (and redesignate the subsequent paragraph accordingly):

(2) No funds made available for the purposes of this subsection may be used to conduct special projects for the development or operation of programs related to youth suicide prevention or death education before the completion of a study conducted by the Secretary to determine the effects of such curriculum on students and on the incidence of youth suicide.

(Mr. GRANT asked and was given permission to revise and extend his remarks.)

Mr. GRANT. Mr. Chairman, the incidence of suicides among the adolescents of America is growing at an alarming rate. This past year we had over 5,000 teenage suicides. That is almost 13 a day. Ten thousand more of those suicides were passed off as accidental deaths. The rate has tripled in the last 30 years, and annually—and this is an even more alarming figure—we have 400,000 attempted suicides in the 15- to 24-year-old age group. That is one every 80 seconds.

I think that there is unanimity in the fact that we want to help alleviate this devastating problem among the young people of America, but what is the best way to do it? Is classroom awareness the best way to do it? It may be the best way to do it, but it may not be the best way to do it.

I have an article in my hand that William Raspberry recently wrote in the Washington Post in which he says that the difficulty with classroom awareness regarding this problem is that "very few teachers, and perhaps not many putative experts, know how to help without running the risk of exacerbating the problem."

In Florida, Dr. Charles Madsen, a psychologist at Florida State University, in a survey among teachers and counselors, said:

Those teachers who are closest to the students feel that traditional death education topics, any sensationalism of suicide or demystification of death and suicide and suicide poems, pictures and methods (details) make matters worse instead of better.

Then quoting from the New England Journal of Medicine, a September 11, 1986 article on "the Impact of Suicide in Television Movies—Evidence of Imitation":

Increasing evidence suggests that imitative behavior may have a role in suicide among teenagers. We studied the variation in the numbers of suicides and attempted suicides by teenagers in the greater New York area two weeks before and two weeks after four fictional films were broadcast on television in the fall and winter of 1984-85. The mean number of attempts in the two-week period after the broadcasts . . . was significantly greater than the mean number of attempts before the broadcasts . . .

□ 1105

In the same New England Journal of Medicine, September 11, 1986, another article by two eminent, David P. Phillips and Lundie L. Carstensen, made this finding:

At present, the best available explanation of the findings is that television news stories about suicide trigger additional suicides by teenagers. The precise nature of the triggering mechanism is currently unknown but the evidence is consistent with the idea that imitation and modeling are involved.

Then finally, in a statement by Dr. David Schaffer, chief of child psychiatry at Columbia University, who is presently engaged in a study in Bergen County, NJ, where those tragic suicides occurred recently say:

It's significant that in an area where there's been a recent outbreak of suicide they have a very highly developed suicide prevention approach. My own view is that coupled with increasing suicide rates, there is every reason to believe the two may be linked.

Mr. Chairman, this amendment to House Resolution 5 is designed to prohibit the Department of Education from offering grants for the development and implementation of suicide awareness and death education programs until the Secretary can conduct a thorough study of the myriad local programs now in place to determine what effect, positive or negative, they have had on the incidents of youth suicide.

Mr. Chairman, I applaud the efforts of several of our colleagues in proposing initiatives to deal with this devastating problem. But I simply do not believe we as a Congress should encourage a specific course of action when so many distinguished experts in the field strenuously maintain that this approach could produce exactly what we do not want and that is more suicides.

We just do not know enough about the issue yet to be approving courses in our public schools.

This is not a liberal versus conservative issue, this is not a Democrat versus Republican issue, it is an issue that crosses all ideological, all political and economic lines and goes straight to the heart.

I hope that you, my colleagues, will join me in taking the safe road until we know which other road is the right road for our children.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, the gentleman has made an excellent speech, I think, in support of the action of the committee.

May I inform the committee that this subject has been of long duration in the Committee on Education and Labor. As a matter of fact, a year ago we passed in this House the Ackerman-Lantos bill which addressed this subject. So the House has already spoken on the subject and has already

approved a plan of action in this very critical and very sensitive area.

In the committee, an amendment was offered by the gentleman from New Jersey [Mrs. ROUKEMA] which was adopted, which made reference to moving ahead on the subject.

I know of no Member of the Congress who has such a close relationship to the problem as the gentleman [Mrs. ROUKEMA].

This amendment, if you would simply read it, would stop all action on doing anything in this very sensitive area until such time as the Secretary, in his wisdom, elects to make a study.

Now, that could be next month, it could be several years hence, that the study would be made and completed.

We know of no effort at this time, there has been certainly no indication before the Committee on Education and Labor that such a study will be made.

So in the meantime if this amendment is adopted it would stop all efforts to move ahead to have programs to reach this particular problem. I think it is a very dangerous amendment, regardless of ideology it is a very dangerous amendment because in a sense it says, "You do nothing." I am not so sure that the American people would approve of us doing nothing.

I think the amendment therefore should be rejected.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

(Mr. GOODLING asked and was given permission to revise and extend his remarks.)

Mr. GOODLING. Mr. Chairman, we are States righters on my side of the aisle so I could never accept this amendment. States righters say that the State and local governments make these kinds of determinations. That is why we do not have an amendment in chapter 2 that says, "You must teach this particular program."

In committee, we had an amendment that would have made it mandatory to offer suicide prevention programs. The beauty of chapter 2, as we toured this country and listened to everyone, was that the money could be used to do what the local and State governments believed was important in order to improve the situation in their particular school district.

There is nothing in this bill that says any school district or any State must design a curriculum in youth suicide prevention. It says that if you believe that is an area that you must deal with, and an area that needs attention, you can use some of these funds to do that. And no one tells them they have to. So let us let the local community and let us let the State determine what is most important as far as they are concerned when they use chapter 2 funds. So, I would hope that everyone would be in opposition to this amendment. It is just unbelievable to me that anyone could ap-

proach an issue such as this in the way it is being approached by some of those outside of the Congress of the United States.

So as a States righter, I say let the State and let the local government determine whether they want to do this or do not want to do this.

Mr. Chairman, I yield back the balance of my time.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. ARMEY asked and was given permission to revise and extend his remarks.)

Mr. ARMEY. Mr. Chairman, I rise to speak on behalf of the gentleman from Florida's amendment.

Ladies and gentlemen, there is probably nothing that will touch the hearts and the compassion and the desire to move and to act and to do something fast and something definitive more than when this addresses concerns related to our young people. We are in that regard a generous body, and active body, and a very very compassionate body. That compassion, that desire to be active, that willingness to put the next generation ahead of the next election is obvious in the provisions of this bill that are addressed by the amendment. I want to tell the framers of those provisions how much I respect their work and their commitment, their sincerity, their good intentions, which do deserve to be respected.

Congresswoman ROUKEMA and I are in a unique position of both being married to people in the health care professions. By virtue of our mutual tendency to be involved with concerned, caring involvement with our spouses and their careers we do achieve a good deal of understanding and care. She has been motivated by her awareness of the problem to advance this legislation.

But in this case, in particular, I would like to relate also to the legislative experience of the gentleman from Florida. He is not a new visitor to this problem. He has visited it before in Florida and he has done so with good results for the State of Florida and for the youngsters of Florida. His work and his insight and his understanding deserve consideration, deserve respect.

But perhaps more importantly than that, at this time I would like to pay respects to the courage that is demonstrated by the gentleman from Florida. I fear that as we passed the legislation last year, too many of us came to the floor more concerned about the possible political travails of being conceived as having voted against youth suicide prevention measures than we were the finer details of the implementation of the law.

We must understand that we are dealing here with a very sensitive area. We are dealing with the minds and the behavior of our young people and that is an activity that requires profession-

al expertise and in this particular area of youth suicide prevention expertise that goes beyond what is normally found in the high schools, even in the guidance personnel of the high schools.

I have had academic experience in counseling guidance. I know the curriculum. I know the limits of their curriculum. And they do a good job, but they do know their limits.

Anybody who is in the health care profession who is a competent person will know their limits and know when it is time to do referrals. For us to advance legislation that would tend to validate and encourage the tendency that we all have to want to intervene when we see youngsters in peril and to do so with the misguided idea of what can be done and with misguided procedures, puts those youngsters in even deeper risk. I think the gentleman from Florida is wise to come to this floor to risk being maligned as one who does not care, which is not the case, to exhibit his compassion by telling us we must exercise restraint, we must go forward slowly and cautiously, because we are dealing here with the most precious of all things to all of us, the lives of our youngsters.

We are dealing here also with the most sensitive and difficult areas, the emotions, the thought processes, the confusion, the identity crisis that our youngsters all have, their tendency to emulate behavior. The gentleman from Florida has documented how that tendency can, in fact, be enhanced by careless dissemination of information even for the best of reasons.

So I would ask this body to pay heed to the cautions that are given to us by the gentleman from Florida, to encourage and, yes, even demand that the Department of Education go forward and study this issue, and to make responsible recommendations to our education establishment, when we knew enough and can act responsibly and with certainty that we will protect not endanger the lives of our youngsters.

Mr. Chairman, I urge a "yes" vote on the amendment.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is a very well intentioned amendment and I do not question the sincerity or the purpose of the gentleman from Florida. I think it is unfortunate in terms of the timing that his "dear colleague" did not arrive until this morning and it put us a little bit at a difficulty in terms of discerning both what the gentleman's amendment would do and also his rationale.

For that reason the gentleman and I have only a brief conversation on the subject but agreed to explore his amendment further.

I had hoped that the gentleman would hold back his amendment and perhaps he yet will.

However, I want to speak directly to the subject, and suggest that the gentleman is ill-advised in deferring the issue for study.

I am not only the author of the amendment inserted in the suicide prevention section in the bill about which we are speaking, but I also come to the subject with some credentials.

The recent suicides in Bergenfield, NJ, which assaulted the public mind and brought this tragic subject into the living rooms of America, through network television coverage, happened in my district. I am very familiar with the school system there, with the local officials and have worked closely with them before the suicides and since.

In addition, my husband has practiced psychiatry for almost 30 years and has dealt with all kinds of problems, including the problems of adolescent suicide. I think what is shocking—and no amount of sweeping the subject under the rug is going to change these facts—the shocking facts are that we now find young people coming into the offices of mental health centers and doctor's offices, not because of so-called death education, but because somehow our society has developed an attitude that suicide is an option here.

□ 1120

This is what doctors and other health-care professionals will tell you. That is a distinct change from one generation ago. Suicide was not an option.

We are not talking about making it an option; somehow our other institutions, whether family or religious institutions or our schools or whatever have failed a generation of young people in making them think that somehow suicide is an option.

We are not in the business in this bill of teaching young people that suicide is an option. Rather, what we are teaching them, and what we should be teaching them and what the schools systems and the mental health groups in our area are trying to do, working cooperatively, is precisely the opposite, to teach that it is not an option. Second, we are recognizing something that all authorities recognize, the direct relationship between substance abuse, whether alcohol or drug abuse, and suicide. Substance abuse are symptoms of deeper problems, of which suicide may be the end result if those symptoms are not understood in the proper context.

So the purpose of the bill is not, to use the unfortunate phrase, of promoting death education. It is exactly the opposite. It is acknowledge that the school is the one institution that is the common denominator for all these students, that the purpose is to use the schools to identify high-risk students, identify them before they drop out of schools, identify them when there is evidence of substance abuse and recognize that that is part of a

pattern that all too frequently leads to suicide.

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

(By unanimous consent, Mrs. ROUKEMA was allowed to proceed for 3 additional minutes.)

Mrs. ROUKEMA. Besides identifying high-risk students, our local option provides the opportunity for the community to decide that there is a need, and consistent with the values of that community, to train personnel in the schools, not be mental health professionals, but train them to identify these high-risk students and make the proper referrals.

That is really what we are talking about here.

Finally I would like to say that I have been on the phone, staff has been on the phone with Dr. Schaffer, who has been quoted widely here today. Dr. Schaffer, of Columbia University, to whom my colleague from Florida has referred, is a consultant to the Bergenfield school system and many other school systems across the country and he is a noted authority.

Dr. Schaffer has authorized me to say that the statement that has been made on his behalf here was never made by him with reference to Bergenfield or any other school system; that most likely the situation is that the statement was taken out of context. But he stated categorically that that statement was not made, as quoted, with reference to the Bergenfield school system or any other school system regarding suicide.

Finally, his staff has indicated, and I think this is very important and I recognize the sincerity of concern from the gentleman from Florida, but Dr. Schaffer's offices reports that there is no known, correlation between the numbers of suicides and the implementation of programs across the country.

I guess we can say there are a lot of things that we do not know about the issue, but one thing we do know is that it is not a problem that is going to go away by closing our eyes to it. It is not something that can be swept under the rug. It is something of serious purpose that parents and students, peer groups, schools officials, mental health professionals and local school boards and the clergy should be working on together and, Mr. Chairman, that is what this bill provides.

I urge defeat of the gentleman's amendment.

Mr. ARMEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I would like to make a few points.

Certainly, I do not think it appropriate to criticize the gentleman from Florida for his timing on this measure. He, like the rest of us, could have had no idea that we would have this bill

up. We all expected this week to spend this day on DOD, and the gentleman's work was hurried, not by him, but by the—

The CHAIRMAN. The time of the gentlewoman from New Jersey [Mrs. ROUKEMA] has again expired.

(On request of Mr. ARMEY and by unanimous consent, Mrs. ROUKEMA was allowed to proceed for 1 additional minute.)

Mr. ARMEY. Also, if I might say, I, too, have had suicides in my district, and my heart has been touched. I am concerned, but I do recognize that that incident and even the association I have had with their families, does not make me an expert, and it is that tendency to believe that some association with the problem makes us experts that frightens me so much about this legislation.

Also, finally, I do not believe it is appropriate to suggest that the gentleman from Florida wants to sweep the problem under the rug or close our eyes to it. On the contrary, he wants us to get it in a responsible and meaningful manner out from under the rug and open our eyes to it before we take legislative action.

I thank the gentlewoman for yielding.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise with great reluctance because I do not know of anybody that I more greatly admire in Congress than my colleague from Florida, but I think this bill, as it now stands, is an effort to do what we can do in our time to fight suicide.

I lost a son to suicide. He was 2 years in a hospital trying to correct it, but the day he got out of the hospital, he took his life. I have a granddaughter in the hospital today who is in her teens and there because of suicidal statements.

So I speak with a great deal of background in this matter. It is a complicated subject. Suicide may be, in some cases, even genetic. Certainly environment has a lot to do with it. Very fine wonderful people are taking their lives today, not only younger people, but older people. It seems to me that the purpose of this legislation is good. To say that it could be abused, yes that is true of every piece of legislation that you pass.

It seems to me that this purpose is to do good, and I think that the urgency is so tremendous upon our country today, with the large instance of particularly youthful suicide, that I think it is wise for us to try to see if we can get this kind of assistance down at a grassroots level.

The problem is that a lot of local schools really have only one or two schools, or maybe a county, as their maximum boundaries, and they need assistance from the Federal Government, not only financial, but some kind of guidance. To wait for this overall report to come in before assistance

is given, when one can ask what harm could it do and when so much good can be done by it, I think that is a very great mistake.

As reluctant as I am, because I do not know of anybody in the world that I admire more than the gentleman who represents part of the district I used to represent, a perfectly wonderful person, and very well-intentioned in this amendment, but I think the amendment is a negative amendment, and I hope that the House will turn it down.

□ 1130

Mr. ACKERMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

(Mr. ACKERMAN asked and was given permission to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Chairman, on behalf of the 5,000 children who took their lives within the past year, on behalf of the 500,000 who attempted suicide last year, on behalf of their parents and friends, I urge my colleagues to reject the amendment offered by the gentleman from Florida [Mr. GRANT].

The amendment would further a centuries-old misconception that suicide ought to be kept a big secret, and that responsible national leaders have no role to play in alleviating the No. 2 killer of America's young—that by making believe we are all ostriches, suicide will go away. The silence which this amendment advocates is both deafening and deadly.

For the past 30 years, we have followed the prescription for death proposed by this amendment—we did nothing; we watched kids die; and we mourned. During the past three decades we had no suicide prevention programs and the suicide rate jumped by 300 percent. We studied the problem. Clearly, just studying does not solve anything.

Mr. Speaker, I commend my friend, the gentlewoman from New Jersey [Mrs. ROUKEMA], for having a suicide prevention provision included in H.R. 5. I think it is an important first step to attempt to reduce the American tragedy of youth suicide.

During the 99th and 100th Congresses, there have been four hearings on youth suicide. Experts, parents, teachers, and yes, even children testified about the need for suicide prevention legislation. Last year, the House passed by a unanimous vote, bipartisan legislation introduced by myself, the gentleman from California [Mr. LANTOS], and the gentleman from New York [Mr. DIOGUARDI].

The National Parents and Teachers Association supports suicide prevention programs, the American Association for Counseling and Development supports suicide prevention programs, the Youth Suicide National Center supports suicide prevention programs, the American Academy of Child Psy-

chiatry supports suicide prevention programs, and the list goes on and on. But most important, I have received countless letters from parents expressing their belief that if prevention programs had existed their children would still be alive today.

The lone voice of opposition came from Phyllis Schlafly and her cohorts. Obviously, today, she speaks again.

The "Dear Colleague" circulated this morning said that we ought to study the problem and not do anything about it.

Yesterday 15 kids committed suicide in our country, the day before 15 kids committed suicide, today another 15, and it goes on every single day of the year at an accelerated rate.

Should there be a study, Mr. Chairman? In November 1986, the Department of Health and Human Services did have a conference and they did study youth suicide, and the conference embraced the idea of school-based suicide prevention models. The Grant amendment would literally study suicide to death.

Additionally, there is absolutely nothing in this suicide prevention provision which promotes, sanctions or permits what the sponsors of this amendment claims to be "death education." I challenge the sponsors of this amendment to prove that the provision does anything more than allow school districts who so desire, to apply for Federal funds to save their children. How dare the proponents of this philosophy impose their own views and the position of Ms. Schlafly, at the cost of thousands of young lives?

Mr. Chairman, later this year, H.R. 457—the Youth Suicide Prevention Act—will come to the floor. This is a bill which was introduced by myself the gentleman from California [Mr. LANTOS], the gentleman from New York [Mr. DIOGUARDI] and the gentleman from Michigan [Mr. KILDEE]. It carries the bipartisan sponsorship of over 75 Members of Congress. Ms. Schlafly cannot silence the Members of Congress, parents, and educators.

Mr. Chairman, any loss of a life is tragic. The loss of a child is devastating. The self-inflicted death of a youngster is an unthinkable horror. Yet, think we must, so we can begin to understand it, recognize it, and in some cases to prevent it. Let us not allow this amendment to tie the hands of those who seek to save the lives of America's kids.

Mr. GRANT. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Florida [Mr. GRANT] is recognized for 5 minutes.

There was no objection.

Mr. GRANT. Mr. Chairman, it is apparent even to a new Member of Congress that I am not prevailing, at least here on the floor. I am not entirely sure how I am going to be situated if we ask for a recorded vote. I do not

think I am going to do that. But I do want to point out to some of my colleagues who, if I may paraphrase one of them, are well-meaning and well-intentioned, but nonetheless erroneous in their statements, a few facts. In fact, the last gentleman made the point that perhaps someone on the floor today was speaking for Phyllis Schlafly, a person whom I have never met and whose philosophy I do not entirely ascribe to, although maybe some other Member subscribes to that philosophy.

It has also been indicated that maybe I did not have any knowledge in the field, and that I wanted to sweep the problem of teenage suicide under the rug. The entire opposite is the truth. Were those people who made such a point of my inexperience in the field to check the record, they would find that we passed comprehensive legislation 3 years ago in Florida before the press got hold of the issue and decided to make it glamorous, which I think was counterproductive to the whole issue. They would also find that our bill has been requested by no fewer than five other States to deal with the problem of teen suicide. Those States are Oregon, Minnesota, Washington, Michigan, and Illinois.

I believe it is a sound approach. I did not get into the nuts and bolts of the approach that we happened to use in Florida, which I think is very positive toward doing something about this awful problem in America, because that was not my intent. My intent in this amendment was simply to say that before we spend our money—and that is what this bill would have us do, spend these dollars for special projects under the local program section of the bill—before we spend our money, I think it makes a great deal of sense to study the situation. In fact, all prudent people, I think, believe that what we should do is see where we are going first.

There is a certain cadre of professional psychologists, psychiatrists, school counselors, and others who believe that the glorification of suicide is counterproductive to combating the increasing rate of teen suicides in this country. I happen to be one of those. I subscribe to the efforts that the gentleman from New York [Mr. ACKERMAN], the gentlewoman from New Jersey [Mrs. ROUKEMA], the gentleman from Texas [Mr. ARMEY], and others, including the distinguished chairman of the committee, are attempting to do with this very significant problem. I must say, however, that I do resent just a little bit the fact that my motives are impugned because the Members did not even discuss this with me and there are several Members I have tried to reach for over 2 months to talk about this issue, but I have been put off.

So, Mr. Chairman, this is not just a spur-of-the-moment thing. It is something that I only discovered was in the bill just yesterday. So that was the

reason we only made this amendment attempt last night and this morning.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. GRANT. Yes, now that I have sort of vented my spleen, I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I think we all appreciate the statements of the gentleman from Florida. I know that I do, and what I most appreciate is the previous conversation I had with him in which we shared some of our mutual concerns about the advisability of applying only known procedures and acceptable procedures and techniques that are acceptable and reputable and attributable to both local authorities and existing mental health officials on the scene. I think the gentleman has attempted to make that point, as have I.

I also think, in fairness to the gentleman, that it should be pointed out that many of us share the concerns, because we know there is kind of an epidemic of a contagious nature with the problem of teenage suicide. Certainly that has been verified by authorities in the field, and I think the gentleman from Florida is quite correct to point that out. We want to avoid that kind of perverse or unintended effect.

But I think the local authorities, with the acceptable local health authorities and school officials, are in the best position to make that decision, consistent with the values of the local community, and I would hope the gentleman would agree that the bill has been constructed to give the authority solely to the local entity and there is no attempt here to have the Federal Government impose its will on local authorities. It is an effort to supplement and help them deal with a tragic problem within their communities, if they choose that option.

The CHAIRMAN. The time of the gentleman from Florida [Mr. GRANT] has expired.

(On request of Mrs. ROUKEMA, and by unanimous consent, Mr. GRANT was allowed to proceed for 1 additional minute.)

Mrs. ROUKEMA. Mr. Chairman, if the gentleman will yield further, I would certainly pledge to work with the gentleman as we go into the discussion of the Ackerman bill at another time to be sure that the safeguards and the gentleman's concerns are addressed and my concerns are addressed in that piece of legislation, so that it will be a piece of legislation that all the Members of this body can support.

Mr. GRANT. Mr. Chairman, I appreciate the gentlewoman's remarks. I do want to point out, however, to this Committee and to my colleagues here that the effort in this amendment is designed to prohibit the very thing that the gentlewoman is referring to, and that is the dissemination of information that might aggravate the problem. It is not that we do not want to

deal with the problem. We simply do not want to aggravate the problem. I think it would be appropriate for us to complete a study to see if TV or the initiation of deaf education or suicide prevention programs in the school actually do aggravate the problem.

Mr. Chairman, it is simply that, and I would urge a positive vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. GRANT].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

The Clerk will designate title II.

The text of title II is as follows:

TITLE II—CRITICAL SKILLS IMPROVEMENT

SEC. 2010. SHORT TITLE.

This title may be cited as the "Critical Skills Act".

SEC. 2020. STATEMENT OF PURPOSE.

The purpose of this title is to strengthen the economic competitiveness and national security of the United States by improving the skills of teachers and the quality of instruction in mathematics and science in the Nation's public and private elementary and secondary schools.

SEC. 2030. PROGRAM AUTHORIZED.

(a) The Secretary is authorized to make grants to States in accordance with the provisions of this title, for strengthening the skills of teachers and instruction in mathematics and science.

(b) There are authorized to be appropriated for the purposes of this title, \$400,000,000 for fiscal year 1988 and such sums as may be necessary for each of the five succeeding fiscal years.

SEC. 2040. ALLOCATION OF FUNDS.

(a)(1) From the amount appropriated under section 2030 for any fiscal year, the Secretary shall reserve—

(A) not more than one half of one percent for allocation among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title;

(B) one-half of one percent for programs for Indian students consistent with the purposes of this title; and

(C) five percent for section 2130.

(2) The remainder of the amount so appropriated (after meeting the requirements of paragraph (1)) shall be allocated among the States (treating the District of Columbia and Puerto Rico as States) as follows—

(A) one-half of such remainder shall be allocated among the States by allocating to each State an amount which bears the same ratio to that one-half of such remainder as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all States; and

(B) one-half of such remainder shall be allocated among the States according to each State's share of allocations under chapter 1 of the Education Consolidation and Improvement Act or chapter 1 of this Act, whichever program was effective for the previous fiscal year,

except that no State shall receive less than one-half of 1 percent of the amount available under this subsection in any fiscal year or less than the amount allotted to such State under title II of the Education for Economic Security Act for fiscal year 1987.

(3) For the purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern

Mariana Islands, or the Trust Territory of the Pacific Islands.

(4) The number of children aged five to seventeen, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to him.

(b) The amount of any State's allotment under subsection (a) for any fiscal year to carry out this title which the Secretary determines will not be required for that fiscal year to carry out this title shall be available for reallocation from time to time, on such dates during that year as the Secretary may fix, to other States in proportion to the original allotments to those States under subsection (a) for that year but with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that year; and the total of those reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amounts reallocated to a State under this subsection during a year shall be deemed a part of its allotment under subsection (a) for that year.

SEC. 2058. WITHIN STATE DISTRIBUTION.

(a) From the amount allocated to any State pursuant to section 2040, the State educational agency may reserve not more than 20 percent of such amount for the conduct of State programs, planning, and administration pursuant to section 2080. Of this amount one-half shall be made available to the State agency for higher education for the conduct of programs under sections 2080 and 2100 which directly relate to training teachers for or improving instruction in math and science at the elementary and secondary levels.

(b)(1) From the remaining funds not reserved under subsection (a) the State educational agency shall distribute 50 percent of the funds available under this subsection to local educational agencies according to the relative enrollments in public and private nonprofit schools within the school district of such agencies. Such relative enrollments may be calculated, at the option of the State educational agency, on the basis of the total number of children enrolled in public schools, and (A) private nonprofit schools, or (B) private nonprofit schools desiring that their children and teachers participate in programs or projects assisted under this title. Nothing in the preceding sentence shall diminish the responsibility of local educational agencies to contact, on an annual basis, appropriate officials from private nonprofit schools within their school districts in order to determine whether such schools desire that their children and teachers participate in programs or projects assisted under this title.

(2) The State educational agency shall distribute 50 percent of the funds available under this subsection based on the relative number of children aged five to seventeen who—

(A) are from families below the poverty level as determined under section 1005(c)(2)(A) of this Act; and

(B) are from families above the poverty level as determined under section 1005(c)(2)(B) of this Act; in the schools of the local educational agencies within the State.

(c)(1) Except as provided in paragraph (2), in any case where the distribution under subsection (b) will result in a local educational agency receiving less than \$3,000, such local educational agency must apply for funds as part of a consortium with other local educational agencies, institutions of higher education, or an intermediate educa-

tional unit for the conduct of local programs. If a local educational agency is unable to form such a consortium, the State educational agency shall arrange with other local educational agencies, institutions of higher education, or intermediate educational units to provide services for the teachers and students in such local educational agency, unless the local educational agency rejects such option. The State educational agency shall reallocate any amounts which would have been distributed to local educational agencies which reject such option, to other local educational agencies within the State in accordance with subsection (b).

(2) The State educational agency may waive the requirements of paragraph (1) if a local educational agency in a rural and sparsely-populated area demonstrates the inability to form a consortium for administering programs in mathematics and science instruction.

SEC. 2059. STATE APPLICATION.

(a)(1) Any State desiring to receive a grant from funds allotted under section 2040 for any fiscal year shall submit to the Secretary a State application which covers a period of three fiscal years, is submitted at the time and in the manner required by the Secretary, and contains the information required under this subsection and any other information the Secretary may reasonably require.

(2) An application shall be developed in consultation with the State agency for higher education or if no such agency exists, with representative institutions of higher education in the State. This application shall include a description of how the State agency for higher education and State educational agency have coordinated the use of their respective funds.

(b) Each such application shall provide the following assurances that:

(1) Federal funds under this title will be used to supplement, not supplant, State and local funds;

(2) The State will provide such fiscal control and funds accounting as the Secretary may require;

(3) During the three-year period of the plan, the State will evaluate its standards for teacher preparation, licensing, certification, and endorsement for elementary and secondary mathematics and science;

(4) The State will involve institutions of higher education in implementing the programs under this Act;

(5) The State will take into account the needs for greater access to and participation in mathematics and science by students and teachers from historically underrepresented groups including females, minorities, individuals with limited English proficiency, the economically disadvantaged, and the handicapped.

(6) That the needs of teachers and students in areas with high concentrations of low-income students and sparsely populated areas will be considered in the distribution of funds reserved for State use.

(7) That the programs conducted with State funds will be evaluated annually (including statistics on the number of students and teachers involved in these programs) and that the results of such evaluations, as well as a summary of the local evaluations required under section 2070 will be submitted to the Secretary.

(c) Each application shall also contain the following:

(1) A projection of the supply and demand for teachers within the State in all the mathematics and science subject areas at the elementary and secondary levels, including a consideration of the impact of changing

State graduation requirements and other State reforms upon such supply.

(2) An assessment of the current elementary and secondary curriculum needs within the State in mathematics and science and a description of how those needs will be addressed by this Act.

(d) Each application shall also contain the following descriptions:

(1) How the programs under this Act will meet the teacher training and curriculum needs projected under subsection (c);

(2) The specific activities that will be undertaken that involve institutions of higher education.

(3) The specific activities that will be supported with funds reserved for State use and how those activities relate to the State's needs in mathematics and science.

(4) The specific activities the State will support to improve access of historically underrepresented groups in mathematics and science education.

(e) The Secretary shall expeditiously approve any State application that meets the requirements of this section.

SEC. 2070. LOCAL APPLICATION.

(a) A local educational agency shall submit an application which covers a three-year period singly or in conjunction with other local educational agencies, institutions of higher education, or an intermediate educational unit.

(b) A local educational agency application shall—

(1) assess the needs of its current teachers in mathematics and science, project the number of teachers needed in these areas and assess the degree to which there are currently shortages of teachers in these areas;

(2) provide information on the number of teachers in subjects or specialties for which they are not licensed or certified;

(3) assess the current levels of mathematics and science student achievement in the local educational agency and how funds under this Act will be used to improve it;

(4) assess curricular needs in mathematics and science and describe how the local educational agency will improve its curriculum;

(5) describe the programs and activities which funds under this Act will support;

(6) describe how funds under this Act will be coordinated with State and local and other Federal resources, especially with respect to any programs available from the National Science Foundation;

(7) describe how the programs will use other resources of the community and involve public agencies, private industry, institutions of higher education, public and private nonprofit organizations (including museums, libraries, educational television stations, professional science, mathematics, and engineering associations), and other appropriate institutions;

(8) assure that programs will take into account the need for greater access to and participation in mathematics and science programs by students from historically underrepresented groups, including females, minorities, individuals with limited-English proficiency, the economically disadvantaged, and the handicapped; and

(9) assure that the programs will be evaluated, that progress made will be reported in terms of numbers of teachers and students affected, and that the results will be submitted to the State educational agency in the time and manner required.

(c) The State educational agency shall renew payments to local educational agencies under this section based upon a determination by the State educational agency that the local educational agency is making adequate progress toward the goals of this

Act. The State educational agency will not disapprove an application without notice and opportunity for a hearing.

SEC. 208A. USES OF STATE FUNDS.

(a) Subject to the provisions of this section, funds reserved for State use may be used for direct grants to local educational agencies, institutions of higher education, educational television stations, and other nonprofit organizations, agencies, and institutions, or for statewide programs in mathematics and science, technical assistance, State administration, in order to carry out the following activities—

(1) teacher training activities described in section 2100;

(2) competitive grants for exemplary programs to improve mathematics and science teacher training, and instruction;

(3) evaluating and improving State licensing and certification procedures and preservice curriculum for mathematics and science teachers;

(4) special programs to recruit minorities and women into mathematics and science teaching;

(5) mathematics and science curriculum evaluation, development, or modernization, which may not include the purchase of materials and equipment;

(6) activities to coordinate mathematics and science programs with increased graduation requirements and other State reforms;

(7) development and implementation of instructional strategies using computer, video, and other telecommunications technologies for use in mathematics and science programs, particularly in sparsely populated areas;

(8) technical assistance, especially for isolated areas; and

(9) small grants to teachers for innovative projects to improve instruction in their classrooms.

(b) Not more than 5 percent of funds available to a State under this part may be used for State administration, of which 1 percent shall be available for the State agency for higher education and 4 percent shall be available for the State educational agency.

(c) Each State shall devote a portion of its funds available under this section for programs operated in conjunction with institutions of higher education.

SEC. 209A. LOCAL EDUCATIONAL AGENCY USES OF FUNDS.

(a) Funds distributed to local educational agencies in accordance with section 2050(b) may be used for—

(1) teacher training as described under section 2100;

(2) recruitment or retraining of minority teachers to become mathematics and science teachers;

(3) bonuses to be used as an incentive in the hiring of teachers in critical mathematics and science subject areas where the school does not have a certified subject area teacher in that area or in schools with an enrollment of 50 percent or more of students from low-income families;

(4) training in and instructional use of computers, video, and other telecommunications technologies as part of a mathematics and science program (which may include the purchase of computers or other telecommunications equipment in schools with an enrollment of 50 percent or more of students from low-income families);

(5) integrating higher order analytical and problem-solving skills into the mathematics and science curriculum;

(6) coordinating elementary and secondary curriculum in mathematics and science with each other and with higher education curriculum;

(7) special instructional programs in mathematics and science involving partnerships with public and private agencies, organizations, and institutions listed in section 2070(b)(7);

(8) intensive academic programs and counseling to prepare students to enter careers in mathematics and science, especially females, minorities, individuals with limited English proficiency, the economically disadvantaged, and the handicapped;

(9) matching grants for the purchase of apparatus and essential supplies to increase opportunities for hands-on or laboratory experiences for students in mathematics and science;

(10) start-up funding for magnet schools in mathematics and science which are designed to attract young people from among majority and minority groups, and both males and females;

(11) leadership workshops for school administrators to improve their ability to improve the mathematics and science instruction within their schools; and

(12) any other activity to modernize, expand, or improve mathematics and science education.

(b) A local educational agency may carry out the activities authorized by this section with one or more other local educational agencies within the State, the State educational agency, institutions of higher education, or intermediate educational units.

(c) Not more than 5 percent of funds available for the purposes of this section may be used for local administration.

SEC. 210A. TEACHER TRAINING ACTIVITIES.

State and local funds may be used for the following activities to improve teacher training and skills:

(1) Providing opportunities for elementary and secondary school teachers of mathematics and science, to increase their subject matter knowledge and teaching effectiveness through—

(A) academic year and consecutive summer inservice programs for teachers of high potential who are teaching out of their major or minor fields of preparation or in grade levels for which they are not adequately prepared;

(B) evening and weekend academic year, and summer programs of subject matter for elementary and secondary school teachers who are teaching eligible subjects for which they have never had an introductory college course;

(C) inservice workshops and institutes on subject matter and appropriate education offered by schools, local educational agencies, institutions of higher education, and public and private nonprofit agencies, institutions, and organizations, to enhance the currency of eligible subject matter preparation and teaching skills of teachers in their major field of preparation;

(D) programs to recertify teachers who are in other specialties or other fields;

(E) recruitment and inservice of minority teachers;

(F) stipends and payment of expenses to teachers to attend training under this paragraph;

(G) training school administrators to be instructional leaders and supervisors in mathematics and science; and

(H) improving skills of teachers while employed in summer jobs.

(2) Developing exchange programs in which outstanding teachers or school administrators from one school district or State are temporarily assigned to another school district or State to act as consultants or mentors in mathematics and science.

(3) Developing model programs for the exchange of mathematics and science personnel between education and private industry.

(4) Developing programs for the exchange of mathematics and science professional personnel between education and other fields.

(5) Supporting programs, including scholarships and internships, for qualified persons in business and the professions, including retired military personnel, who wish to become teachers of mathematics and science but lack coursework in education.

(6) Providing funds to local educational agencies for small grants to individual teachers to undertake projects to improve their teaching ability or to improve the instructional materials used in their classrooms in mathematics and science.

SEC. 211A. PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS.

(a) To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private nonprofit elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this title.

(b) To the extent consistent with the number of children in the State or in the school district of a local educational agency who are enrolled in private nonprofit elementary and secondary schools, such State, or agency or institution of higher education shall, after consultation with appropriate private school representatives, make provision, for the benefit of such teachers in such schools, for such inservice and teacher training and retraining as will assure equitable participation of such teachers in the purposes and benefits of this title.

(c) If by reason of any provision of law a State or local educational agency or institution of higher education is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by subsections (a) and (b), or if the Secretary determines that a State or local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers which shall be subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of this Act.

SEC. 212A. FEDERAL ADMINISTRATION.

(a) The Secretary shall provide technical assistance and shall develop procedures for State and local evaluations of the programs under this Act.

(b) The Secretary shall submit to the Congress an annual summary of the State evaluations of programs under this Act.

(c) In conjunction with State and local educational agencies and organizations of mathematics and science educators, the Secretary shall develop model reporting standards to encourage comparability of data required under sections 2060 and 2070.

SEC. 213A. NATIONAL PROGRAMS.

(a) From 5 percent of amounts appropriated under section 2030(b), the Secretary shall make grants in accordance with this section.

(b) The Secretary shall make grants to State and local educational agencies, institutions of higher education, and public and private nonprofit organizations (including museums, libraries, educational television producers, distributors, and stations, and

professional science, mathematics, and engineering societies and associations) for programs of national significance in mathematics and science instruction. The Secretary shall give special consideration in providing such assistance to local educational agencies (or consortia thereof), institutions of higher education, and public and private private nonprofit organizations, providing special services to historically underserved and underrepresented populations in the fields of mathematics and science.

(c) The Secretary shall disseminate information concerning grants under this section to State and local educational agencies and institutions of higher education. Such dissemination of information shall include examples of exemplary national programs in mathematics and science instruction and necessary technical assistance for the establishment of similar programs.

SEC 2145. REPEAL.

Title II of the Education for Economic Security Act is repealed.

SEC. 2146.—REAUTHORIZATION OF PARTNERSHIP IN EDUCATION.

Section 304(b) of the Education for Economic Security Act (20 U.S.C. 3983) is amended—

(1) by striking “, and 1988” and all that follows before the period;

(2) by striking “1986,” and inserting “1986 and”; and

(3) by adding at the end “There are authorized to be appropriated to carry out the provisions of this title \$10,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.”

AMENDMENTS OFFERED BY MR. PANETTA

Mr. PANETTA. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc, and that they be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendment is as follows:

Amendments offered by Mr. PANETTA:

Page 217, lines 2 and 3, strike “and engineering” and insert “engineering, and foreign language”.

Page 217, line 4, strike “mathematics and science” and insert “mathematics, science, and foreign languages”.

Page 217, line 10, strike “mathematics and science” and insert “mathematics, science, and foreign languages”.

Page 217, line 15, strike “mathematics and science” and insert “mathematics, science, and foreign languages”.

Page 217, after line 17, insert the following:

(d)(1) For any fiscal year, the Secretary shall reserve 25 percent of the sums available for the purposes of this section for grants for the improvement and expansion of instruction in critical foreign languages, as determined by the Secretary in accordance with paragraph (2).

(2) In determining which languages are critical to national security, economic, and scientific needs, the Secretary shall consult with the Secretary of State, the Secretary of Defense, the Secretary of Health and Human Services, and the Director of the National Science Foundation. The Secretary shall publish in the Federal Register a list of critical foreign languages.

Page 217, after line 17, insert the following section (and amend the table of contents accordingly):

SEC. 2135. PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE IN FOREIGN LANGUAGES.

(a) **PRESIDENTIAL AWARDS.**—The President is authorized to make Presidential Awards for Teaching Excellence in Foreign Languages to elementary and secondary school teachers of foreign languages who have demonstrated outstanding teaching qualifications in the field of teaching foreign languages.

(b) **SELECTION PROCESS.**—Each year the President is authorized to make one hundred and four awards under subsection (a) of this section. In selecting elementary and secondary school teachers for the award authorized by this section, the President shall select at least one elementary school teacher and one secondary school teacher from each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) **ADMINISTRATIVE PROVISIONS.**—The President shall carry out the provisions of this section, including the establishment of the selection procedures, after consultation with the Secretary of Education, other appropriate officials of Federal agencies, and representatives of professional foreign language teacher associations.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) There are authorized to be appropriated \$1,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 through 1993 to carry out the provisions of this section.

(2) Amounts appropriated pursuant to paragraph (1) shall be available for making awards under this section, for administrative expenses, for necessary travel by teachers selected under this section, and for special activities related to carrying out the provisions of this section.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Arkansas.

(Mr. ROBINSON asked and was given permission to revise and extend his remarks.)

Mr. ROBINSON. Mr. Chairman, I rise today to speak in favor of H.R. 5, the School Improvement Act of 1987. It is a good bill, and will mean good things to the school children of Arkansas' Second Congressional District. The School Improvement Act reauthorizes virtually all Federal programs providing aid to elementary and secondary education, and represents the Federal Government's commitment to education through 1993.

H.R. 5 is the most far-reaching education bill of the decade. It makes good on the Federal promise to join with States and local school districts in enhancing the quality of our Nation's elementary and secondary schools. It does so by offering a package of programs that collectively reaffirm the twin Federal commitments to: First, access to quality education for disadvantaged students and other students with special needs; and second, excellence in education for the Nation as a whole.

This is an omnibus bill. It extends and revises 14 elementary and secondary education programs. Some of these are: chapter 1, chapter 2, the Adult Education Act for adult literacy, the Magnet Schools Assistance Program, the Drug-Free Schools and Communities Act, the Excellence in Education Demonstration Grant Program, the Impact Aid Program of assistance to schools in federally affected areas, and others.

Chapter 1 is the largest Federal elementary and secondary program in America, and is the

cornerstone of this bill. The central purpose of chapter 1 is educating low-achieving students in poor areas—a goal in which the Federal Government has been extremely successful. H.R. 5 strengthens chapter 1 through provisions to target more funds on the neediest areas and to expand the program to the pre-school and secondary school levels. In connection with this targeting on secondary schools, the bill adds a new initiative for dropout prevention programs. The bill also seeks to improve the quality of chapter 1 programs by instituting new provisions to hold schools more accountable for the outcome of chapter 1 and to encourage successful programs.

H.R. 5 contains several components aimed at generally upgrading the quality of instruction of our Nation's schools. The chapter 2 block grant is refocused in a way that makes clear that these funds are to be on the cutting edge of educational improvement in the school district. Chapter 2 is the pot of money to be used to help school districts implement innovative programs or make special instructional purchases that they do not have the local funds to support.

Another noteworthy excellence program in the bill is the Mathematics and Science Education Program which authorizes funds for teacher training and other activities to strengthen math and science instruction. Finally, the bill institutes a new authorization for education of gifted and talented children.

Of special interest to my State and congressional district is the increased authorization level of the Magnet Schools Assistance Program. Previously funded at \$75 million per year, this bill raises the level to \$115 million. That's good news for all school districts currently undergoing court-ordered desegregation efforts.

I want the Federal Government to become a better partner with State and local governments in education. Budget cuts in the area have been dramatic. The Federal contribution to public education spending declined from 9 percent in 1980 to 6.5 percent in 1984. The declines in Federal program spending are particularly sharp: chapter 1 lost 17 percent in its purchasing power between fiscal years 1980 and 1987; chapter 2 lost 55 percent; bilingual education 45 percent; impact aid 38 percent; and adult education 28 percent.

Mr. Chairman, this bill will restore some of the ground these programs lost by increasing the fiscal year 1988 authorizations to a level adequate to allow for some modest growth. It is the best investment we can make, and I will continue to stand tall in support of these basic educational programs.

(Mr. PANETTA asked and was given permission to revise and extend his remarks.)

Mr. PANETTA. Mr. Chairman, I rise to offer two amendments en bloc to H.R. 5, the School Improvement Act, on Elementary and secondary foreign language programs. The first would restore a provision for the Critical Foreign Languages Program in the Secretary's Discretionary Fund of the Department of Education, while the second would establish Presidential Awards of Excellence in the teaching of foreign languages. I am very pleased to be joined by Representative

SAWYER in introducing the first amendment, and equally pleased to have your support and that of the ranking minority member for both measures.

The Critical Foreign Languages program of the Secretary's discretionary fund is a small but important component of the Federal Government's involvement in foreign language education at the elementary and secondary levels. For the past 3 years, this program has been allocated \$2 million each year, mostly for grants to fund a total of 70 foreign language programs at the elementary and secondary levels.

The types of programs funded are those that are superior in and of themselves or are good models, mostly in the areas of teacher training and curriculum development for critical foreign languages. This category officially includes a total of over 100 languages, though there is a narrower category of the 11 most critical, and a large portion of the programs are actually in just 3 languages: Chinese, Japanese, and Arabic. There is a concentration on these three because, among those languages critical to our national security and economic prosperity, there is a special need for programs in these three. Most of the programs to date have been cooperative ventures between local schools and institutions of higher education. In addition, some money has gone directly to State education associations to aid in the development of statewide plans for foreign language curriculums.

The Critical Languages Program has become one of the most effective among those funded by the Secretary's Discretionary Fund, and, as I mentioned, one of the best foreign language programs at the Federal Level. Nonetheless, it was deleted from the School Improvement Act by the Committee largely, as I understand, because the Discretionary Fund, is mostly intended to fund math and science programs and because an option to spend money on foreign language programs would still be retained. However, historically, nearly all the money in the Discretionary Fund not specifically earmarked for foreign languages has been used to meet pressing math and science needs. While I applaud the increased attention to foreign languages recently demonstrated by Congress in H.R. 3, the Critical Foreign Languages Program of the Secretary's Discretionary Fund is much more valuable than its small funding level of approximately \$2 million would suggest. It is the only part of title III specifically earmarked for foreign languages, and Departmental staff have ensured that these funds are used for innovative and solid programs. Eliminating Critical Foreign Languages from the Discretionary Fund would mean that little or no title II money would go toward foreign languages, and a small but important portion of

the Federal Government's foreign language program would be lost.

My amendment would add "foreign languages" to math and science as an eligible area for funding under section 2130: National Programs, of "Title II—Critical Skills Improvement" of the School Improvement Act. It would, in addition, set aside 25 percent of the funds in National Programs specifically "for the improvement and expansion of instruction in critical foreign languages." This amendment restores the status quo for this program before the drafting of H.R. 5, and would not increase the cost of H.R. 5 because funds would be taken out of those authorized for the entire program.

This amendment would guarantee the continuation of a small but important program focusing on languages essential to our security and economic well-being, and therefore constitute a contribution to our country far in excess of the resources devoted to it.

My second measure would establish a system of Presidential Awards for Teaching Excellence in Foreign Languages in order to focus national attention on the critical need for foreign language teachers. Few people would, I believe, deny that such a pressing need exists. In a recent survey by the National Association of State Supervisors of Foreign Language Teachers, 57 percent of the States responding reported a current shortage, and almost 65 percent expect to experience such a shortage in the near future.

While considerable attention has been devoted to decreasing the shortage of teachers in other areas, notably math and science, important to our security and economic prosperity, relatively little effort has been made to remediate a comparably great shortage of foreign language teachers.

My amendment, which would add a new section 2135 to "Title II—Critical Skills Improvement," would take a small but significant step toward correcting this major deficiency in our educational system. A total of 104 awards would be made by the President to elementary and secondary teachers who have demonstrated outstanding teaching qualifications in the field of foreign languages. At least one elementary and one secondary school teacher from each State, as well as the District of Columbia and Puerto Rico, would be selected, thereby ensuring attention across the Nation to foreign language teachers. The cost of this program would be \$1 million for fiscal year 1988, with the necessary sums being allocated in subsequent years.

While this amendment would not actually create a new Federal foreign language program, these Presidential awards would significantly add to the prestige of good foreign language teachers, and thereby motivate a greater number of more highly qualified persons to become and remain foreign language teachers. This would have significant value beyond the relatively small cost of the program, as it

is now difficult for many school districts across the country to attract and retain highly qualified foreign language instructors.

In general, as I noted, foreign language instruction has been neglected in favor of other "critical skills." Given that the ease of learning a second language is inversely proportional to age, it is discouraging to find that only 1 percent of students in our elementary schools receive any kind of foreign language training. Moreover, a 1982-83 survey showed that only 21.3 percent of all high school students were enrolled in foreign language courses, 88 percent of which were in Spanish and French. These distressing facts attest to the need to devote much more, and higher quality, attention to foreign languages, especially at the elementary and secondary levels. This measure would dramatically increase the prestige of teaching foreign languages, and therefore help improve instruction in and attention to foreign languages in the crucial years to come.

Mr. Chairman, global interdependency is a fact of life, and America can no longer exist in this world wearing linguistic blinders. The investment in our future national security and prosperity represented by these two measures is very minimal, yet the stakes are high. We must act now to put our foreign language and international education system back on track, and these amendments represent small but significant steps in this direction. I therefore urge the support of my colleagues for both measures.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. Mr. Chairman, I yield to the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from California is correct. He has discussed the three amendments, two of which are now before the House, with the ranking minority member and me.

We had objections to one of them which is not included in the two which are under discussion now because of the amount of money involved.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The time of the gentleman from California [Mr. PANETTA] has expired.

(At the request of Mr. HAWKINS, and by unanimous consent, Mr. PANETTA was allowed to proceed for 2 additional minutes.)

Mr. HAWKINS. Mr. Chairman, if the gentleman will yield further, a very small, modest amount is included in one of the two amendments now under discussion. The amendments have a great deal of merit.

As a matter of fact, they have already been approved in the trade bill which this House has passed.

For that reason, we were reluctant to duplicate what we had already done. However, we share with the gen-

tleman from California [Mr. PANETTA] some reluctance to say that the trade bill will eventually be enacted.

We have assured the gentleman that in such case, we will consider not only the two amendments before us now, but the third one which is not now being offered.

I think that is a reasonable accommodation. We think the two amendments before us now, the foreign language training amendment and Presidential awards for outstanding foreign language teachers, are two concepts that are certainly highly acceptable; and it is for that reason that we on this side are willing to accept the two amendments.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we have looked at these amendments, discussed these amendments, and are pleased to accept the two that are being offered, with the understanding that we are not pleased to accept the third at this particular time.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. Mr. Chairman, I yield to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I stand in support of the amendment offered by the gentleman from California [Mr. PANETTA].

Our former colleague, PAUL SIMON, was active in promoting this area of education.

If we are to become truly competitive in the world, we have to start educating our sons and daughters to speak the languages of the world.

It has been a source of great dismay over the years to see this concentration of high school curriculum and elementary school curriculum diminish instead of increase.

The gentleman from California [Mr. PANETTA] has made a valuable and important contribution to our foreign languages program and to our continued efforts to increase world competitiveness.

Mr. SAWYER. Mr. Chairman, I rise in support of the amendment.

(Mr. SAWYER asked and was given permission to revise and extend his remarks.)

Mr. SAWYER. Mr. Chairman, I am privileged to rise in support of the Panetta-Sawyer amendment to title II of H.R. 5.

As our distinguished friend and colleague, the gentleman from California, explained, this amendment would add foreign language instruction as an allowable activity under the Secretary's discretionary fund.

For the benefit of the Members, title II is a provision that I sponsored, along with Chairman HAWKINS, which

seeks to increase the role played by the Federal Government in encouraging the improvement of math and science instruction in our Nation's elementary and secondary schools. When this legislation was drafted, the decision was made to remove foreign language instruction and computer learning as allowable activities under the bill.

It is important to understand that this was done for two reasons. First, the committee conducted a careful analysis of the current law, particularly how title II had targeted academic deficiencies in critical areas and applied the programmatic goals of the legislation to effect improvements.

In addition, we weighed the availability of funding against the overall scope of the program.

In general, the conclusion that the committee drew was that title II was badly in need of the kind of focus that would lend itself to the efficient expenditure of federal funds to meet more directly the needs of the targeted population.

Just consider the following statistics: Seventy-one hundred high schools offer no physics courses at all. Forty-two hundred offer no chemistry courses and 1900 offer no courses in biology. The reason for this is obvious. There simply are not enough science teachers.

It is almost as disturbing to note that in many schools that do offer these courses, they are taught by otherwise well-qualified teachers who have themselves never ever taken an introductory course in the subject that they are teaching.

We heard comparable and troubling testimony regarding mathematics instruction where data indicates that our top secondary students are at best average when viewed in an international context.

Second, and I think this is really important, something that the chairman mentioned, the trade bill, H.R. 3, contains some \$50 million for grants to States to implement foreign language programs. I think that without that provision in the trade bill the committee would never have considered going the particular route for the particular kind of focus that we achieved.

I share the view of the distinguished Member from California that the acquisition of foreign language skills is of fundamental importance if we as a nation are to participate effectively in the international arena.

This amendment provides a rational solution by placing foreign languages in the Secretary's discretionary fund where State and local educational institutions, institutions of higher education and public and nonprofit organizations can apply for grants to conduct foreign language programs of national significance.

Mr. Chairman, I would like to thank the gentleman from California for working with me on this provision and

urge the Members of the House to approve this amendment.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The time of the gentleman from California has expired.

(At the request of Mr. HAWKINS, and by unanimous consent, Mr. PANETTA was allowed to proceed for an additional 30 seconds.)

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the distinguished gentleman from California.

Mr. HAWKINS. Mr. Chairman, I take this time only to commend the gentleman from Ohio [Mr. SAWYER]. He is one of the permanent members of the committee and in his first term as a member of the Education and Labor Committee he has proven to be an outstanding contributor to the success of the committee, particularly in the math and science fields.

This component in H.R. 5 we think is one of the greatest contributions that we can possibly make in the field of American education. I think the people of this country and certainly the people of the gentleman's district should be proud of this contribution the gentleman has made.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from California [Mr. PANETTA].

The amendments were agreed to. Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had a third amendment at the desk which I will not offer at this time, which is the amendment that would authorize grants to States for the creation and operation of model foreign language programs. This is a proposal, the proposal that is contained in the trade bill, and was adopted and now is on the other side.

My concern in proposing this was because of the concern whether or not we would get trade legislation. It is important that we have the funding for these model foreign language programs.

I would just ask the chairman to assure me that should the trade bill not be adopted, for one reason or another, or not move for one reason or another, that the gentleman would assure me that he could move this legislation creating these model programs as separate legislation in that event.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the distinguished gentleman from California.

Mr. HAWKINS. Mr. Chairman, I am of the opinion that a trade bill will be passed; however, in the event that one is not passed or that this foreign language component is not included in the passed bill, I would certainly want to assure the gentleman that the committee will consider his third amendment, which he is now withdrawing, and give serious consideration to it.

I, for one, am highly in favor of it. I am confident that his bill will be given every possible consideration in the the committee.

Mr. PANETTA. Mr. Chairman, I thank the gentleman.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I just want to join with the chairman's comments. I understand what the gentleman is attempting to do and I certainly agree with it.

I certainly will also do all I can in the event that it does not come through on the trade bill to assist the gentleman in his efforts.

Mr. PANETTA. Mr. Chairman, I thank the gentleman.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, with respect to the chairman indicating that he would consider it, are we suggesting that it would be considered at a later date, possibly in conference?

Mr. PANETTA. As I understand, that provision is now a part of the trade bill and it is the hope of the chairman that it will remain a part of the trade bill and that a trade bill will be adopted.

My concern was in the event that does not happen, I would like to see this legislation move as a separate piece of legislation.

Mr. PURSELL. Well, that was my point. From a vehicle standpoint, where would this be?

We need some debate on that particular issue. I may have some problems with it, because I am not sure that policy-wise we should be directing curricula, math, science, foreign policy, reading, literature, history, government—you know, if we start getting into that role, I think we are building a concern here that I have from a local school board vantage point.

So I am asking, where will the debate take place? In the light of this, it may or may not be a good amendment. This is not my point. Where would the vehicle be in respect to coming back with it, if we think it is appropriate?

Mr. HAWKINS. Mr. Chairman, if the gentleman will yield, it is my understanding that the amendment referred to is included in both the Senate and the House versions of the trade bill. We are only speaking now of insurance that this highly acceptable amendment which we think has a great deal of merit is protected in the event that a trade bill is not passed.

We have given the assurance to the gentleman from California that if that happens, that his third amendment would be the subject of a freestanding bill, along with the other two amendments, and that that bill would be acted upon and considered in the Education and Labor Committee.

We anticipate, with the assurance also from the ranking minority member, that the bill would then be passed out of the committee and, obviously, then would be before the House; so that as I understand is the scenario to which we have tentatively agreed.

Mr. PANETTA. And I think, Mr. Chairman, the answer to the gentleman's question is that would obviously offer the opportunity to debate the issue at that time should it come to the floor as a separate vehicle.

Mr. PURSELL. Well, Mr. Chairman, if the gentleman will yield further, we have already started down the road at looking at a different section of this bill. The gentleman has elected not to put it in the first section, which was I think math and science. The gentleman has elected to amend another line in another section, so I am just saying that the gentleman has already embarked on a course of looking at one priority versus another priority in respect to substantive curriculum issues. I think that is a very dangerous game to be playing here until we have full debate on that as an overall comprehensive policy in respect to should the Federal Government be dictating specific curriculum pieces to various States and various local school boards. I think that is fundamentally an issue that we ought to be debating.

Mr. PANETTA. Mr. Chairman, I understand the gentleman's concern, but I have offered that amendment. It is not on the floor. I have just moved to strike the last word, so I am sure the gentleman will get that opportunity at some point.

Mr. PURSELL. Well, Mr. Chairman, if the gentleman will yield further, I understand, but I read the message here that it is an acceptable practice and therefore an acceptable policy to be taking it up at a later date, in another vehicle. I am not opposed to that, except the fact that we need some debate on the specific curriculum policy issue with respect to education in this country.

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Mrs. ROUKEMA. Mr. Chairman, I move to strike the last word.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of H.R. 5, the School Improvement Act of 1989, which reauthorizes 14 major elementary and secondary education programs. The most important programs are, of course, chapter 1, which provides supplemental education for economically disadvantaged children, and chapter 2, which provides State block grants for needy school districts to improve basic skills development. The legislation also extends a number of programs authorized under the Elementary and Secondary Education Act, creates a new program for gifted children and focuses new resources on math and sci-

ence, basic skills, dropout prevention, and drug abuse prevention.

As a former teacher and school board member I am acutely aware of the need for legislation such as this, that encourages and rewards excellence in education, and provides necessary assistance to children who might otherwise never catch up with their more fortunate classmates. However, I must reiterate my belief that the role of the Federal Government in education is a limited one; local governments are clearly best equipped to know what their particular community needs most. They are attuned to the priorities of the community. They share its values.

Local governments are also in a better position to fund certain programs. Some States have actually enjoyed budget surpluses while the Federal Government continues to grapple with an enormous deficit. This particular legislation will cost us \$4 billion next year. I think it is apparent that we must work toward limiting Federal involvement in education.

I am grateful that the committee accepted my amendments to the education provisions of the Anti-Drug Abuse Act of 1986. The Roukema amendments provide for the inclusion of youth suicide prevention programs in the authorized drug abuse prevention programs. The amendments are particularly timely in light of the recent wave of highly publicized teenage suicides. As some of you may be aware, in March of this year four young people in my congressional district committed suicide together.

There is no doubt that suicide among teenagers is among the most serious social problems in that group. Suicide is a leading cause of death among persons between the ages of 15 and 24, second only to traffic fatalities. The number of young people taking their lives has increased greatly in the last few decades. Last week the Subcommittee on Elementary, Secondary, and Vocational Education held hearings on Teenage Suicide Prevention.

A distinguished panel of experts offered their advice on how to prevent these tragedies. The experts confirmed that there is a well established relationship between drug abuse and youth suicide. My amendment recognizes this connection between drug problems and other problems facing our young people.

I would like to commend my colleagues, Mr. HAWKINS and Mr. GOODLING, for their excellent work in forging a bipartisan bill.

Mr. Chairman, there is one program included in H.R. 5 about which I do have serious reservations—that is the Bilingual Education Act. I have long been a critic of the bilingual education program for its failure to recognize the need to teach English to non-English speaking children as early as possible. As you know, Federal law man-

dates that school districts receiving money for bilingual education must teach in the native language of the school children. This method has not proven effective. This year's bill will allow additional funding for alternative teaching methods such as "immersion," and "English as a second language." While this provides some flexibility I believe the legislation should have gone much further. Bilingual education programs should be geared toward getting school children assimilated into English-speaking classes rapidly and effectively. The inability to speak English can severely hamper a citizen's ability to participate fully in the mainstream of America. We should not hesitate to support educational methods that ensure such participation.

Mr. Chairman, I would like to make a statement on behalf of the chairman and the vice chairman of the committee and the excellent work that they have done. An editorial in the Washington Post of April 22 entitled "An Education Bill Without Losers," quite correctly commends the leaders of our committee and members of the committee for developing a bill that will singularly help education in this country, and there are all winners and no losers.

The editorial follows:

AN EDUCATION BILL WITHOUT LOSERS

The goals of federal aid to education have always been greater than the funds. The gap has grown in recent years as the poverty rate among children has increased (the main program aids the poor) while appropriations basically have not. Within the administration and, for somewhat different reasons, among some advocacy groups with which the administration is normally at odds, this mismatch has rekindled interest in the old issue of concentrating funds in areas of greatest need.

The idea is that, to do discernible good, the available money must be bunched in fewer school districts and fewer schools. But this is a difficult course to follow for the mostly elected officials who must distribute the money—Congress at the national level, school boards locally—even if they agree with it. All the obvious pressures on them are to spread the money out to enlist and please as many people as they can.

In the House, where work has begun on a reauthorization of the existing programs, the leadership of the Education and Labor Committee has worked out a compromise. Here you have a major program for the poor that continues, in part because the money is widespread, to receive broad support. The chairman, Augustus Hawkins, wants to move a bill quickly without jeopardizing that—and any effort to change the funding formula in the main program by taking money away from some school districts to give it to others would roll the waters instead. The bill, on which the full committee began work yesterday, would therefore leave the funding formula alone up to the amount of the present appropriation; to that extent there would be no losers. It then seeks to require that as appropriations rise in future years, the next \$400 million be distributed on a more selective basis, favoring districts with the greatest concentrations of need. Then the old formula would kick in again.

Whether the appropriators can be bound this way is not completely clear. The appropriations committees have tended to shun a program for the neediest districts in the past. But this may be the best resolution of this important issue that can be achieved in the House, while the Senate may be better disposed. Mr. Hawkins and the ranking Republican on the education subcommittee, William Goodling, have generally done a good job of avoiding distractions—showy program expansions, for example, or the administration's school voucher plan—and easing this workmanlike bill along. Good legislation doesn't have to produce good theater.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). Are there further amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—MAGNET SCHOOLS ASSISTANCE

SEC. 3001. SHORT TITLE.

This title may be cited as the "Magnet Schools Assistance Act of 1987".

SEC. 3002. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out the provisions of this title \$115,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.

SEC. 3003. ELIGIBILITY.

A local educational agency is eligible to receive assistance under this title if the local educational agency—

(1) has received \$1,000,000 less in the first fiscal year after the repeal of the Emergency School Aid Act by section 587(a) of the Omnibus Budget Reconciliation Act of 1981 as a result of the repeal of that Act; or

(2) is implementing a plan undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and which requires the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency; or

(3) without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement, a plan which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools.

SEC. 3004. STATEMENT OF PURPOSE.

It is the purpose of this title to support, through financial assistance to eligible local educational agencies—

(1) the elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial portions of minority students; and

(2) courses of instruction within magnet schools that will substantially strengthen the knowledge of academic subjects and the grasp of tangible and marketable vocational skills of students attending such schools.

SEC. 3005. PROGRAM AUTHORIZED.

The Secretary is authorized, in accordance with the provisions of this title, to make grants to eligible local educational agencies for use in magnet schools which are part of an approved desegregation plan and which are designed to bring students from different social, economic, ethnic, and racial backgrounds together.

SEC. 3006. DEFINITION.

For the purpose of this title the term "magnet school" means a school or educational center that offers a special curriculum

capable of attracting substantial numbers of students of different racial backgrounds.

SEC. 3007. USES OF FUNDS.

Grants made under this title may be used by eligible local educational agencies for—

(1) planning and promotional activities directly related to expansion and enhancement of academic programs and services offered at magnet schools;

(2) the acquisition of books, materials, and equipment including computers and the maintenance and operation thereof, necessary for the operation of programs in magnet schools; and

(3) the payment of or subsidization of the compensation of elementary and secondary school teachers who are certified or licensed by the State and who are necessary for the operation of programs in magnet schools; where with respect to paragraphs (2) and (3), such assistance is directly related to improving the knowledge of mathematics, science, history, English, foreign languages, art, or music, or to improving vocational skills.

SEC. 3008. APPLICATIONS AND REQUIREMENTS.

(a) Each eligible local educational agency which desires to receive assistance under this title shall submit an application to the Secretary. Each such application shall be in such form as the Secretary may reasonably require. Each such application shall contain assurances that the local educational agency will meet the conditions enumerated in subsection (b).

(b) As part of the annual application required by subsection (a), each eligible local educational agency shall certify that the agency agrees—

(1) to use funds made available under this title for the purposes specified in section 3004;

(2) to employ teachers in the courses of instruction assisted under this title who are certified or licensed by the State to teach the subject matter of the courses of instruction;

(3) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, or national origin in the hiring, promotion, or assignment of employees of the agency or other personnel for whom the agency has any administrative responsibility;

(4) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, or national origin in the mandatory assignment of students to schools or to courses of instruction within schools of such agency except to carry out the approved plan;

(5) to provide assurances that the local educational agency will not engage in discrimination based upon race, religion, color, or national origin in designing or operating extracurricular activities for students; and

(6) to provide such other assurances as the Secretary determines necessary to carry out the provisions of this title.

(c) No application may be approved under this section unless the Assistant Secretary of Education for Civil Rights determines that the assurances contained in paragraphs (3), (4), and (5) of subsection (b) will be met.

SEC. 3009. SPECIAL CONSIDERATION.

(a) In approving applications under this title the Secretary shall give special consideration to—

(1) the recentness of the implementation of the approved plan or modification thereof;

(2) the proportion of minority group children involved in the approved plan;

(3) the need for assistance based on the expense or difficulty of effectively carrying out an approved plan and the program or projects for which assistance is sought; and

(4) the degree to which the program or project for which assistance is sought affords promise of achieving the purposes of this title.

(b) The Secretary shall not make a determination about the award of funds under this title solely on the basis of whether an applicant received an award in a prior funding cycle.

SEC. 391A. PROHIBITIONS.

Grants under this title may not be used for consultants, for transportation, or for any activity which does not augment academic improvement.

SEC. 391I. LIMITATION ON PAYMENTS.

(a) No local educational agency may receive a grant under this title for more than one fiscal year unless the Secretary determines that the program for which assistance was provided in the first fiscal year is making satisfactory progress in achieving the purposes of this title.

(b) No local educational agency may expend more than 10 percent of the amount that the agency receives in any fiscal year for planning.

(c) No State shall reduce the amount of State aid with respect to the provision of free public education or the amount of assistance received under chapter 2 of title I of this Act in any school district of any local educational agency within such State because of assistance made or to be made available to such agency under this title. The Secretary may waive the prohibition against the reduction of assistance received under chapter 2 and permit such a reduction if the State demonstrates that the assistance under such chapter 2 is not necessary to the local educational agency concerned.

SEC. 391J. PAYMENTS.

(a) The Secretary shall pay to each local educational agency having an application under this title the amount set forth in the application.

(b) Notwithstanding section 412 of the General Education Provisions Act, not more than 15 percent of funds available for each fiscal year for the purposes of this title may remain available for obligation and expenditure during the succeeding fiscal year pursuant to such section. The provisions of this subsection shall not apply if grants are not awarded in a timely manner.

(c) The Secretary may not reduce any payment under this title for any fiscal year by any amount on the basis of the availability of funds pursuant to sections 412(b) and (c) of the General Education Provisions Act.

SEC. 391K. WITHHOLDING.

The provisions of sections 453 and 454 of the General Education Provisions Act, relating to withholding and cease and desist orders, shall apply to the program authorized by this title.

SEC. 391L. REPEAL.

Title VII of the Education for Economic Security Act is repealed.

The CHAIRMAN pro tempore. Are there amendments to title III?

If not, the Clerk will designate title IV.

The text of title IV is as follows:
TITLE IV—GIFTED AND TALENTED PROGRAMS

SECTION 4001. SHORT TITLE.

This title may be referred to as the "Jacob K. Javits Gifted and Talented Children and Youth Education Act of 1987".

SEC. 402A. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) gifted and talented children and youth are a national resource vital to the future of the Nation and its security and well-being;

(2) unless the special abilities of gifted and talented children and youth are recognized and developed during their elementary and secondary school years, much of their special potential for contributing to the national interest is likely to be lost;

(3) gifted and talented children and youth from economically disadvantaged families and areas are at greatest risk of being unrecognized and of not being provided adequate or appropriate educational services;

(4) State and local educational agencies and private nonprofit schools often lack the necessary specialized resources to plan and implement effective programs for the early identification of gifted and talented children and youth for the provision of educational services and programs appropriate to their special needs; and

(5) the Federal Government can best carry out the limited but essential role of stimulating research and development and personnel training, and providing a national focal point of information and technical assistance, that is necessary to ensure that our Nation's schools are able to meet the special educational needs of gifted and talented children and youth, and thereby serve a profound national interest.

(b) STATEMENT OF PURPOSE.—It is the purpose of this title to provide financial assistance to State and local educational agencies, institutions of higher education, and other public and private agencies and organizations, to initiate a coordinated program of research, demonstration projects, personnel training, and similar activities designed to build a nationwide capability in our elementary and secondary schools to identify and meet the special educational needs of gifted and talented children and youth. It is also the purpose of this title to supplement and make more effective the expenditure of State and local funds, and of Federal funds expended under chapter 2 of this Act and title II of this Act, for the education of gifted and talented children and youth.

SEC. 4002. DEFINITIONS.

For the purposes of this title the following terms have the following meanings:

(1) The term "gifted and talented children and youth" means children and youth who give evidence of high performance capability in areas such as intellectual, creative, artistic, or leadership capacity, or in specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities.

(2) The term "Secretary" means the Secretary of Education.

(3) The term "institution of higher education" has the same meaning given such term in section 435(b) of the Higher Education Act of 1965.

(4) The term "Hawaiian native" means any individual any of whose ancestors were natives prior to 1778 in the area which now comprises the State of Hawaii.

(5) The term "Hawaiian native organization" means any organization recognized by the Governor of the State of Hawaii primarily serving and representing Hawaiian natives.

SEC. 4003. AUTHORIZED PROGRAMS.

(a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 4090 in any fiscal year the Secretary (after consultation with the advisory committee established pursuant to section 4070) shall make grants to or contracts with State educational agencies, local educational agencies, institutions of higher education, or other public and private agencies and organizations (including Indian tribes and organizations as defined by the Indian Self-Determination and Education Assistance Act and

Hawaiian native organizations) which submit applications to assist them in carrying out programs or projects authorized by this section that are designed to meet the educational needs of gifted and talented children and youth, including the training of personnel in the education of gifted and talented children and youth or in supervising such personnel.

(b) USES OF FUNDS.—Programs and projects funded under this section may include—

(1) preservice and inservice training (including fellowships) for personnel (including leadership personnel) involved in the education of gifted and talented children and youth;

(2) establishment and operation of model projects and exemplary programs for the identification and education of gifted and talented children and youth, including summer programs and cooperative programs involving business, industry, and education;

(3) strengthening the capability of State educational agencies and institutions of higher education to provide leadership and assistance to local educational agencies and nonprofit private schools in the planning, operation, and improvement of programs for the identification and education of gifted and talented children and youth;

(4) programs of technical assistance and information dissemination; and

(5) carrying out (through the National Center for Research and Development in the Education of Gifted and Talented Children and Youth established pursuant to subsection (c))—

(A) research on methods and techniques for identifying and teaching gifted and talented children and youth; and

(B) program evaluations, surveys, and the collection, analysis, and development of information needed to accomplish the purposes of this title.

(c) ESTABLISHMENT OF NATIONAL CENTER.—The Secretary shall establish a National Center for Research and Development in the Education of Gifted and Talented Children and Youth through grants to or contracts with one or more institutions of higher education or State educational agencies, or a combination or consortium of such institutions and agencies, for the purpose of carrying out clause (5) of subsection (b). Such National Center shall have a Director. The Director shall consult with the advisory committee appointed by the Secretary pursuant to section 4070 with respect to the agenda of the National Center. The Secretary may authorize the Director to carry out such functions of the National Center as may be agreed upon through arrangements with other institutions of higher education, State or local educational agencies, or other public or private agencies and organizations.

(d) LIMITATION.—Not more than 30 percent of the funds available in any fiscal year to carry out the programs and projects authorized by this section may be used for the conduct of activities pursuant to subsections (b)(5) or (c).

SEC. 4004. PROGRAM PRIORITIES.

In the administration of this title the Secretary (and the advisory committee established pursuant to section 4070) shall give highest priority—

(1) to the identification of gifted and talented children and youth who may not be identified through traditional assessment methods (including the economically disadvantaged, individuals of limited English proficiency, and individuals with handicaps) and to education programs designed to include gifted and talented children and youth from such groups; and

(2) to programs and projects designed to develop or improve the capability of schools in an entire State or region of the Nation through cooperative efforts and participation of State and local educational agencies, institutions of higher education, and other public and private agencies and organizations (including business, industry, and labor), to plan, conduct, and improve programs for the identification and education of gifted and talented children and youth.

SEC. 1042. PARTICIPATION OF PRIVATE SCHOOL CHILDREN AND TEACHERS.

In making grants and contracts under this title, the Secretary shall ensure, where appropriate, that provision is made for the equitable participation of children and teachers in private nonprofit elementary and secondary schools, including the participation of teachers and other personnel serving such children in preservice and inservice training programs.

SEC. 1070. SECRETARY'S ADVISORY COMMITTEE.

(a) **APPOINTMENT AND MEMBERSHIP.**—The Secretary shall appoint a committee composed of at least five persons who are not Federal employees to advise on the administration of this title, including the content of regulations governing the administration of the title. The committee shall have as members at least one person who is a director of programs for gifted and talented children and youth in a State educational agency, one person who has substantial responsibility in an institution of higher education for preparing teachers of such children and youth, one person who is nationally recognized as an authority on research in the field of special education of such children and youth, one person who is engaged as a teacher in a special program for such children and youth, and one person who is a parent of a child enrolled in an elementary or secondary school program for such children and youth.

(b) **DUTIES.**—The Secretary shall meet with the advisory committee at least twice during each fiscal year for which appropriations are made to carry out this title, and shall seek the advice and counsel of the committee with respect to—

(1) identification of the most urgent needs for strengthening the capability of elementary and secondary schools nationwide to plan and operate effective programs for the identification and education of gifted and talented children and youth, and for addressing the program priorities set forth in section 1050;

(2) the kinds of programs and projects authorized by this title that are best calculated to help meet the needs identified by the Secretary and the committee pursuant to clause (1);

(3) the assessment of the effectiveness of programs and projects funded under this title, and of progress under the title in expanding and improving educational opportunities and programs for gifted and talented children and youth; and

(4) such other matters relating to the administration of this title as the Secretary may find useful.

SEC. 1080. ADMINISTRATION.

The Secretary shall establish or designate an administrative unit within the Department of Education to administer the programs authorized by this title, to coordinate all programs for gifted and talented children and youth administered by the Department, and to serve as a focal point of national leadership and information on the educational needs of gifted and talented children and youth and the availability of educational services and programs designed to meet those needs. The administrative unit established or designated pursuant to this section

shall be headed by a person of recognized professional qualifications and experience in the field of the education of gifted and talented children and youth.

SEC. 1090. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$25,000,000 for fiscal year 1988, and such sums as may be necessary for each of the five subsequent fiscal years, for the purpose of carrying out this title.

The CHAIRMAN pro tempore. Are there amendments to title IV?

If not, the Clerk will designate title V.

The text of title V is as follows:

TITLE V—DRUG EDUCATION

SEC. 5101. SHORT TITLE.

This title may be cited as the "Drug-Free Schools and Communities Act of 1986".

SEC. 5102. FINDINGS.

The Congress finds that:

(1) Drug abuse education and prevention programs are essential components of a comprehensive strategy to reduce the demand for and use of drugs throughout the Nation.

(2) Drug use and alcohol abuse are widespread among the Nation's students, not only in secondary schools, but increasingly in elementary schools as well.

(3) The use of drugs and the abuse of alcohol by students constitute a grave threat to their physical and mental well-being and significantly impede the learning process.

(4) The tragic consequences of drug use and alcohol abuse by students are felt not only by students and their families, but also by their communities and the Nation, which can ill afford to lose their skills, talents, and vitality.

(5) Schools and local organizations in communities throughout the Nation have special responsibilities to work together to combat the scourge of drug use and alcohol abuse.

(6) Prompt action by our Nation's schools, families, and communities can bring significantly closer the goal of a drug-free generation and a drug-free society.

SEC. 5103. PURPOSE.

It is the purpose of this title to establish programs of drug abuse education and prevention (coordinated with related community efforts and resources) through the provision of Federal financial assistance—

(1) to States for grants to local and intermediate educational agencies and consortia to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in elementary and secondary schools (including intermediate and junior high schools);

(2) to States for grants to and contracts with community-based organizations for programs of drug abuse prevention, early intervention, rehabilitation referral, and education for school dropouts and other high-risk youth;

(3) to States for development, training, technical assistance, and coordination activities;

(4) to institutions of higher education to establish, implement, and expand programs of drug abuse education and prevention (including rehabilitation referral) for students enrolled in colleges and universities; and

(5) to institutions of higher education in cooperation with State and local educational agencies for teacher training programs in drug abuse education and prevention.

PART A—FINANCIAL ASSISTANCE FOR DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS

SEC. 5111. AUTHORIZATION OF APPROPRIATIONS.

(a) For the purpose of carrying out this title, there are authorized to be appropriated \$200,000,000 for fiscal year 1987, \$250,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.

(b) Appropriations for any fiscal year for payments made under this title in accordance with regulations of the Secretary may be made available for obligation or expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

(c) Funds appropriated for any fiscal year under this title shall remain available for obligation and expenditure until the end of the fiscal year succeeding the fiscal year for which such funds were appropriated.

(d) Notwithstanding any other provision of this title, no authority to enter into contracts or financial assistance agreements under this title shall be effective except to such extent or in such amounts as are provided in advance in appropriation Acts.

SEC. 5112. RESERVATIONS AND STATE ALLOTMENTS.

(a) From the sums appropriated or otherwise made available to carry out this title for any fiscal year, the Secretary shall reserve—

(1) 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs;

(2) 1 percent for programs for Indian youth under section 5133;

(3) 0.2 percent for programs for Hawaiian natives under section 5134;

(4) 8 percent for programs with institutions of higher education under section 5131;

(5) 3.5 percent for Federal activities under section 5132; and

(6) 4.5 percent for regional centers under section 5135.

(b)(1) From the remainder of the sums not reserved under subsection (a), the Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall be allotted less than an amount equal to 0.5 percent of such remainder.

(2) The Secretary may reallocate any amount of any allotment to a State to the extent that the Secretary determines that the State will not be able to obligate such amount within two years of allotment. Any such reallocation shall be made on the same basis as an allotment under paragraph (1).

(3) For purposes of this subsection, the term "State" means any of the fifty States, the District of Columbia, and Puerto Rico.

(4) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under this subsection from amounts appropriated for that fiscal year.

PART B—STATE AND LOCAL PROGRAMS

SEC. 5121. USE OF ALLOTMENTS BY STATES.

(a) An amount equal to 30 percent of the total amount paid to a State from its allotment under section 5112 for any fiscal year shall be used by the chief executive officer of such State for a State program in accordance with section 5122.

(b) An amount equal to 70 percent of the total amount paid to a State from its allotment under section 5112 for any fiscal year shall be used by the State educational

agency to carry out its responsibilities in accordance with section 5124 and for grants to local and intermediate educational agencies and consortia for programs and activities in accordance with section 5125.

SEC. 5122. STATE PROGRAMS.

(a) Not more than 50 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for grants to and contracts with local governments and other public or private nonprofit entities (including parent groups, community action agencies, and other community-based organizations) for the development and implementation of programs and activities such as—

(1) local broadly-based programs for drug and alcohol abuse prevention, early intervention, rehabilitation referral, and education for all age groups;

(2) training programs concerning drug abuse education and prevention for teachers, counselors, other educational personnel, parents, local law enforcement officials, judicial officials, other public service personnel, and community leaders;

(3) the development and distribution of educational and informational materials to provide public information (through the media and otherwise) for the purpose of achieving a drug-free society;

(4) technical assistance to help community-based organizations and local and intermediate educational agencies and consortia in the planning and implementation of drug abuse prevention, early intervention, rehabilitation referral, and education programs;

(5) activities to encourage the coordination of drug abuse education and prevention programs with related community efforts and resources, which may involve the use of a broadly representative State advisory council including members of the State board of education, members of local boards of education, parents, teachers, counselors, health and social service professionals, and others having special interest or expertise; and

(6) other drug abuse education and prevention activities consistent with the purposes of this title, which shall include a youth suicide prevention program.

(b)(1) Not less than 50 percent of the funds available for each fiscal year under section 5121(a) to the chief executive officer of a State shall be used for innovative community-based programs of coordinated services for high-risk youth. The chief executive officer of such State shall make grants to or contracts with local governments and other public and private nonprofit entities (including parent groups, community action agencies, and other community-based organizations) to carry out such services.

(2) For purposes of this subsection, the term "high risk youth" means an individual who has not attained the age of 21 years, who is at high risk of becoming or who has been a drug or alcohol abuser, and who—

- (A) is a school dropout;
- (B) has become pregnant;
- (C) is economically disadvantaged;
- (D) is the child of a drug or alcohol abuser;
- (E) is a victim of physical, sexual, or psychological abuse;
- (F) has committed a violent or delinquent act;
- (G) has experienced mental health problems;
- (H) has attempted suicide; or
- (I) has experienced long-term physical pain due to injury.

SEC. 5123. STATE APPLICATIONS.

(a) In order to receive an allotment under section 5112(b), a State shall submit an application to the Secretary. As part of such application, the chief executive officer of the

State shall agree to use the funds made available under section 5121(a) in accordance with the requirements of this part. As part of such application, the State educational agency of the State shall agree to use the funds made available under section 5121(b) in accordance with the requirements of this part.

(b) The application submitted by each State under subsection (a) shall—

(1) cover a period of three fiscal years;

(2) be submitted at such time and in such manner, and contain such information, as the Secretary may require;

(3) contain assurances that the Federal funds made available under this part for any period will be so used as to supplement and increase the level of State, local, and non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under this part and will in no event supplant such State, local, and other non-Federal funds;

(4) provide that the State will keep such records and provide such information as may be required by the Secretary for fiscal audit and program evaluation;

(5) contain assurances that there is compliance with the specific requirements of this part;

(6) describe the manner in which the State educational agency will coordinate its efforts with appropriate State health, law enforcement, and drug abuse prevention agencies, including the State agency which administers the Alcohol, Drug Abuse, and Mental Health block grant under part B of title XIX of the Public Health Service Act;

(7) provide assurances that the State educational agency will provide financial assistance under this part only to local and intermediate educational agencies and consortia which establish and implement drug abuse education and prevention programs in elementary and secondary schools;

(8) provide for an annual evaluation of the effectiveness of programs assisted under this part; and

(9) provide a description of how, where feasible, the alcohol and drug abuse programs will be coordinated with youth suicide prevention programs funded by the Federal Government, State and local governments, and nongovernmental agencies and organizations.

SEC. 5124. RESPONSIBILITIES OF STATE EDUCATIONAL AGENCIES.

(a) Each State educational agency shall use a sum which shall be not less than 90 percent of the amounts available under section 5121(b) for each fiscal year for grants to local and intermediate educational agencies and consortia in the State, in accordance with applications approved under section 5126. From such sum, the State educational agency shall distribute funds for use among areas served by local or intermediate educational agencies or consortia on the basis of the relative numbers of children in the school-age population within such areas. Any amount of the funds made available for use in any area remaining unobligated for more than one year after the funds were made available may be provided by the State educational agency to local or intermediate educational agencies or consortia having plans for programs or activities capable of using such amount on a timely basis.

(b) Each State educational agency shall use not more than 10 percent of the amounts available under section 5121(b) for each fiscal year for such activities as—

(1) training and technical assistance programs concerning drug abuse education and prevention for local and intermediate educational agencies, including teachers, administrators, athletic directors, other educa-

tional personnel, parents, local law enforcement officials, and judicial officials;

(2) the development, dissemination, implementation, and evaluation of drug abuse education curricular and teaching materials for elementary and secondary schools throughout the State;

(3) demonstration projects in drug abuse education and prevention;

(4) special financial assistance to enhance resources available for drug abuse education and prevention in areas serving large numbers of economically disadvantaged children or sparsely populated areas, or to meet special needs; and

(5) administrative costs of the State educational agency in carrying out its responsibilities under this part, not in excess of 2.5 percent of the amount available under section 5121(b).

SEC. 5125. LOCAL DRUG ABUSE EDUCATION AND PREVENTION PROGRAMS.

(a) Any amounts made available to local or intermediate educational agencies or consortia under section 5124(a) shall be used for drug and alcohol abuse prevention and education programs and activities, including—

(1) the development, acquisition, and implementation of elementary and secondary school drug abuse education and prevention curricula which clearly and consistently teach that illicit drug use is wrong and harmful;

(2) school-based programs of drug abuse prevention and early intervention (other than treatment);

(3) family drug abuse prevention programs, including education for parents to increase awareness about the symptoms and effects of drug use through the development and dissemination of appropriate educational materials;

(4) drug abuse prevention counseling programs (which counsel that illicit drug use is wrong and harmful) for students and parents, including professional and peer counselors and involving the participation (where appropriate) of parent or other adult counselors and reformed abusers;

(5) programs of drug abuse treatment and rehabilitation referral;

(6) programs of inservice and preservice training for teachers, counselors, other educational personnel, athletic directors, public service personnel, law enforcement officials, judicial officials, and community leaders;

(7) programs in primary prevention and early intervention, such as the interdisciplinary school-team approach;

(8) community education programs and other activities to involve parents and communities in the fight against drug and alcohol abuse;

(9) public education programs on drug and alcohol abuse, including programs utilizing professionals and former drug and alcohol abusers;

(10) on-site efforts in schools to enhance identification and discipline of drug and alcohol abusers, and to enable law enforcement officials to take necessary action in cases of drug possession and supplying of drugs and alcohol to the student population;

(11) special programs and activities to prevent drug and alcohol abuse among student athletes, involving their parents and family in such drug and alcohol abuse prevention efforts and using athletic programs and personnel in preventing drug and alcohol abuse among all students; and

(12) other programs of drug and alcohol abuse education and prevention, consistent with the purposes of this part.

(b) A local or intermediate educational agency or consortium may receive funds

under this part for any fiscal year covered by an application under section 5126 approved by the State educational agency.

SEC. 5126. LOCAL APPLICATIONS.

(a)(1) In order to be eligible to receive a grant under this part for any fiscal year, a local or intermediate educational agency or consortium shall submit an application to the State educational agency for approval.

(2) An application under this section shall be for a period not to exceed 3 fiscal years and may be amended annually as may be necessary to reflect changes without filing a new application. Such application shall—

(A) set forth a comprehensive plan for programs to be carried out by the applicant under this part;

(B) contain an estimate of the cost for the establishment and operation of such programs;

(C) establish or designate a local or sub-state regional advisory council on drug abuse education and prevention composed of individuals who are parents, teachers, officers of State and local government, medical professionals, representatives of the law enforcement community, community-based organizations, and other groups with interest and expertise in the field of drug abuse education and prevention;

(D) describe the manner in which the applicant will establish, implement, or augment mandatory age-appropriate, developmentally-based, drug abuse education and prevention programs for students throughout all grades of the schools operated or served by the applicant (from the early childhood level through grade 12), and provide assurances that the applicant enforces related rules and regulations of student conduct;

(E) describe the manner in which the applicant will coordinate its efforts under this part with other programs in the community related to drug abuse education, prevention, treatment, and rehabilitation;

(F) provide assurances that the applicant will coordinate its efforts with appropriate State and local drug and alcohol abuse, health, and law enforcement agencies, in order to effectively conduct drug and alcohol abuse education, intervention, and referral for treatment and rehabilitation for the student population;

(G) provide assurances that the Federal funds made available under this part shall be used to supplement and, to the extent practical, to increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this part, and in no case supplant such funds;

(H) provide assurances of compliance with the provisions of this part;

(I) agree to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation, consistent with the responsibilities of the State agency under this part; and

(J) include such other information and assurances as the State educational agency reasonably determines to be necessary.

PART C—NATIONAL PROGRAMS

SEC. 5131. GRANTS TO INSTITUTIONS OF HIGHER EDUCATION.

(a)(1) From sums reserved by the Secretary under section 5112(a)(4) for the purposes of this section, the Secretary shall make grants to or enter into contracts with institutions of higher education or consortia of such institutions for drug abuse education and prevention programs under this section.

(2) The Secretary shall make financial assistance available on a competitive basis under this section. An institution of higher education or consortium of such institu-

tions which desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in accordance with regulations.

(3) The Secretary shall make every effort to ensure the equitable participation of private and public institutions of higher education (including community and junior colleges) and to ensure the equitable geographic participation of such institutions. In the award of grants and contracts under this section, the Secretary shall give appropriate consideration to colleges and universities of limited enrollment.

(4) Not less than 50 percent of sums available for the purposes of this section shall be used to make grants under subsection (d).

(b) Training grants shall be available for—

- (1) preservice and inservice training and instruction of teachers and other personnel in the field of drug abuse education and prevention in elementary and secondary schools;

- (2) summer institutes and workshops in instruction in the field of drug abuse education and prevention;

- (3) research and demonstration programs for teacher training and retraining in drug abuse education and prevention;

- (4) training programs for law enforcement officials, judicial officials, community leaders, parents, and government officials.

(c) Grants shall be available for model demonstration programs to be coordinated with local elementary and secondary schools for the development and implementation of quality drug abuse education curricula. In the award of grants under this subsection, the Secretary shall give priority consideration to joint projects involving faculty of institutions of higher education and teachers in elementary and secondary schools in the practical application of the findings of educational research, and evaluation and the integration of such research into drug abuse education and prevention programs.

(d) Grants shall be available under this subsection to develop, implement, operate, and improve programs of drug abuse education and prevention (including rehabilitation referral) for students enrolled in institutions of higher education.

(e) In making grants under paragraphs (1) and (2) of subsection (b), the Secretary shall encourage projects which provide for coordinated and collaborative efforts between State educational agencies, local educational agencies, and regional centers established under section 5135.

SEC. 5132. FEDERAL ACTIVITIES.

(a) From sums reserved by the Secretary under section 5112(a)(5), the Secretary shall carry out the purposes of this section.

(b) The Secretary of Education in conjunction with the Secretary of Health and Human Services shall carry out Federal education and prevention activities on drug abuse. The Secretary shall coordinate such drug abuse education and prevention activities with other appropriate Federal activities related to drug abuse. The Secretary shall—

- (1) provide information on drug abuse education and prevention to the Secretary of Health and Human Services for dissemination by the clearinghouse for alcohol and drug abuse information established under section 509 of the Public Health Service Act;

- (2) facilitate the utilization of appropriate means of communicating to students at all educational levels about the dangers of drug use and alcohol abuse, especially involving the participation of entertainment personalities and athletes who are recognizable role models for many young people;

- (3) develop, publicize the availability of, and widely disseminate audio-visual and other curricular materials for drug abuse education and prevention programs in elementary and secondary schools throughout the Nation;

- (4) provide technical assistance to State, local, and intermediate education agencies and consortia in the selection and implementation of drug abuse education and prevention curricula, approaches, and programs to address most effectively the needs of the elementary and secondary schools served by such agencies; and

- (5) identify research and development priorities with regard to school-based drug abuse education and prevention, particularly age-appropriate programs focusing on kindergarten through grade 4.

(c) From the funds available to carry out this section, the Secretary shall make available \$500,000 to the Secretary of Health and Human Services for the clearinghouse established under section 509 of the Public Health Service Act.

(d) The Secretary of Education in conjunction with the Secretary of Health and Human Services shall conduct, directly or by contract, (1) a study of the nature and effectiveness of existing Federal, State, and local programs of drug abuse education and prevention and (2) a study of the relationship between drug and alcohol abuse and youth suicide and shall submit a report of the findings of such studies to the President and to the appropriate committees of the Congress not later than one year after the date of the enactment of the Drug-Free Schools and Communities Act of 1986.

SEC. 5133. PROGRAMS FOR INDIAN YOUTH.

(a)(1) From the funds reserved pursuant to section 5112(a)(2), the Secretary shall make payments and grants and enter into other financial arrangements for Indian programs in accordance with this subsection.

(2) The Secretary of Education shall enter into such financial arrangements as the Secretary determines will best carry out the purposes of this title to meet the needs of Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such arrangements shall be made pursuant to an agreement between the Secretary of Education and the Secretary of the Interior containing such assurances and terms as they determine will best achieve the purposes of this title.

(3) The Secretary of Education may, upon request of any Indian tribe which is eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination Act or under the Act of April 16, 1934, enter into grants or contracts with any tribal organization of any such Indian tribe to plan, conduct, and administer programs which are authorized and consistent with the purposes of this title (particularly programs for Indian children who are school dropouts), except that such grants or contracts shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934, which are relevant to the programs administered under this paragraph.

(4) Programs funded under this subsection shall be in addition to such other programs, services, and activities as are made available to eligible Indians under other provisions of this title.

SEC. 5134. PROGRAMS FOR HAWAIIAN NATIVES.

(a) From the funds reserved pursuant to section 5112(a)(3), the Secretary shall enter into contracts with organizations primarily

servicing and representing Hawaiian natives which are recognized by the Governor of the State of Hawaii to plan, conduct, and administer programs, or portions thereof, which are authorized by and consistent with the provisions of this title for the benefit of Hawaiian natives.

(b) For the purposes of this section, the term "Hawaiian native" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

SEC. 5112. REGIONAL CENTERS.

The Secretary shall use the amounts made available to carry out this section for each fiscal year to maintain 5 regional centers to—

(1) train school teams to assess the scope and nature of their drug abuse and alcohol abuse problems, mobilize the community to address such problems, design appropriate curricula, identify students at highest risk and refer them to appropriate treatment, and institutionalize long term effective drug and alcohol abuse programs, including long range technical assistance, evaluation, and followup on such training;

(2) assist State educational agencies in coordinating and strengthening drug abuse and alcohol abuse education and prevention programs;

(3) assist local educational agencies and institutions of higher education in developing appropriate pre-service and in-service training programs for educational personnel; and

(4) evaluate and disseminate information on effective drug abuse and alcohol abuse education and prevention programs and strategies.

PART D—GENERAL PROVISIONS.

SEC. 5111. DEFINITIONS.

(a) Except as otherwise provided, the terms used in this title shall have the meaning provided under section 1471 of title 1 of this Act.

(b) For the purposes of this title, the following terms have the following meanings:

(1) The term "drug abuse, education, and prevention" means prevention, early intervention, rehabilitation referral, and education related to the abuse of alcohol and the use and abuse of controlled, illegal, addictive, or harmful substances.

(2) The term "illicit drug use" means the use of illegal drugs and the abuse of other drugs and alcohol.

(3) The term "Secretary" means the Secretary of Education.

(4) The term "school-age population" means the population aged five through seventeen (inclusive), as determined by the Secretary on the basis of the most recent satisfactory data available from the Department of Commerce.

(5) The term "school dropout" means an individual aged five through eighteen who is not attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(6) The term "State" means a State, the District of Columbia, Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or the Virgin Islands.

(7) The term "institution of higher education" means an educational institution in any State which—

(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(B) is legally authorized within such State to provide a program of education beyond high school;

(C) provides an educational program for which it awards a bachelor's degree, or pro-

vides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(D) is a public or other nonprofit institution; and

(E) is accredited by a nationally recognized accrediting agency or association listed by the Secretary pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited, except that in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which requires the understanding and application of basic engineering, scientific, or mathematical principles or knowledge if the Secretary determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, the Secretary shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this title and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(8) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(9) The term "consortium" (except in section 5131) means a consortium of local educational agencies or of one or more intermediate educational agencies and one or more local educational agencies.

SEC. 5112. FUNCTIONS OF THE SECRETARY OF EDUCATION.

(a) The Secretary shall be responsible for the administration of the programs authorized by this title.

(b) Except as otherwise provided, the General Education Provisions Act shall apply to programs authorized by this title.

SEC. 5114. PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE NONPROFIT SCHOOLS.

(a) To the extent consistent with the number of school-age children in the State or in the school attendance area of a local or intermediate educational agency or consortium receiving financial assistance under part 2 who are enrolled in private nonprofit elementary and secondary schools, such State, agency, or consortium shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this title.

(b) To the extent consistent with the number of school-age children in the State

or in the school attendance area of a local or intermediate educational agency or consortium receiving financial assistance under part 2 who are enrolled in private nonprofit elementary and secondary schools, such State, State educational agency, or State agency for higher education shall, after consultation with appropriate private school representatives, make provision, for the benefit of such teachers in such schools, for such teacher training as will assure equitable participation of such teachers in the purposes and benefits of this title.

(c) If by reason of any provision of law a State, local, or intermediate educational agency or consortium is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by subsections (a) and (b) or, if the Secretary determines that a State, local, or intermediate educational agency or consortium has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers which shall be subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of this Act.

SEC. 5114. MATERIALS.

Any materials produced or distributed with funds made available under this title shall reflect the message that illicit drug use is wrong and harmful. The Secretary shall not review curricula and shall not promulgate regulations to carry out this subsection or subparagraph (1) or (4) of section 5125(a).

PART E—MISCELLANEOUS PROVISIONS

SEC. 5116. INDIAN EDUCATION PROGRAMS.

(a) PILOT PROGRAMS.—The Assistant Secretary of Indian Affairs shall develop and implement pilot programs in selected schools funded by the Bureau of Indian Affairs (subject to the approval of the local school board or contract school board) to determine the effectiveness of summer youth programs in furthering the purposes and goals of the Indian Alcohol and Substance Abuse Prevention Act of 1986. The Assistant Secretary shall defray all costs associated with the actual operation and support of the pilot programs in the school from funds appropriated for this section. For the pilot programs there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1987, 1988, and 1989.

(b) USE OF FUNDS.—Federal financial assistance made available to public or private schools because of the enrollment of Indian children pursuant to—

(1) the Act of April 16, 1934, as amended by the Indian Education Assistance Act (25 U.S.C. 452 et seq.),

(2) the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 241aa et seq.), and

(3) the Indian Education Act (20 U.S.C. 3385),

may be used to support a program of instruction relating to alcohol and substance abuse prevention and treatment.

SEC. 5191. REPEAL.

Subtitle B of title IV of the Anti-Drug Abuse Act of 1986 (P.L. 99-570) is repealed.

The CHAIRMAN pro tempore. Are there amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—SPECIAL PROGRAMS

PART A—WOMEN'S EDUCATIONAL EQUITY

SEC. 6001. SHORT TITLE; FINDINGS AND STATEMENT OF PURPOSE.

(a) **SHORT TITLE.**—This part may be cited as the "Women's Educational Equity Act".

(b) **FINDINGS AND STATEMENT OF PURPOSE.**—

(1) The Congress finds and declares that educational programs in the United States, as presently conducted, are frequently inequitable as such programs relate to women and frequently limit the full participation of all individuals in American society. The Congress finds and declares that excellence in education cannot be achieved without equity for women and girls.

(2) It is the purpose of this part to provide educational equity for women in the United States and to provide financial assistance to enable educational agencies and institutions to meet the requirements of title IX of the Education Amendments of 1972. It is also the purpose of this part to provide educational equity for women and girls who suffer multiple discrimination, bias, or stereotyping based on sex and on race, ethnic origin, disability, or age.

(c) **DEFINITIONS.**—As used in this part, the term "Council" means the National Advisory Council on Women's Educational Programs.

SEC. 6002. GRANT AND CONTRACT AUTHORITY.

(a) **AUTHORIZATION.**—The Secretary is authorized to make grants to, and enter into contracts with, public agencies, private nonprofit agencies, organizations, and institutions, including student and community groups, and individuals, for activities designed to achieve the purpose of this part at all levels of education, including preschool, elementary and secondary education, higher education, and adult education. The activities may include—

(1) demonstration, developmental, and dissemination activities of national, statewide, or general significance, including—

(A) the development and evaluation of curricula, textbooks, and other educational materials related to educational equity;

(B) model preservice and inservice training programs for educational personnel with special emphasis on programs and activities designed to provide educational equity;

(C) research and development activities designed to advance educational equity;

(D) guidance and counseling activities, including the development of nondiscriminatory tests, designed to insure educational equity;

(E) educational activities to increase opportunities for adult women, including continuing educational activities and programs for underemployed and unemployed women; and

(F) the expansion and improvement of educational programs and activities for women in vocational education, career education, physical education, and educational administration; and

(2) assistance to eligible entities to pay a portion of the costs of the establishment and operation, for a period of not to exceed two years, of special programs and projects of local significance to provide equal opportunities for both sexes, including activities listed in paragraph (1), activities incident to achieving compliance with title IX of the Education Amendments of 1972 and other special activities designed to achieve the purposes of this part.

Not less than 75 percent of funds used to support activities covered by paragraph (2) shall be used for awards to local educational agencies. The Secretary shall ensure that at least 1 grant or contract is available during each fiscal year for the performance of each

of the activities described in paragraph (1) of this subsection.

(b) **LIMITATION.**—For each fiscal year, the Secretary shall use \$6,000,000 from the funds available under this part to support activities described in paragraph (1) of subsection (a). Any funds in excess of \$6,000,000 available under this part may be used to support new activities described in paragraph (1) or to support activities described in paragraph (2), or both.

(a) Any funds in excess of \$6,000,000 available under this part may be used to support new activities described in paragraph (1) or to support activities described in paragraph (2), or both.

SEC. 6003. APPLICATION; PARTICIPATION.

(a) **APPLICATION.**—A grant may be made, and a contract may be entered into, under this part only upon application to the Secretary, at such time, in such form, and containing or accompanied by such information as the Secretary may prescribe. Each such application shall—

(1) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

(2) describe a program for carrying out one or more of the purposes set forth in section 8002(a) which holds promise of making a substantial contribution toward attaining such purposes; and

(3) set forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application.

(b) **LIMITATION.**—Nothing in this part shall be construed as prohibiting men and boys from participating in any programs or activities assisted under this part.

SEC. 6004. CHALLENGE GRANTS.

(a) **PURPOSES.**—In addition to the authority of the Secretary under section 6002, the Secretary shall carry out a program of challenge grants (as part of the grant program administered under section 6002(a)(1)), not to exceed \$40,000 each, in order to support projects to develop—

(1) comprehensive plans for implementation of equity programs at every educational level;

(2) innovative approaches to school-community partnerships;

(3) new dissemination and replication strategies; and

(4) other innovative approaches to achieving the purposes of this part.

(b) **GRANT RECIPIENTS.**—For the purposes described in clauses (1) through (4) of subsection (a), the Secretary is authorized to make grants to public and private nonprofit agencies and to individuals.

SEC. 6005. CRITERIA AND PRIORITIES.

The Secretary shall establish separate criteria and priorities for awards under sections 6002(a)(1) and 6002(a)(2) under this part to insure that available funds are used for programs that most effectively will achieve the purposes of this part. Those criteria and priorities shall be promulgated in accordance with section 431 of the General Education Provisions Act.

SEC. 6006. NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS.

(a) **COMPOSITION.**—There is established in the Department of Education a National Advisory Council on Women's Educational Programs. The Council shall be composed of—

(1) seventeen individuals, some of whom shall be students, and who shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals, broadly representative of the general public and including (A) individuals who are experts in a wide range of issues of educational equity for women at all levels of education, including preschool, elementary and secondary education, higher education, and vocational and adult education; (B) individuals who are representative of and

expert in the educational needs of racial and ethnic minority women, older women, and disabled women; (C) both women and men who have demonstrated commitment to and expertise in the purposes of this part; and (D) individuals who are representative of and expert in student financial assistance programs authorized under title IV of the Higher Education Act of 1965;

(2) the staff Director of the Civil Rights Commission; and

(3) the Director of the Women's Bureau of the Department of Labor.

The Council shall elect its own Chairperson from among the members described in paragraph (1).

(b) **TERMS.**—The term of office of each member of the Council appointed under paragraph (1) of subsection (a) shall be three years, except that—

(1) the members first appointed under such clause shall serve as designated by the President, six for a term of one year, five for a term of two years, and six for a term of three years; and

(2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term.

(c) **DUTIES.**—The Council shall—

(1) advise the Secretary and the Congress on matters relating to equal educational opportunities for women and policy matters relating to the administration of this part;

(2) make recommendations to the Secretary with respect to the selection of funding priorities and allocation of any funds pursuant to this part, including criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(3) advise all Federal agencies which have education programs concerning those aspects of the programs which relate to the educational needs and opportunities of women;

(4) make such reports as the Council determines appropriate to the President and the Congress on the activities of the Council; and

(5) disseminate information concerning the activities of the Council under this part.

(d) **OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.**—The program under this part shall be administered within the Office of Educational Research and Improvement within the Department of Education, by an individual reporting directly to the Assistant Secretary of such office.

(e) **APPLICATION OF GEPA.**—The provisions of part D of the General Education Provisions Act shall apply with respect to the Council established under this subsection.

SEC. 6007. REPORTS, EVALUATION, AND DISSEMINATION.

(a) **REPORTS.**—The Secretary is directed, not later than September 30 of each of the years 1985 through 1993, to submit to the President and the Congress and to the Council a report setting forth the programs and activities assisted under this part, and to provide for the distribution of this report to all interested groups and individuals, including the Congress, from funds authorized under this part. After receiving the report from the Secretary, the Council shall oversee the evaluation of the program and projects assisted under this part and report on such evaluation in its annual report.

(b) **EVALUATION AND DISSEMINATION.**—The Office of Educational Research and Improvement shall evaluate and disseminate (at low cost) all materials and programs developed under this part.

SEC. 6003. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this part there are authorized to be appropriated \$10,000,000 for fiscal year 1985, \$12,000,000 for fiscal year 1986, \$14,000,000 for fiscal year 1987, \$20,000,000 for fiscal year 1988, and such sums as may be necessary for each of the five subsequent fiscal years.

SEC. 6003. REPEAL.

(a) REPEAL.—Part C of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3341) is repealed.

PART B—ALLEN J. ELLENDER FELLOWSHIP PROGRAM**SEC. 6201. FINDINGS.**

The Congress makes the following findings:

(1) Allen J. Ellender, a Senator from Louisiana and President pro tempore of the United States Senate, had a distinguished career in public service characterized by extraordinary energy and real concern for young people and the development of greater opportunities for active and responsible citizenship by young people.

(2) Senator Ellender provided valuable support and encouragement to the Close Up Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and their educators.

(3) It is a fitting and appropriate tribute to the beloved Senator Ellender to provide in his name an opportunity for participation, by students of limited economic means and by their teachers, in the program supported by the Close Up Foundation.

SEC. 6202. ESTABLISHMENT.

(a) The Secretary is authorized to make grants in accordance with the provisions of this part to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its program of increasing understanding of the Federal Government among secondary school students, their teachers, and the communities they represent.

(b) Except as provided in subsection (c), grants received under this part shall be used only for financial assistance to economically disadvantaged students and their teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this part by such students and teachers shall be known as Allen J. Ellender fellowships.

(c) Up to 5 percent of the funds made available pursuant to this part may be used to develop additional program opportunities for educators and the elderly and to help establish learning activities at the local and State government levels through planned seminars, civic education competitions, residential conferences, teleconferences, and intergenerational meetings, in order to broaden the outreach of the program.

SEC. 6203. APPLICATIONS.

(a) No grant under this part may be made except upon an application at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(b) Each such application shall contain provisions to assure—

(1) that fellowship grants are made to economically disadvantaged secondary school students, and to secondary school teachers;

(2) that not more than one secondary school teacher in each such school participating in the program may receive a fellowship grant in any fiscal year;

(3) that every effort will be made to ensure the participation of students and teachers from rural and small town areas, as well as

from urban areas, and that in awarding fellowships to economically disadvantaged students, special consideration will be given to the participation of students with special educational needs, including handicapped students, students from recent immigrant families, and ethnic minority students;

(4) that the activities permitted by section 6202(c) are fully described; and

(5) the proper disbursement of the funds of the United States received under this part.

SEC. 6204. ADMINISTRATIVE PROVISIONS.

(a) Payments under this part may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

(b) The Comptroller General of the United States or any of his duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this part.

SEC. 6205. AUTHORIZATIONS OF APPROPRIATIONS.

There are authorized to be appropriated to carry out the provisions of this part \$2,500,000 for fiscal year 1988 and such sums as may be necessary for each of the five subsequent fiscal years.

SEC. 6206. REPEAL.

The joint resolution of October 19, 1972 (Public Law 92-506) is repealed.

PART C—IMMIGRANT EDUCATION**SEC. 6301. SHORT TITLE.**

This part may be cited as the "Emergency Immigrant Education Act of 1984".

SEC. 6302. DEFINITIONS.

As used in this part—

(1) The term "immigrant children" means children who were not born in any State and who have been attending schools in any one or more States for less than three complete academic years.

(2) The term "elementary or secondary nonpublic schools" means schools which comply with the applicable compulsory attendance laws of the State and which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

SEC. 6303. AUTHORIZATIONS AND ALLOCATION OF APPROPRIATIONS.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—There are authorized to be appropriated to make payments to which State educational agencies are entitled under this part and payments for administration under section 6304 \$30,000,000 for fiscal year 1985, \$40,000,000 for each of the fiscal years 1986, 1987, 1988, and 1989, and such sums as may be necessary for each of the fiscal years 1990, 1991, 1992, and 1993.

(b) ALLOCATION OF APPROPRIATIONS.—(1) If the sums appropriated for any fiscal year to make payments to States under this part are not sufficient to pay in full the sum of the amounts which State educational agencies are entitled to receive under this part for such year, the allocations to State educational agencies shall be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amounts so appropriated.

(2) In the event that funds become available for making payments under this part for any period after allocations have been made under paragraph (1) of this subsection for such period, the amounts reduced under such paragraph shall be increased on the same basis as they were reduced.

SEC. 6304. STATE ADMINISTRATIVE COSTS.

The Secretary is authorized to pay to each State educational agency amounts equal to the amounts expended by it for the proper and efficient administration of its functions under this part, except that the total of such

payments for any period shall not exceed 1.5 per centum of the amounts which that State educational agency is entitled to receive for that period under this part.

SEC. 6305. WITHHOLDING.

Whenever the Secretary, after reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirements of any provision of this part, the Secretary shall notify that agency that further payments will not be made to the agency under this part, or in the discretion of the Secretary, that the State educational agency shall not make further payments under this part to specified local educational agencies whose actions cause or are involved in such failure until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made to the State educational agency under this part, or payments by the State educational agency under this part shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

SEC. 6306. STATE ENTITLEMENTS.

(a) PAYMENTS.—The Secretary shall, in accordance with the provisions of this section, make payments to State educational agencies for each of the fiscal years 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, and 1993 for the purpose set forth in section 6307.

(b) ENTITLEMENTS.—(1) Except as provided in paragraph (3) and in subsections (c) and (d) of this section, the amount of the grant to which a State educational agency is entitled under this part shall be equal to the product of (A) the number of immigrant children enrolled during such fiscal year in elementary and secondary public schools under the jurisdiction of each local educational agency described under paragraph (2) within that State, and in any elementary or secondary nonpublic school within the district served by each such local educational agency, multiplied by (B) \$500.

(2) The local educational agencies referred to in paragraph (1) are those local educational agencies in which the sum of the number of immigrant children who are enrolled in elementary or secondary public schools under the jurisdiction of such agencies, and in elementary or secondary nonpublic schools within the districts served by such agencies, during the fiscal year for which the payments are to be made under this part, is equal to—

(A) at least five hundred; or

(B) at least 3 per centum of the total number of students enrolled in such public or nonpublic schools during such fiscal year, whichever number is less.

(3)(A) The amount of the grant of any State educational agency for any fiscal year as determined under paragraph (1) shall be reduced by the amounts made available for such fiscal year under any other Federal law for expenditure within the State for the same purpose as those for which funds are available under this part, but such reduction shall be made only to the extent that (i) such amounts are made available for such purpose specifically because of the refugee, parolee, asylee, or other immigrant status of the individuals served by such funds, and (ii) such amounts are made available to provide assistance to individuals eligible for services under this part.

(B) No reduction of a grant under this part shall be made under subparagraph (A) for any fiscal year if a reduction is made, pursuant to a comparable provision in any such other Federal law, in the amount made available for expenditure in the State for such fiscal year under such other Federal

law, based on the amount assumed to be available under this part.

(c) **DETERMINATIONS OF NUMBER OF CHILDREN.**—(1) Determinations by the Secretary under this section for any period with respect to the number of immigrant children shall be made on the basis of data or estimates provided to the Secretary by each State educational agency in accordance with criteria established by the Secretary, unless the Secretary determines, after notice and opportunity for a hearing to the affected State educational agency, that such data or estimates are clearly erroneous.

(2) No such determination with respect to the number of immigrant children shall operate because of an underestimate or overestimate to deprive any State educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

(d) **REALLOCATION.**—Whenever the Secretary determines that any amount of a payment made to a State under this part for a fiscal year will not be used by such State for carrying out the purpose for which the payment was made, the Secretary shall make such amount available for carrying out such purpose to one or more other States to the extent the Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this part, be regarded as part of such State's payment (as determined under subsection (b)) for such year, but shall remain available until the end of the succeeding fiscal year.

SEC. 6307. USES OF FUNDS.

(a) **SUPPLEMENTARY EDUCATIONAL SERVICES AND COSTS.**—Payments made under this part to any State may be used in accordance with applications approved under section 6308 for supplementary educational services and costs, as described under subsection (b) of this section, for immigrant children enrolled in the elementary and secondary public schools under the jurisdiction of the local educational agencies of the State described in section 6306(b)(2) and in elementary and secondary nonpublic schools of that State within the districts served by such agencies.

(b) **KINDS OF SERVICES AND COSTS.**—Financial assistance provided under this part shall be available to meet the costs of providing immigrant children supplementary educational services, including but not limited to—

(1) supplementary educational services necessary to enable those children to achieve a satisfactory level of performance, including—

(A) English language instruction;

(B) other bilingual educational services; and

(C) special materials and supplies;

(2) additional basic instructional services which are directly attributable to the presence in the school district of immigrant children, including the costs of providing additional classroom supplies, overhead costs, costs of construction, acquisition or rental of space, costs of transportation, or such other costs as are directly attributable to such additional basic instructional services; and

(3) essential inservice training for personnel who will be providing instruction described in either paragraph (1) or (2) of this subsection.

SEC. 6308. APPLICATIONS.

(a) **SUBMISSION.**—No State educational agency shall be entitled to any payment

under this part for any period unless that agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require. Each such application shall—

(1) provide that the educational programs, services, and activities for which payments under this part are made will be administered by or under the supervision of the agency;

(2) provide assurances that payments under this part will be used for purposes set forth in section 6307;

(3) provide assurances that such payments will be distributed among local educational agencies within that State on the basis of the number of children counted with respect to such local educational agency under section 6306(b)(1), adjusted to reflect any reductions imposed pursuant to section 6306(b)(3) which are attributable to such local educational agency;

(4) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this part without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing;

(5) provide for making such reports as the Secretary may reasonably require to perform the functions under this part; and

(6) provide assurances—

(A) that to the extent consistent with the number of immigrant children enrolled in the elementary or secondary nonpublic schools within the district served by a local educational agency, such agency, after consultation with appropriate officials of such schools, shall provide for the benefit of these children secular, neutral, and nonideological services, materials, and equipment necessary for the education of such children;

(B) that the control of funds provided under this part and title to any materials, equipment, and property repaired, remodeled, or constructed with those funds shall be in a public agency for the uses and purposes provided in this part, and a public agency shall administer such funds and property; and

(C) that the provision of services pursuant to this paragraph shall be provided by employees of a public agency or through contract by such public agency with a person, association, agency, or corporation who or which, in the provision of such services, is independent of such elementary or secondary nonpublic school and of any religious organization; and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this paragraph shall not be commingled with State or local funds.

(b) **APPROVAL OF APPLICATION.**—The Secretary shall approve an application which meets the requirements of subsection (a). The Secretary shall not finally disapprove an application of a State educational agency except after reasonable notice and opportunity for a hearing on the record to such agency.

SEC. 6309. PAYMENTS.

(a) **AMOUNT.**—Except as provided in section 6303(b), the Secretary shall pay to each State educational agency having an application approved under section 6308 the amount which that State is entitled to receive under this part.

(b) **SERVICES TO CHILDREN ENROLLED IN NONPUBLIC SCHOOLS.**—If by reason of any provision of law a local educational agency is prohibited from providing educational services for children enrolled in elementary and secondary nonpublic schools, as re-

quired by section 6308(a)(6), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for the participation on an equitable basis of children enrolled in such schools, the Secretary may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this part. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with the provisions of title I.

SEC. 6310. REPORTS.

(a) **ANNUAL REPORT.**—Each State educational agency receiving funds under this part shall submit, annually, a report to the Secretary concerning the expenditure of funds by local educational agencies under this part. Each local educational agency receiving funds under this part shall submit to the State educational agency such information as may be necessary for such report.

(b) **REPORT TO CONGRESS.**—The Secretary shall submit annually a report to the appropriate committees of the Congress concerning programs under this part.

(c) **ASSESSMENT BY COMPTROLLER GENERAL.**—The Comptroller General of the United States shall periodically conduct a national assessment of programs under this part. The Comptroller shall submit a report of such periodic assessment to the appropriate committees of the Congress on March 15, 1989, and every third year thereafter.

SEC. 6311. REPEAL.

Title VI of the Education Amendments of 1984 (20 U.S.C. 4101) is repealed.

PART D—TERRITORIAL ASSISTANCE

SEC. 6404. GENERAL ASSISTANCE FOR THE VIRGIN ISLANDS.

There are authorized to be appropriated \$5,000,000 for fiscal year 1988 and for each of the five subsequent fiscal years, for the purpose of providing general assistance to improve public education in the Virgin Islands.

SEC. 6405. TERRITORIAL TEACHER TRAINING ASSISTANCE.

There are authorized to be appropriated \$2,000,000 for fiscal year 1988 and for each of the five subsequent fiscal years for the purpose of assisting teacher training programs in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. From the sums appropriated pursuant to this section the Secretary shall make grants and enter into contracts for the purpose of providing training to teachers in schools in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. The Secretary may make grants to or contracts with any organization considered qualified to provide training for teachers in such schools and shall allot such sums among such territories on the basis of the need for such training.

SEC. 6410. REPEAL.

Sections 1524 and 1525 of the Education Amendments of 1978 are repealed.

PART E—EXCELLENCE IN EDUCATION

SEC. 6501. SHORT TITLE.

This part may be cited as the "Excellence in Education Act".

SEC. 6502. STATEMENT OF PURPOSE.

It is the purpose of this part to make awards to local educational agencies, after a competitive selection process, in order to carry out programs of excellence in individual schools of such agencies designed to achieve excellence in education, which—

(1) demonstrate successful techniques for improving the quality of education,

(2) can be disseminated and replicated, and

(3) are conducted with the participation of school principals, schoolteachers, parents, and business concerns in the locality.

SEC. 6502. DEFINITIONS.

For the purpose of this part—

(1) The term "Secretary" means the Secretary of Education.

(2) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

SEC. 6504. SCHOOL EXCELLENCE AWARDS AUTHORIZED.

(a) The Secretary is authorized, in accordance with the provisions of this part, to make awards to local educational agencies for school excellence programs which are consistent with the purpose of this part.

(b)(1) There are authorized to be appropriated \$16,000,000 for fiscal year 1984 and each of the subsequent fiscal years ending prior to October 1, 1987, to carry out the provisions of this part. There are authorized to be appropriated for fiscal year 1988 \$5,000,000 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993 to carry out the provisions of this part.

(2) From the amount appropriated in each fiscal year, the Secretary shall reserve \$3,000,000 for each fiscal year in which the appropriations for that year exceed \$15,000,000 to carry out the provisions of section 6507.

(3) From the amount appropriated in each fiscal year, the Secretary shall reserve \$1,000,000 for each fiscal year in which the appropriations for that year exceed \$15,000,000 to carry out the provisions of section 6508.

SEC. 6505. SELECTION OF SCHOOLS FOR AWARDS.

(a)(1) The Secretary is authorized to establish, in accordance with the provisions of this section, criteria for the selection of schools to receive awards under this part. Each local educational agency desiring to participate in the awards program authorized by this part shall submit a proposal nominating each specific school of that agency for school improvement activities designed to carry out the purpose of this part. Each such submission shall be made to the chief State school officer of the State in which the local educational agency is located.

(2) The criteria required by paragraph (1) of this subsection shall include standards for each local educational agency to nominate schools of that agency—

(A) which have the potential to experiment with standards of quality; and

(B) which show promise of demonstrating that the school will carry out well-planned, creative, or innovative activities designed to carry out the purposes of this part in a successful manner.

(3) Each proposal submitted under this subsection shall contain—

(A) a description of the activities which will be conducted in the school nominated,

(B) assurances that the school to be nominated will carry out the activities so described, and

(C) such other information as may be necessary to carry out paragraph (2) of this subsection.

(b)(1)(A) The chief State school officer of each State shall in each fiscal year from the proposed nominations made pursuant to subsection (a) select twenty-five schools for submission to the Secretary.

(B) In the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the

Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, the chief educational officer of such jurisdiction shall nominate five schools in accordance with this subsection.

(2) In selecting schools from proposed nominations submitted under subsection (a), the chief State school officer shall assure a fair and equitable distribution of schools within the State, after considering—

(A) all categories of elementary and secondary schools within the State, including elementary schools, junior high schools, secondary schools, vocational-technical schools, or any combination of two or more of the schools;

(B) socioeconomic conditions in the State;

(C) geographic distribution within the State;

(D) school size;

(E) the size and location of the community in which the school is located;

(F) the local governmental arrangements between the government and the local educational agency making the nomination;

(G) the potential for the proposed project to successfully demonstrate techniques for improving the quality of education which can be disseminated and replicated; and

(H) such other relevant factors as the Secretary may prescribe.

(3) Each State shall submit to the Secretary the school nominations made in accordance with this subsection. Each such submission may include such additional information as the chief State school officer (the chief educational officer as prescribed in paragraph (1)(B)), and the local educational agency concerned deem appropriate.

(c)(1) The Secretary shall select not more than five hundred schools from among the nominations submitted pursuant to subsection (b) of this section. The selection under this subsection shall be made by the Secretary after an impartial review panel has considered each submission. The review and selection shall be based upon the factors described in subsection (b)(2) and in accordance with uniform criteria developed by the Secretary.

(2) In making the selections under paragraph (1), the Secretary shall give priority to proposals which have the highest potential for successfully demonstrating techniques to improve the quality of education and which can be disseminated and replicated. In addition the Secretary shall give priority to proposals which have as their purposes—

(A) modernization and improvement of secondary school curricula to improve student achievement in academic or vocational subjects, or both, and competency in basic functional skills;

(B) the elimination of excessive electives and the establishment of increased graduation requirements in basic subjects;

(C) improvement in student attendance and discipline through the demonstration of innovative student motivation techniques and attendance policies with clear sanctions to reduce student absenteeism and tardiness;

(D) demonstrations designed to increase learning time for students;

(E) experimentation providing incentives to teachers, and teams of teachers for outstanding performance, including financial awards, administrative relief such as the removal of paperwork and extra duties, and professional development;

(F) demonstrations to increase student motivation and achievement through creative combinations of independent study, team teaching, laboratory experience, technology utilization, and improved career guidance and counseling; or

(G) new and promising models of school-community and school-to-school relation-

ships including the use of nonschool personnel to alleviate shortages in areas such as mathematics, science, and foreign language instruction, as well as other partnerships between business and education, including the use of equipment.

SEC. 6506. AMOUNT AND CONDITIONS OF AWARDS.

(a)(1) A school award made to a local educational agency pursuant to this part may not exceed \$25,000 in any fiscal year or a total of \$40,000.

(2) The amount of each individual school award made pursuant to this part shall be determined by the Secretary based upon the size of the school, the number of students enrolled in the school, and the number of teachers teaching in the school.

(b) Awards made under this part may not be made for more than two school years. No individual school may be eligible for any additional award under this part.

SEC. 6507. SPECIAL SCHOOL AWARDS.

(a) From the amount reserved under section 6504(b)(2) in any fiscal year, the Secretary is authorized to make awards to schools nominated in accordance with the provisions of section 6505 to pay the Federal share of the activities described in the proposal if the local educational agency provides further assurances that funds from the private sector will be contributed for carrying out the activities for which assistance is sought.

(b) For purposes of this section, the Federal share for each fiscal year shall be not less than 67 2/3 percent nor more than 90 percent. The Secretary shall set the Federal share for categories of school awards based upon uniform criteria established by the Secretary.

SEC. 6508. RESEARCH, EVALUATION, DISSEMINATION, AND MONITORING ACTIVITIES.

(a) From the amount set aside under section 6504(b)(3), the Secretary shall conduct research, evaluation, and dissemination activities to assure that exemplary projects and practices which are developed with assistance provided under this part are made available to local educational agencies throughout the United States.

(b) The Secretary shall use such amount of the funds reserved pursuant to section 6504(b)(3) as is necessary to carry out the provisions of this subsection. The Secretary shall establish an independent panel to monitor the success of the programs assisted by this part in achieving the national objectives in improving instruction and the achievement of the students.

SEC. 6509. REPEAL.

Title VI of the Education for Economic Security Act (20 U.S.C. 4031) is repealed.

The CHAIRMAN pro tempore: Are there amendments to title VI?

If not, the Clerk will designate title VII.

The text of title VII is as follows:

TITLE VII—BILINGUAL EDUCATION

SEC. 7001. SHORT TITLE.

This title may be cited as the "Bilingual Education Act".

SEC. 7002. POLICY; APPROPRIATIONS.

(a) STATEMENT OF POLICY.—Recognizing—

(1) that there are large and growing numbers of children of limited English proficiency;

(2) that many of such children have a cultural heritage which differs from that of English proficient persons;

(3) that the Federal Government has a special and continuing obligation to assist in providing equal educational opportunity to limited English proficient children;

- (4) that the Federal Government has a special and continuing obligation to assist language minority students to acquire the English language proficiency that will enable them to become full and productive members of society;
- (5) that a primary means by which a child learns is through the use of such child's native language and cultural heritage;
- (6) that the instructional use and development of a child's non-English native language promotes student self-esteem, subject matter achievement, and English-language acquisition;
- (7) that, therefore, large numbers of children of limited English proficiency have educational needs which can be met by the use of bilingual education methods and techniques;
- (8) that in some school districts establishment of bilingual education programs may be administratively impractical due to the presence of small numbers of students of a particular native language or because personnel who are qualified to provide bilingual instructional services are unavailable;
- (9) that States and local school districts should be encouraged to determine appropriate curricula for limited English proficient students within their jurisdictions and to develop and implement appropriate instructional programs;
- (10) that, regardless of the method of instruction, programs which serve limited English proficient students have the equally important goals of developing academic achievement and English proficiency;
- (11) that children of limited English proficiency have a high dropout rate and low median years of education;
- (12) that the segregation of many groups of limited English proficient students remains a serious problem;
- (13) that both limited English proficient children and children whose primary language is English can benefit from bilingual education programs, and that such programs help develop our national linguistic resources and promote our international competitiveness;
- (14) that there is a serious shortage of teachers and educational personnel who are professionally trained and qualified to serve children of limited English proficiency;
- (15) that research, evaluation, and data collection capabilities in the field of bilingual education need to be strengthened so as to better identify and promote those programs and instructional practices which result in effective education;
- (16) that parent and community participation in bilingual education programs contributes to program effectiveness; and
- (17) that because of limited English proficiency, many adults are not able to participate fully in national life, and that limited English proficient parents are often not able to participate effectively in their children's education,
- the Congress declares it to be the policy of the United States, in order to establish equal educational opportunity for all children and to promote educational excellence (A) to encourage the establishment and operation, where appropriate, of educational programs using bilingual educational practices, techniques, and methods, (B) to encourage the establishment of special alternative instructional programs for students of limited English proficiency in school districts where the establishment of bilingual education programs is not practicable or for other appropriate reasons, and (C) for those purposes, to provide financial assistance to local educational agencies, and, for certain related purposes, to State educational agencies, institutions of higher education, and commu-
- nity organizations. The programs assisted under this title include programs in elementary and secondary schools as well as related preschool and adult programs which are designed to meet the educational needs of individuals of limited English proficiency, with particular attention to children having the greatest need for such programs. Such programs shall be designed to enable students to achieve full competence in English and to meet school grade-promotion and graduation requirements. Such programs may additionally provide for the development of student competence in a second language.
- (b) APPROPRIATIONS.—(1) For the purposes of carrying out the provisions of this title, there are authorized to be appropriated for fiscal year 1988 and each of the five succeeding years such sums as may be necessary, subject to paragraph (6).
- (2) There are authorized to be appropriated to carry out the provisions of section 7032, such sums as may be necessary for fiscal year 1988 and each of the five subsequent fiscal years, subject to paragraph (6).
- (3) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve an amount which is not less than 60 percent of such sums for the programs carried out under part A.
- (4) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve for the purposes of part C the greater of—
- (A) an amount which is not less than 20 percent of such sums, or
- (B) an amount which is equal to the amount made available for such activities for fiscal year 1987.
- (5)(A) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve amounts equal to each amount made available for fiscal year 1987 for each of the programs under paragraphs (1), (2), and (3) of section 7021(a).
- (B) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve an amount equal to the aggregate amount made available for fiscal year 1987 for the programs under paragraphs (4), (5), and (6) of section 7021(a).
- (6) Subject to paragraphs (3), (4), and (5), from the sums appropriated for any fiscal year under paragraph (1) which exceed sums appropriated for such purposes for fiscal year 1987 the Secretary shall—
- (A) first, reserve such amounts as may be necessary to increase each amount reserved under paragraphs (4) and (5) by any percentage increase for the preceding fiscal year in the Consumer Price Index for All Urban Consumers;
- (B) second—
- (i) reserve not less than 70 percent and not more than 75 percent of such remaining funds for special alternative instructional programs for students of limited English proficiency under section 7021(a)(3); and
- (ii) reserve 25 percent of such remaining sums for programs of developmental bilingual education under section 7021(a)(2) and programs of transitional bilingual education under section 7021(a)(1), of which—
- (1) for developmental bilingual education programs, \$1,000,000 shall be available for fiscal year 1988, and for each subsequent fiscal year an amount which exceeds by \$150,000, the amount for the preceding fiscal year; and
- (11) for transitional bilingual education programs, all remaining sums reserved under clause (ii).
- (7) Notwithstanding paragraphs (1) and (2), no amount in excess of \$246,000,000 is authorized to be appropriated to carry out the provisions of this title (including section 7032) for fiscal year 1988.

SEC. 7002. DEFINITIONS; REGULATIONS.

(a) DEFINITIONS.—The following definitions shall apply to the terms used in this title:

(1) The terms "limited English proficiency" and "limited English proficient" when used with reference to individuals means—

(A) individuals who were not born in the United States or whose native language is a language other than English;

(B) individuals who come from environments where a language other than English is dominant; and

(C) individuals who are American Indian and Alaskan Natives and who come from environments where a language other than English has had a significant impact on their level of English language proficiency and who, by reason thereof, have sufficient difficulty speaking, reading, writing, or understanding the English language to deny such individuals the opportunity to learn successfully in classrooms where the language of instruction is English or to participate fully in our society.

(2) The term "native language", when used with reference to an individual of limited English proficiency, means the language normally used by such individuals, or in the case of a child, the language normally used by the parents of the child.

(3) The term "low-income" when used with respect to a family means an annual income for such a family which does not exceed the poverty level determined pursuant to section 1005(c)(2) of this Act.

(4)(A) The term "program of transitional bilingual education" means a program of instruction, designed for children of limited English proficiency in elementary or secondary schools, which provides, with respect to the years of study to which such program is applicable, structured English language instruction, and, to the extent necessary to allow a child to achieve competence in the English language, instruction in the child's native language. Such instruction shall incorporate the cultural heritage of such children and of other children in American society. Such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade-promotion and graduation standards.

(B) In order to prevent the segregation of children on the basis of national origin in programs of transitional bilingual education, and in order to broaden the understanding of children about languages and cultural heritages other than their own, a program of transitional bilingual education may include the participation of children whose language is English, but in no event shall the percentage of such children exceed 40 percent. The program may provide for centralization of teacher training and curriculum development, but it shall serve such children in the schools which they normally attend.

(C) In such courses or subjects of study as art, music, and physical education, a program of transitional bilingual education shall make provision for the participation of children of limited English proficiency in regular classes.

(D) Children enrolled in a program of transitional bilingual education shall, if graded classes are used, be placed, to the extent practicable, in classes with children of approximately the same age and level of educational attainment. If children of significantly varying ages or levels of educational attainment are placed in the same class, the program of transitional bilingual education shall seek to ensure that each child is provided with instruction which is appropriate for his or her level of educational attainment.

(5)(A) The term "program of developmental bilingual education" means a full-time program of instruction in elementary and secondary schools which provides, with respect to the years of study to which such program is applicable, structured English-language instruction and instruction in a second language. Such programs shall be designed to help children achieve competence in English and a second language, while mastering subject matter skills. Such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade-promotion and graduation standards.

(B) Where possible, classes in programs of developmental bilingual education shall be comprised of approximately equal numbers of students whose native language is English and limited English proficient students whose native language is the second language of instruction and study in the program.

(6) The term "special alternative instructional programs" means programs of instruction designed for children of limited English proficiency in elementary and secondary schools. Such programs are not transitional or developmental bilingual education programs, but have specially designed curricula and are appropriate for the particular linguistic and instructional needs of the children enrolled. Such programs shall provide, with respect to the years of study to which such program is applicable, structured English language instruction and special instructional services which will allow a child to achieve competence in the English language and to meet grade-promotion and graduation standards.

(7) The term "family English literacy program" means a program of instruction designed to help limited English proficient adults and out-of-school youth achieve competence in the English language. Such programs of instruction may be conducted exclusively in English or in English and the student's native language. Where appropriate, such programs may include instruction on how parents and family members can facilitate the educational achievement of limited English proficient children. To the extent feasible, preference for participation in such programs shall be accorded to the parents and immediate family members of children enrolled in programs assisted under this title. Such programs of instruction may include instruction designed to enable aliens who are otherwise eligible for temporary resident status under section 245A of the Immigration and Nationality Act to achieve a minimal understanding of ordinary English and a knowledge and understanding of history and government of the United States as required by section 312 of such Act.

(8) The term "programs of academic excellence" means programs of transitional bilingual education, developmental bilingual education, or special alternative instruction which have an established record of providing effective, academically excellent instruction and which can be used as models for effective schools for limited English proficient students to facilitate the dissemination and use of effective teaching practices for limited English proficient students.

(9) The term "Office" means the Office of Bilingual Education and Minority Language Affairs.

(10) The term "Director" means the Director of the Office of Bilingual Education and Minority Language Affairs.

(11) The term "Secretary" means the Secretary of Education.

(12) The term "other programs for persons of limited English proficiency" when used in this title means any programs within the

Department of Education directly involving bilingual education activities serving persons of limited English proficiency, such as the programs carried out in coordination with the provisions of this title pursuant to part E of title IV of the Carl D. Perkins Vocational Education Act, and section 308(a)(11) of the Adult Education Act, and programs and projects serving individuals of limited English proficiency pursuant to section 8(b)(4) of the Library Services and Construction Act.

(b) REGULATIONS.—(1) In prescribing regulations under this title, the Secretary shall consult with State and local educational agencies, organizations representing persons of limited English proficiency, and organizations representing teachers and other personnel involved in bilingual education.

(2) The Secretary shall not prescribe under this title any regulations further defining the terms defined in subsection (a), or any regulations restricting or expanding the definitions set out in subsection (a).

(c) NOTIFICATION OF PARENTS.—Parents of children participating in programs assisted under this title shall be informed of the instructional goals of the program and the progress of their children in such program. Such information shall be in a language and form the parents understand.

PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS

SEC. 7021. BILINGUAL EDUCATION PROGRAMS

(a) USES OF FUNDS.—Funds available for grants under this part shall be used for the establishment, operation, and improvement of—

- (1) programs of transitional bilingual education;
- (2) programs of developmental bilingual education;
- (3) special alternative instructional programs for students of limited English proficiency;
- (4) programs of academic excellence;
- (5) family English literacy programs; and
- (6) bilingual preschool, special education, and gifted and talented programs preparatory or supplementary to programs such as those assisted under this Act.

Programs under this subsection may use available funds to provide technology-based instruction to students in order to enhance the program.

(b) APPLICATIONS.—(1) A grant may be made under subsection (a)(1), (2), or (3) of this section only upon application therefor by one or more local educational agencies or by institutions of higher education, including junior or community colleges, applying jointly with one or more local educational agencies.

(2) A grant may be made under subsection (a)(4), (5), or (6) only upon application by one or more local educational agencies; institutions of higher education, including junior or community colleges; or private nonprofit organizations, applying separately or jointly.

(c) CONTENT OF APPLICATION.—(1) Any application for a grant authorized under subsection (a) of this section shall be made to the Secretary at such time, and in such manner, as the Secretary considers appropriate.

(2) Applications for grants authorized under subsections (a)(1), (2), and (3) of this section, shall contain information regarding—

(A) the number of children enrolled in programs conducted by the local educational agency;

(B) the number of children residing in the area served by the local educational agency who are enrolled in private schools;

(C) the number of children enrolled in public and private schools in the area served by the local educational agency who are limited in their English proficiency; (ii) the method used by the applicant to make this determination; and (iii) evidence of the educational condition of the limited English proficient students, such as reading, mathematics, and subject matter test scores, and, where available, data on grade retention rates, rates of referral to or placement in special education programs, and student dropout rates;

(D) the number of limited English proficient children who are enrolled in instructional programs specifically designed to meet their educational needs, as well as descriptions of such programs;

(E) the number of limited English proficient children enrolled in public or private schools in the area served by the local educational agency who need or could benefit from education programs such as those assisted under this title;

(F) the number of children who are to receive instruction through the proposed program and the extent of their educational needs;

(G) a statement of the applicant's ability to serve children of limited English proficiency, including an assessment of the qualifications of personnel who will participate in the proposed project and of the need for further training of such personnel;

(H) the resources needed to develop and operate or improve the proposed program;

(I) the activities which would be undertaken under the grant, including training of educational personnel and parents, and how these activities will improve the educational attainment of students and expand the capacity of the applicant to operate programs such as those assisted under this Act when Federal assistance under this section is no longer available; and

(J) the specific educational goals of the proposed program and how achievement of these goals will be measured.

(3) Applications for grants authorized under subsection (a)(3) of this section from applicants who desire to obtain priority in the awarding of such grants may contain information regarding (A) the administrative impracticability of establishing a bilingual education program due to the presence of small number of students of a particular native language, (B) the unavailability of personnel qualified to provide bilingual instructional services, or (C) the applicant's current or past efforts to establish a bilingual education program.

(4) Applications for grants authorized under subsection (a)(4) shall contain information regarding—

(A) the number of children served by the existing bilingual education program and evidence of their educational condition prior to enrollment in the program;

(B) a description of the existing program as well as the educational background and linguistic competencies of program personnel;

(C) the extent to which the program has promoted student academic achievement as indicated by objective evidence, such as improvements in language, mathematics, and subject matter test scores; grade retention rates; rates of referral to or placement in special education programs; student dropout rates; and, where appropriate, postsecondary education and employment experiences of students;

(D) the extent of parent involvement in and satisfaction with the existing bilingual education program; and

(E) how the activities carried out under the grant would utilize and promote pro-

grams of academic excellence which employ bilingual education practices, techniques, and methods.

(5) Applications for grants authorized under subsection (a)(5) shall contain information regarding—

(A) the number of limited English proficient parents and out-of-school family members of limited English proficient students who would be served by the English literacy program;

(B) the activities which would be undertaken under the grant and how these activities will promote English literacy and enable parents and family members to assist in the education of limited English proficient children;

(C) the extent to which the persons to be served by the program have been involved in its development;

(D) applicant's prior experience and performance in providing educational programs to limited English proficient adults and out-of-school youth;

(E) with respect to applications by a local educational agency, the extent to which limited English proficient students enrolled in the educational agency are served by programs specifically designed to meet their needs; and

(F) with respect to other applicants, a description of how the applicant will coordinate its program with a local education agency to ensure that the program will help limited English proficient family members promote the academic progress of limited English proficient children.

(d) **GRANT LIMITATIONS.**—(1)(A) Grants made pursuant to subsections (a)(1), (2), and (3) of this section shall be for three years.

(B) During the first twelve months of grants made pursuant to subsections (a)(1), (2), and (3) of this section, an applicant may engage exclusively in preservice activities. Such activities may include program design, materials development, staff recruitment and training, development of evaluation mechanisms and procedures, and the operation of programs to involve parents in the educational program and to enable parents and family members to assist in the education of limited English proficient children.

(C) Upon reapplication, grants authorized under subsections (a) (1), (2), and (3) of this section shall be renewed for two additional years unless the Secretary determines that—

(i) the applicant's program does not comply with the requirements set out in this title;

(ii) the applicant's program has not made substantial progress in achieving the specific educational goals set out in the original application; or

(iii) there is no longer a need for the applicant's program.

(D) Parents or legal guardians of students identified for enrollment in bilingual education programs shall be informed of (i) the reasons for the selection of their child as in need of bilingual education, (ii) the alternative educational programs that are available, and (iii) the nature of the bilingual education program and of the instructional alternatives. Parents shall also be informed that they have the option of declining enrollment of their children in such programs and shall be given an opportunity to do so if they so choose. The information provided to parents pursuant to this subsection shall be in a language and form the parents understand.

(2) Grants made pursuant to subsections (a) (4), (5), and (6) shall be for three years.

(e) **APPLICATION REQUIREMENTS.**—An application for a grant authorized under subsec-

tions (a) (1), (2), and (3) of this section shall—

(1) be developed in consultation with an advisory council, of which a majority shall be parents and other representatives of the children to be served in such programs, in accordance with criteria prescribed by the Secretary;

(2) be accompanied by documentation of such consultation and by the comments which the Council makes on the application;

(3) contain assurances that, after the application has been approved, the applicant will provide for the continuing consultation with, and participation by, the committee of parents, teachers, and other interested individuals which shall be selected by and predominantly composed of parents of children participating in the program, and in the case of programs carried out in secondary schools, representatives of the secondary students to be served; and

(4) ensure applicant support for additional advisory council activities, if support is requested by the advisory council.

(f) **APPROVAL OF APPLICATIONS.**—An application for a grant under subsections (a) (1), (2), and (3) of this section may be approved only if the Secretary determines—

(1) that the program will use qualified personnel, including only those personnel who are proficient in the language or languages used for instruction;

(2) that in designing the program for which application is made, the needs of the children in nonprofit private elementary and secondary schools have been taken into account through consultation with appropriate private school officials and, consistent with the number of such children enrolled in such schools in the area to be served whose educational needs are of the type and whose language and grade levels are of a similar type which the program is intended to address, after consultation with appropriate private school officials, provision has been made for the participation of such children on a basis comparable to that provided for public schoolchildren;

(3) that the program will be evaluated in accordance with a plan that meets the requirements of section 7033 of this title;

(4) that Federal funds made available for the project or activity will be used so as to supplement the level of State and local funds that, in the absence of those Federal funds, would have been expended for special programs for children of limited English proficiency and in no case to supplant such State and local funds, except that nothing in this paragraph shall—

(A) preclude a local education agency from using funds under this title for activities carried out under an order of a court of the United States or of any State respecting services to be provided such children, or to carry out a plan approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 with respect to services to be provided such children; or

(B) authorize any priority or preference to be assigned by the Secretary to the funding of the activities under this title;

(5) that the assistance provided under the application will contribute toward building the capacity of the applicant to provide a program on a regular basis, similar to that proposed for assistance, which will be of sufficient size, scope, and quality to promise significant improvement in the education of children of limited English proficiency, and that the applicant will have the resources and commitment to continue the program when assistance under this title is reduced or no longer available;

(6) that the applicant will provide or secure training for personnel participating,

or preparing to participate, in the program which will assist them to meet State and local certification requirements and that, to the extent possible, college or university credit will be awarded for such training; and

(7) that the provision of assistance proposed in the application is consistent with criteria established by the Secretary, after consultation with the State educational agency, for the purpose of achieving an equitable distribution of assistance under this part within the State in which the applicant is located, taking into consideration—

(A) the geographic distribution of children of limited English proficiency;

(B) the relative need of persons in different geographic areas within the State for the kinds of services and activities authorized under this title;

(C) the relative ability of applicant local educational agencies within the State to provide needed services and activities; and

(D) the relative numbers of persons from low-income families who would benefit from the applicants' programs;

(8) that the State educational agency has been notified of the application and has been given the opportunity to offer recommendations thereon to the applicant and to the Secretary.

(g) **PRIORITY CONSIDERATION OF GRANTS.**—An application for a grant under subsection (a)(3) of this section may receive priority based upon the information provided by the applicant pursuant to clause (A), (B), or (C) of subsection (c)(3) of this section.

(h) **PRIORITY FOR PROGRAMS SERVING UNDERSERVED CHILDREN.**—In the consideration of applications from local educational agencies to carry out programs authorized under this section, the Secretary shall give priority to applications from local educational agencies which are located in various geographical regions of the Nation and which propose to assist children of limited English proficiency who have historically been underserved by programs of bilingual education, taking into consideration the relative numbers of such children in the schools of such local educational agencies and the relative need for such programs. In approving such applications, the Secretary shall, to the extent feasible, allocate funds appropriated in proportion to the geographical distribution of children of limited English proficiency throughout the Nation, with due regard for the relative ability of particular local educational agencies to carry out such programs and the relative numbers of persons from low-income families who would benefit from such programs.

(i) **PROGRAMS IN PUERTO RICO.**—Programs authorized under this title in the Commonwealth of Puerto Rico may, notwithstanding any other provision of this title, include programs of instruction, teacher training, curriculum development, research, evaluation, and testing designed to improve the English proficiency of children, and may also make provision for serving the needs of students of limited proficiency in Spanish.

(j) **BYPASS PROVISION.**—If the Secretary determines that an applicant for assistance under this title is unable or unwilling to provide for the participation in the program for which assistance is sought of children of limited English proficiency enrolled in nonprofit, private schools, as required by subsection (f)(2) of this section, the Secretary shall—

(1) withhold approval of such application until the applicant demonstrates that it is in compliance with those requirements; or

(2) reduce the amount of the grant to such applicant by the amount which is required for the Secretary to arrange (such as through

a contract with a nonprofit, nonsectarian agency, organization, or institution) to assess the needs of the children in the area to be served for programs of the type authorized in this title and to carry out such programs for the children.

SEC. 7022. INDIAN CHILDREN IN SCHOOLS.

(a) **ELIGIBLE ENTITIES.**—For the purpose of carrying out programs under this title for individuals served by elementary, secondary, or postsecondary schools operated predominantly for Indian or Alaskan Native children, an Indian tribe or a tribally sanctioned educational authority may be considered to be a local educational agency as such term is used in this title, subject to the following qualifications:

(1) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act (85 Stat. 688) which is recognized for the special programs and services provided by the United States to Indians because of their status as Indians.

(2) The term "tribally sanctioned educational authority" means any department or division of education operating within the administrative structure of the duly constituted governing body of an Indian tribe, as well as any nonprofit institution or organization which is chartered by the governing body of an Indian tribe to operate any such school or otherwise to oversee delivery of educational services to members of that tribe and which is approved by the Secretary for the purposes of this section.

(b) **BUREAU OF INDIAN AFFAIRS SCHOOLS.**—From the sums appropriated pursuant to section 7002(b), the Secretary is authorized to make payments to the applicants to carry out programs of bilingual education for Indian children on reservations served by elementary and secondary schools operated or funded by the Bureau of Indian Affairs.

(c) **ANNUAL REPORT.**—The Assistant Secretary of the Interior for the Bureau of Indian Affairs shall submit to the Congress, the President, and the Secretary by September 30 of each year an annual report which provides

(1) an assessment of the needs of the Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those tribes and local educational agencies receiving assistance under the Johnson-O'Malley Act; and

(2) an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

PART B—DATA COLLECTION, EVALUATION, AND RESEARCH

SEC. 7031. USE OF FUNDS.

Funds available under this part shall be used for (1) collecting data on the number of limited English proficient persons and the educational services available to such persons, (2) evaluating the operation and effectiveness of programs assisted under this title, (3) conducting research to improve the effectiveness of bilingual education programs, and (4) collecting, analyzing, and disseminating data and information on bilingual education.

SEC. 7032. GRANTS FOR STATE PROGRAMS.

(a) **DATA COLLECTION AND DISSEMINATION.**—Upon application from a State educational agency, the Secretary shall make provision for the submission and approval of a State program for the collection, aggregation, analysis, and publication of data and information on the State's population of limited English proficient persons and the educa-

tional services provided or available to such persons.

(b) **REPORT TO SECRETARY.**—State programs under this part shall provide for the annual submission of a report to the Secretary containing data and information on such matters as the Secretary shall, by regulation, determine necessary and proper to achieve the purposes of this title, including the matters specified in section 7021(c)(2). Such reports shall be in such form and shall be submitted on such date as the Secretary shall specify by regulation. State programs shall provide for the dissemination of information regarding these matters to the public, and particularly to persons of limited English proficiency.

(c) **OTHER USES OF FUNDS.**—State programs authorized under this section may also provide for—

(1) the planning and development of educational programs such as those assisted under this title;

(2) the review and evaluation of programs of bilingual education, including bilingual education programs that are not funded under this title;

(3) the provision, coordination, or supervision of technical and other forms of nonfinancial assistance to local educational agencies, community organizations, and private elementary and secondary schools that serve limited English proficient persons;

(4) the development and administration of instruments and procedures for the assessment of the educational needs and competencies of persons of limited English proficiency;

(5) the training of State and local educational agency staff to carry out the purposes of this title; and

(6) other activities and services designed to build the capacity of State and local educational agencies to serve the educational needs of persons of limited English proficiency.

(d) **PAYMENTS.**—Except as provided in the second sentence of this subparagraph, the Secretary shall pay from the amounts appropriated for the purposes of this section pursuant to section 7002(b)(2) for each fiscal year to each State educational agency which has a State program submitted and approved under subsection (a) of this section such sums as may be necessary for the proper and efficient conduct of such State program. The amount paid by the Secretary to any State educational agency under the preceding sentence for any fiscal year shall not be less than \$75,000 nor greater than 5 percent of the aggregate of the amounts paid under section 7021 for programs within such State in the fiscal year preceding the fiscal year to which this limitation applies.

(e) **SUPPLEMENT NOT SUPPLANT.**—Funds made available under this section for any fiscal year shall be used by the State educational agency to supplement and, to the extent practical, to increase the level of funds that would, in the absence of such funds, be made available by the State for the purposes described in this section, and in no case to supplant such funds.

SEC. 7033. PROGRAM EVALUATION REQUIREMENTS.

The Secretary shall issue, within six months of the date of enactment of this section, regulations which set forth a comprehensive design for evaluating the programs assisted under part A of this title. Such regulations shall be developed by the Director in consultation with State directors of bilingual education programs, the evaluation assistance centers authorized in section 7034, and individuals and organizations with expertise in testing and evaluation of educational programs for children of limited Eng-

lish proficiency. Such regulations shall provide for the collection of information and data including—

(1) the educational background, needs, and competencies of the limited English proficient persons served by the program;

(2) the specific educational activities undertaken pursuant to the program; the pedagogical materials, methods, and techniques utilized in the program; and with respect to classroom activities, the relative amount of instructional time spent with students on specified tasks;

(3) the educational and professional qualifications, including language competencies, of the staff responsible for planning and operating the program; and

(4) the extent of educational progress achieved through the program measured, as appropriate, by (A) tests of academic achievement in English language arts, and where appropriate, second language arts; (B) tests of academic achievement in subject matter areas; and (C) changes in the rate of student grade-retention, dropout, absenteeism, referral to or placement in special education classes, placement in programs for the gifted and talented, and enrollment in postsecondary education institutions.

SEC. 7034. EVALUATION ASSISTANCE CENTERS.

The Secretary shall establish, through competitive grants to institutions of higher education, at least two evaluation assistance centers. Such centers shall provide, upon the request of State or local educational agencies, technical assistance regarding methods and techniques for identifying the educational needs and competencies of limited English proficient persons and assessing the educational progress achieved through programs such as those assisted under this title. Grants made pursuant to this section shall be for a period of three years.

SEC. 7035. RESEARCH.

(a) **RESEARCH AND DEVELOPMENT.**—The Secretary shall, through competitive contracts under this section, provide financial assistance for research and development proposals submitted by institutions of higher education, private-for-profit and nonprofit organizations, State and local educational agencies, and individuals.

(b) **AUTHORIZED ACTIVITIES.**—Research activities authorized to be assisted under this section shall include—

(1) studies to determine and evaluate effective models for bilingual education programs;

(2) studies which examine the process by which individuals acquire a second language and master the subject matter skills required for grade-promotion and graduation, and which identify effective methods for teaching English and subject matter skills within the context of a bilingual education program or special alternative instructional program to students who have language proficiencies other than English;

(3) longitudinal studies to measure the effect of this title on students enrolled in title VII programs (including a longitudinal study of the impact of bilingual education programs on limited-English proficient students using a nationally representative sample of the programs funded under this title and which provides information including data on grade retention, academic performance, and dropout rates);

(4) studies to determine effective and reliable methods for identifying students who are entitled to services under this title and for determining when their English language proficiency is sufficiently well developed to permit them to derive optimal benefits from an all-English instructional program;

(5) the operation of a clearinghouse which shall collect, analyze, and disseminate information about bilingual education and related programs (and coordinate its activities with the National Diffusion Network);

(6) studies to determine effective methods of teaching English to adults who have language proficiencies other than English;

(7) studies to determine and evaluate effective methods of instruction for bilingual programs, taking into account language and cultural differences among students;

(8) studies to determine effective approaches to preservice and inservice training for teachers, taking into account the language and cultural differences of their students; and

(9) the effect of this title on the capacity of local educational agencies to operate bilingual programs following the termination of assistance under this title.

(c) **CONSULTATION AND DELEGATION OF AUTHORITY.**—In carrying out the responsibilities of this section, the Secretary may delegate authority to the Director, and in any event, shall consult with the Director, representatives of State and local educational agencies, appropriate groups and organizations involved in bilingual education, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives.

(d) **PUBLICATION OF PROPOSALS.**—The Secretary shall publish and disseminate all requests for proposals in research and development assisted under this title.

(e) **LIMITATION OF AUTHORITY.**—Nothing in this title shall be construed as authorizing the Secretary to conduct or support studies or analyses of the content of educational textbooks.

SEC. 7034. COORDINATION OF RESEARCH.

Notwithstanding section 405(b)(1) of the General Education Provisions Act, the Assistant Secretary for Educational Research and Improvement shall consult with the Director, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives to ensure that research activities undertaken pursuant to section 405(b)(2)(C) of the General Education Provisions Act complement and do not duplicate the activities conducted pursuant to this part.

SEC. 7037. EDUCATION STATISTICS.

(a) **DATA COLLECTION.**—Notwithstanding section 406 of the General Education Provisions Act, the National Center for Education Statistics shall collect and publish, as part of its annual report on the condition of education, data for States, Puerto Rico, and the trust territories with respect to the population of limited English proficient persons, the special educational services and programs available to limited English proficient persons, and the availability of educational personnel qualified to provide special educational services and programs to limited English proficient persons.

(b) **USE OF DATA.**—In carrying out its responsibilities under this section, the National Center for Education Statistics shall utilize, to the extent feasible, data submitted to the Department of Education by State and local educational agencies and institutions of higher education pursuant to the provisions of this title as well as data collected on limited English proficient persons by other Federal agencies.

PART C—TRAINING AND TECHNICAL ASSISTANCE

SEC. 7041. USE OF FUNDS.

(a) **USE OF FUNDS.**—Funds available under this part shall be used for—

(1) the establishment, operation, and improvement of training programs for educational personnel, including teachers, administrators, counselors, paraprofessionals, and teachers aides, who are preparing to participate in, or who are participating in, programs of bilingual education or special alternative instructional programs for limited English proficient students;

(2) the training of persons to teach and counsel such persons;

(3) the encouragement of reform, innovation, and improvement in applicable education curricula in graduate education, in the structure of the academic profession, and in recruitment and retention of higher education and graduate school faculties, as related to bilingual education;

(4) the operation of short-term training institutes designed to improve the skills of participants in programs of bilingual education or special alternative instructional programs for limited English proficient students; which may include summer programs designed to improve the instructional competence of educational personnel in the languages used in the program; and

(5) the provision of inservice training and technical assistance to parents and educational personnel participating in, or preparing to participate in, bilingual education programs or special alternative instructional programs for limited English proficient students.

(b) **APPLICATIONS.**—(1) A grant or contract may be made under subsection (a) (1), (2), or (3) of this section upon application of an institution of higher education.

(2) A grant or contract may be made under subsection (a)(4) of this section upon application of (A) institutions of higher education (including junior colleges and community colleges) and private for-profit or nonprofit organizations which apply, after consultation with, or jointly with, one or more local educational agencies or a State educational agency; (B) local educational agencies; or (C) a State educational agency.

(c) **APPLICATION REQUIREMENT FOR TRAINING PROGRAMS.**—An application for a grant or contract for preservice or inservice training activities described in subsection (a)(1) of this section shall be developed in consultation with an advisory council composed of representatives of State and local educational agencies within the applicant's service area or geographic region which operate programs of bilingual education or special alternative instruction for limited English proficient students.

(d) **TRAINING PROGRAM REQUIREMENTS.**—A preservice or inservice training program funded under subsection (a)(1) shall assist educational personnel in meeting State and local certification requirements, and, whenever possible, should award college or university credit.

(e) **PREFERENCE IN ASSISTANCE.**—In making a grant or contract for preservice training programs described in subsection (a)(1) of this section, the Secretary shall give preference to programs which contain coursework in—

(1) teaching English as a second language;

(2) use of a non-English language for instructional purposes;

(3) linguistics; and

(4) evaluation and assessment; and involving parents in the educational process. Preservice training programs shall be designed to ensure that participants become proficient in English and a second language of instruction.

SEC. 7042. MULTIFUNCTIONAL RESOURCE CENTERS.

(a) **ESTABLISHMENT.**—Pursuant to subsection (a)(5) of section 7041, the Secretary

shall establish, through competitive grants or contracts, at least 16 multifunctional resource centers (hereafter in this section referred to as 'centers'). Grants and contracts shall be awarded with consideration given to the geographic and linguistic distribution of children of limited English proficiency.

(b) **REQUIRED SERVICES.**—In addition to providing technical assistance and training to persons participating in or preparing to participate in bilingual education programs or special alternative instructional programs for limited English proficient students, each center shall be responsible for gathering and providing information to other centers on a particular area of bilingual education, including (but not limited to) bilingual special education, bilingual education for gifted and talented limited English proficient students, bilingual vocational education, bilingual adult education, bilingual education program administration, literacy, education technology in bilingual programs, mathematics and science education in bilingual programs, counseling limited English proficient students, and career education programs for limited English proficient students.

SEC. 7043. FELLOWSHIPS.

(a) **AUTHORIZATION.**—Pursuant to subsection (a)(2) of section 7041, the Secretary is authorized to award fellowships for advanced study of bilingual education or special alternative instructional programs for limited English proficient students in such areas as teacher training, program administration, research and evaluation, and curriculum development. For fiscal year 1988 and each of the five subsequent fiscal years, not less than 500 fellowships leading to a masters or doctorate degree shall be awarded under the preceding sentence. Such fellowships shall be awarded, to the extent feasible, in proportion to the needs of various groups of individuals with limited English proficiency. In awarding fellowships, the Secretary shall give preference to individuals intending to study bilingual education or special alternative instructional programs for limited English proficient students in the following specialized areas: vocational education, adult education, gifted and talented education, special education, education technology, literacy, and mathematics and science education. The Secretary shall include information on the operation of the fellowship program in the report required under section 7051(c) of this title.

(b) **STUDY.**—The Secretary shall undertake an ongoing longitudinal study of the impact of recipients of such fellowships on the field of bilingual education and alternative instructional programs for students of limited English proficiency and shall, through the clearinghouse established pursuant to section 7035(b)(5) of this title, disseminate research undertaken by recipients of such fellowships.

(c) **FELLOWSHIP REQUIREMENTS.**—Any person receiving a fellowship under this section shall agree either to repay such assistance or to work for a period equivalent to the period of time during which such person received assistance, and such work shall be in an activity related to programs and activities such as those authorized under this Act. The Secretary may waive this requirement in extraordinary circumstances.

SEC. 7044. PRIORITY.

In making grants or contracts under this part, the Secretary shall give priority to eligible applicants with demonstrated competence and experience in programs and activities such as those authorized under this Act.

SEC. 704. STIPENDS.

In the terms of any arrangement described in this part, the Secretary shall provide for the payment, to persons participating in training programs so described, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as the Secretary may determine to be consistent with prevailing practices under comparable federally supported programs.

PART D—ADMINISTRATION

SEC. 7051. OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGE AFFAIRS.

(a) ESTABLISHMENT.—There shall be, in the Department of Education, an Office of Bilingual Education and Minority Language Affairs (hereafter in this section referred to as the "Office") through which the Secretary shall carry out functions relating to bilingual education.

(b) DIRECTOR.—(1) The Office shall be headed by a Director of Bilingual Education and Minority Language Affairs, appointed by the Secretary, to whom the Secretary shall delegate all delegable functions relating to bilingual education. The Director shall also be assigned responsibility for coordinating the bilingual education aspects of other programs administered by the Secretary.

(2) The Office shall be organized as the Director determines to be appropriate in order to enable the Director to carry out such functions and responsibilities effectively, except that there shall be a division, within the Office, which is exclusively responsible for the collection, aggregation, analysis, and publication of data and information on the operation and effectiveness of programs assisted under this title.

(3) The Director shall prepare and, not later than February 1 of each year, shall submit to Congress and the President, a report on the grants and contracts made pursuant to this title in the preceding fiscal year and the number of individuals benefiting from the programs assisted under this title.

(c) REPORT ON BILINGUAL EDUCATION.—The Secretary shall prepare and, not later than February 1 of 1988, 1990, 1992, and 1994, shall submit to the Congress and the President a report on the condition of bilingual education in the Nation and the administration and operation of this title and of other programs for persons of limited English proficiency. Such report shall include—

(1) a national assessment of the educational needs of children and other persons with limited English proficiency and of the extent to which such needs are being met from Federal, State, and local efforts;

(2) a plan, including cost estimates, to be carried out during the five-year period beginning on such date, for extending programs of bilingual education and bilingual vocational and adult education programs to all such preschool and elementary schoolchildren and other persons of limited English proficiency, including a phased plan for the training of the necessary teachers and other education personnel necessary for such purpose;

(3) a report on and evaluation of the activities carried out under this title during the preceding two fiscal years and the extent to which each of such activities achieves the policy set forth in section 7002(a);

(4) a statement of the activities intended to be carried out during the succeeding period, including an estimate of the cost of such activities;

(5)(A) an assessment of the number of teachers and other educational personnel needed to carry out programs of bilingual education under this title and those carried

out under other programs for persons of limited English proficiency;

(B) a statement describing the activities carried out thereunder designed to prepare teachers and other educational personnel for such programs; and

(C) the number of other educational personnel needed to carry out programs of bilingual education in the States;

(6) an estimate of the number of fellowships in the field of training teachers for bilingual education which will be necessary for the two succeeding fiscal years; and

(7) a report on the research activities carried out under this title during the preceding two fiscal years and the major findings of research studies.

(d) COORDINATION WITH RELATED PROGRAMS.—In order to maximize Federal efforts aimed at serving the educational needs of children of limited English proficiency, the Secretary shall coordinate and ensure close cooperation among with other programs administered by the Department of Education, including such areas as teacher training, program content, research, and curriculum. The Secretary's report under subsection (c) shall include demonstration that such coordination has taken place.

(e) STAFFING REQUIREMENT.—The Secretary shall ensure that the Office of Bilingual Education and Minority Language Affairs is staffed with sufficient personnel trained, or with experience in, bilingual education to discharge effectively the provisions of this title.

(f) READING AND SCORING APPLICATIONS.—For the purpose of reading and scoring applications for competitive grants authorized under parts A and C of this title, the Secretary shall use persons who are not otherwise employed by the Federal Government and who are experienced and involved in educational programs similar to those assisted under parts A and C of this title. The Secretary shall solicit nominations for application readers from State directors of bilingual education and may use funds appropriated for parts A and C of this title to pay for the application reading and scoring services required by this provision.

SEC. 7062. LIMITATION OF AUTHORITY.

The Secretary shall not impose restrictions on the availability or use of funds authorized under this title other than those set out in this title or other applicable Federal statutes and regulations.

PART E—REPEAL AND TRANSITION

SEC. 7061. REPEAL AND TRANSITION.

(a) REPEAL.—Title VII of the Elementary and Secondary Education Act of 1965 is repealed.

(b) APPLICABILITY.—This title shall not apply to grants and contracts entered into under the Bilingual Education Act before the effective date of this title.

The CHAIRMAN pro tempore. Are there amendments to title VII?

If not, the Clerk will designate title VIII.

The text of title VIII is as follows:

TITLE VIII—INDIAN EDUCATION

SECTION 8001. SHORT TITLE.

This title may be cited as the "Indian Education Amendments of 1987".

PART A—INDIAN STUDENTS IN FEDERALLY OPERATED SCHOOLS

SEC. 8101. RECOGNITION OF FEDERAL SCHOOLS.

Section 1121 of the Education Amendments of 1978 (Public Law 95-561; 25 U.S.C. 2001) (hereinafter in this subtitle referred to as "the Act") is amended by striking paragraphs (1) and (2) of subsection (g) and inserting in lieu thereof the following:

"(g)(1) All Bureau funded schools and dormitories (including but not limited to those

operated by the Bureau under contract or grant with the Bureau, those scheduled within appropriations or administrative action to begin or to be expanded as of January 1, 1987, those eligible for contract under the Indian Self-Determination and Education Assistance Act (Public Law 93-638), those eligible to receive a grant under subtitle B of this title and the facilities improvements, and repairs and new construction associated with such schools and dormitories) which operated or were funded as of January 1, 1987, or which are funded after such date by the Bureau under any authority, are hereby specifically recognized and authorized by Congress.

"(2) No education program covered under this subsection may be terminated, transferred to any other authority or consolidated or have its programs substantially curtailed without the express permission of Congress except upon formal request of the tribal council where only one tribe is provided services, or where the facility serves a multiracial base, the tribal councils representing an aggregate of 90 percent or more of the students served by the school under consideration."

SEC. 8102. TRANSFERS.

(a) Section 1121(g)(3) of the Act (25 U.S.C. 2001) is amended by striking "Such standards and procedures shall require that whenever" and inserting "Whenever".

(b) Section 1121(g)(3) and (4) of the Act (25 U.S.C. 2001) are amended by inserting "transfer to any other authority," after "close" and "closure," each place either appears.

SEC. 8103. EMERGENCY ACTIONS.

Section 1121(g) of the Act (25 U.S.C. 2001) is amended by adding at the end the following new paragraphs:

"(5)(A) Subject to subparagraph (B), the requirements of paragraphs (2), (3), and (4) shall not apply when temporary closure, consolidation, or substantial curtailment is required by facility conditions which constitute an immediate hazard to health and safety, except that (i) no action under this provision can be for longer than one academic year or one calendar year, whichever is shorter, and (ii) no action may be taken until the Bureau has requested, and provided a reasonable period for the conduct of, an inspection by the appropriate tribal or county, State, or municipal building inspector, to determine the presence of an immediate threat to health and safety.

"(B)(i) No building inspector other than one designated by the tribe shall make an inspection under this paragraph unless notice is given to the involved tribes at the same time that the request is made.

"(ii) No action shall be taken under this paragraph if the inspection by the outside inspector finds no immediate hazard to health and safety.

"(6) The Assistant Secretary shall develop regulations to establish new schools and to make program expansions in existing schools operated by the Bureau, and contracted under the Indian Self-Determination and Education Assistance Act, except that no regulations may be promulgated which base the decision primarily upon the geographic proximity of public education, and which do not give equal weight to geographic and demographic factors, the history and record of success or failure of the programs offered by the Bureau and by all alternative providers or potential providers of education services for the students under consideration, and the input of all parties, including the public school.

"(7) Notwithstanding any other provision of law, subject to a determination by the

local school board, the schools at the Pueblo of Zia and the Tama Settlement shall expand to kindergarten through grade 8.".

SEC. 8104. BOARDING STANDARDS.

Section 1122 of the Act (25 U.S.C. 2002) is amended by redesignating subsection (d) as subsection (e) and adding after subsection (c) the following new subsection:

"(d) The standards under this section shall be subject to the waiver provisions in section 1121(d), provided that no school in operation on or before January 1, 1987 (regardless of compliance or noncompliance with these standards) may be closed, transferred to another authority, consolidated or have its program substantially curtailed for failure to meet these standards. Before February 1, 1988, the Assistant Secretary shall submit to Congress a report detailing the costs associated with, and the actions necessary for, complete compliance with the standards under this section."

SEC. 8105. REGULATIONS.

Section 1123 of the Act (25 U.S.C. 2003) is amended to read as follows:

"REGULATIONS"

"SEC. 1123. (a) The provisions of 25 CFR parts 31, 32, 33, 36, 39, 42, 43, as in effect on January 1, 1986 are hereby incorporated and made a part of this Act. Except as may be specifically authorized by law, such provisions may not be changed or amended.

"(b) Except as required by Public Law 99-288 or as may be specifically required by this Act or any subsequent Act, the Assistant Secretary for Indian Affairs or the Secretary of the Interior shall publish no regulations, guidelines, policies, or procedures of general effect on the issues covered by paragraph (1)."

SEC. 8106. FORMULA PROVISIONS.

Section 1128(a) of the Act (25 U.S.C. 2008) is amended by adding after the second sentence the following new sentence: "For the fiscal year 1989 and for each subsequent fiscal year in which the Assistant Secretary does not provide funds to educational programs in accordance with the last sentence of this subsection, the Assistant Secretary shall use a weighted student unit of 1.2 for students in the seventh and eighth grades; shall use a factor of 200 students when determining an adjustment for a small school factor; and, where requested by the local supervisor and school board, shall make provision in the formula for the provision of residential services on a less than 9-month basis."

SEC. 8107. ADMINISTRATIVE FORMULA.

Section 1128(c) of the Act (25 U.S.C. 2008) is amended to read as follows:

"(c)(1) The Secretary shall compute, on an annual basis, and shall pay from funds appropriated for payment of the formula under subsection (a) of this section an administrative cost payment based upon this subsection to each contractor (under the Indian Self-Determination and Education Assistance Act; Public Law 93-638) or grantee (under the Self-Determination Grant Act of 1987). Any other provision of law notwithstanding, the Secretary shall not compute administrative cost by any other means.

"(2)(A) Subject to the adjustments in subparagraph (B), the administrative cost shall be the sum of 12 percent of the amount under clause (i) of this paragraph added to the amount under clause (ii) of this paragraph, divided by the sum of the amounts in clauses (i) and (iii) of this subparagraph, calculated as a percentage to two decimal places, multiplied by the amount of clause (iv) of this paragraph. For purposes of this subparagraph, the following will be used:

"(i) The total direct program funding of each grantee for all Bureau elementary and

secondary education functions, as defined in paragraph (3) of this paragraph, and all Bureau of Indian Affairs programs or parts of programs contracted for, or for which grants are received from the Bureau during the preceding fiscal year, which shared common administrative services (as such term is defined in subsection (g)) with the programs covered by subsection (a) of this section, irrespective of the number of contracts involved.

"(ii) Fifty percent of the amount under clause (iii).

"(iii) The average total direct program funding for all Bureau programs or parts of programs included under clause (i) for all contractors contracting Bureau of Indian Affairs elementary and secondary education functions during the preceding fiscal period.

"(iv) Each grantee's total direct program funding for Bureau elementary and secondary education functions, as defined under paragraph (3) of this paragraph and all other Bureau programs or parts of programs contracted for, or for which grants are received from the Bureau, for the fiscal year for which this computation is being performed which will share common administrative services (as defined by subsection (g)).

"(B) The percentage rate as determined under subparagraph (A) of this paragraph shall be adjusted as follows:

"(i) An additional 1 percent shall be added for each 100 miles that the average of the distances from the principal offices of the grantee or contractor to the nearest office of the banking institution used by the contractor for regular business, the nearest office of the banking institution used by the grantee or contractor at which a draw down upon a letter of credit request must be presented, if different, the nearest site for regular procurement of bulk school, office and janitorial supplies, office and school equipment and related maintenance and repair items, and the nearest post office, exceeds 20 miles.

"(ii) An additional ¼ percent for each school in excess of one administered by the same contractor or grantee.

"(iii) An additional ¼ percent for each Bureau program or part of a program contracted for, or for which a grant is received, which requires bookkeeping and fiscal management procedures in excess of those normally maintained by the contractor or grantee for the program under this section.

"(C) The Bureau, as lead agency, shall pay administrative costs as determined by the formula under this subsection for the total program dollars contracted pursuant to the Indian Self-Determination and Education Assistance Act (Public Law 93-638) or granted pursuant to title II and chapter I of this Act for basic educational operations including ISEP, chapter I of the Education Consolidation and Improvement Act, the Education of the Handicapped Act, and operation and maintenance or the part or parts contracted or granted by a tribally controlled school, except that the Secretary of the Interior may (i) reduce administrative costs payments from the Bureau to the extent of administrative costs funds actually received by tribally controlled schools under such Acts and programs and (ii) shall take such steps as may be necessary to collect any additional sums under such Acts and programs.

"(3) For purposes of this section, the term 'Bureau elementary and secondary functions' shall include, but not be limited to, all programs funded under this section, all contracted or granted programs or projects distributed by the Bureau but funded under authorities of the Department of Education, and all contracted or granted operations

and maintenance funds, from whatever source derived.

"(4) Subject to this subsection, 133 percent of the funds under subsection (a) shall be reserved by the Assistant Secretary for distribution under this section for national school board training to be conducted in the manner in which it was conducted in fiscal year 1986, except that the contract for such training may not be awarded after May 1 of each fiscal year. The agenda for the training sessions shall be established by the school boards through their regional or national organizations. For a school operated by the Bureau of Indian Affairs—

"(A) for each year in which the Assistant Secretary funds education programs under a weighted unit formula, a school which generates less than 168 weighted units will receive an additional 2 weighted units, to defray school board activities; and

"(B) from the funds received under subsection (a) of this section, an amount which is the greater of \$4,000 or 2 percent of the funds received shall be reserved for school board activities, including but not limited to, and notwithstanding any other provision of law, meeting expenses and the cost of membership in and support of organizations engaged in activities on behalf of Indian education.

"(3) For each fiscal year beginning October 1, 1987, and each succeeding fiscal year, Bureau operated education programs are hereby authorized to carry forward, at the election (made at any time in the fiscal year) of the local school authority, with the approval of the local board, an amount equal to no more than 15 percent of the amount received under this section, and shall remain available until expended."

SEC. 8108. ADMINISTRATIVE COSTS DEFINITION.

Section 1128 of the Act (25 U.S.C. 2008) is amended by adding at the end the following new subsection:

"(h) The term 'administrative costs' as used in this section shall mean the additional costs which a tribe or tribal organization incurs as a result of a contract or grant operation of a function authorized by or previously accomplished by the Assistant Secretary. The additional costs may include but not be limited to contract supervision, program management, fiscal management, planning and development, personnel, property and procurement, corporate and safety, executive management, office services, policy direction security, and recordkeeping."

SEC. 8109. LOCAL PROCUREMENT.

Section 1129(a)(4) of the Act (25 U.S.C. 2009) is amended—

(1) by striking "Pursuant to guidelines established by the Assistant Secretary, notwithstanding" and inserting "Notwithstanding";

(2) by inserting "for the fiscal year 1988 and thereafter," immediately before "supervisor"; and

(3) by adding at the end the following: "Purchases made pursuant to this authority shall (A) be restricted to funds received under section 1128 of this Act, (B) include certification by supervisor of the school that the price paid is fair and reasonable, (C) have specific school board authority for each purchase, (D) be documented by a journal which details the name of the school, the type of items purchased, and the amount, date, and size of the transaction, business, (E) specifically cite this provision of law for authority to make the purchase, and (F) not exceed a cost of \$10,000 for any single item purchase."

SEC. 811A. COORDINATED PROGRAMS.

Section 1129 of the Act (25 U.S.C. 2009) is amended by adding after subsection (e) the following new subsection:

"(f) Subject to the funds generated by the provisions of this Act, where specifically requested by the tribes, the Bureau of Indian Affairs shall implement any cooperative agreement involving a Bureau operated education program entered into between the tribe and the local public school. The tribe and the local school district shall decide what shall be encompassed by the agreement, and the agreement may encompass coordination of all or any part of the following:

"(1) The academic program and curriculum (if a Bureau operated facility which is currently accredited by a State or regional accrediting entity would still be State accredited).

"(2) Support services, including procurement and facilities maintenance.

"(3) Transportation."

SEC. 811I. CONSULTATION.

Section 1130 of the Act (25 U.S.C. 2010) is amended—

(1) by inserting "(a)" after the section designation, and

(2) by inserting after subsection (a) as so designated the following subsection:

"(b)(1) All actions under this Act shall be done with active consultation with the tribes.

"(2) For purposes of this Act, the term 'consultation' means a process of meeting with tribes, Alaskan natives entities, and Indian and tribal organizations on a periodic and systematic basis not less than every 3 months. Notice of all such meetings shall be given at least 30 days prior to any such meeting. Notice shall be given in the Federal Register, along with a list of topics to be covered. Meetings will be held in different regions of the country, so as to facilitate participation. During such meetings, department officials shall provide information on all matters, including budget initiatives and discussions, all regulatory provisions which will be or are being considered for, amendment or change within the next 6 months, all administrative changes affecting delivery mechanisms, and seek input on all issues considered important by the Indian entities participating, including those issues affecting programs in other Federal agencies. Unless for clear and convincing reasons, Department officials shall give effect to the views of these entities. The consultation requirement of this section will be met only by open discussion at the required meetings. Bureau officials shall meet if requested by the Indian entities."

SEC. 811J. INDIAN PREFERENCE.

Section 1131(f)(1) of the Act (25 U.S.C. 2011) is amended by inserting "initial hire or any other" before "personnel".

SEC. 811K. PERSONNEL.

The Act is amended by adding after section 1140B the following new section:

"PERSONNEL"

"SEC. 1140C. (a) Not later than March 1, 1988, from funds appropriated for administration, the Assistant Secretary shall conduct a study and make a report to the Congress of Bureau of Indian Affairs funded school personnel costs, including—

"(1) current salaries paid to education personnel in Bureau of Indian Affairs funded schools;

"(2) current salaries paid to personnel in positions comparable to Bureau of Indian Affairs education positions in proximate local educational agencies of States in which Bureau of Indian Affairs funded schools are found; and

"(3) State average salaries.

Such surveys shall take into consideration starting salaries, tenure, length of service, educational requirements, and fringe benefits and projections for the next five years.

"(b) The Bureau shall detail such staff to the study as may be necessary. Such staff shall include not less than 2 career employees from the Division of Education who have substantial experience in the administration at the agency level of school operations and in the drafting of personnel regulations, including but not limited to those under the Education Amendments of 1978.

"(c) The Assistant Secretary may conduct the study required by this section by contract with an Indian educational organization.

"(d) For purposes of this section, the term 'educational personnel' shall mean a person who fills an 'education position', as such term is defined in section 1131 of the Education Amendments of 1978.

"(e)(1) In those instances where the Assistant Secretary determines that the disparity of compensation affects the recruitment and retention of employees at a school to the extent that the ability to provide education services (including support services) is impaired, the Assistant Secretary shall grant the local Bureau school supervisor the authority under section 1131(h)(3), subject to the approval of the local school board.

"(2) The presence of more than 10 percent vacancy in staff positions or a 5 percent disparity in compensation rates (as determined by survey to be conducted by the Agency Education Office no less than once every 5 years) at a school at any one time shall automatically trigger the authority under paragraph (1).

"(3) The Assistant Secretary shall make a separate report to the Congress each fiscal year (at the time of the budget submission) of all requests of authority under paragraph (1), of all grants of this authority, and all positions contracted under such grants."

PART B—SELF-DETERMINATION GRANTS**SEC. 820I. SHORT TITLE.**

This part may be cited as the "Indian Self-Determination Grants Act of 1987".

SEC. 820J. CONGRESSIONAL FINDINGS.

(a) The Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, American Indian people, finds that—

(1) the Indian Self-Determination and Education Assistance Act of 1975, which was a product of the legitimate aspirations and a recognition of the inherent authority of Indian nations, was and is a crucial positive step towards tribal and community control;

(2) the Bureau of Indian Affairs' administration and domination of the Public Law 93-638 contracting process has not provided the full opportunity to develop leadership skills crucial to the realization of self-government, and has denied to the Indian people an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities; and

(3) the Indian people will never surrender their desire to control their relationships both among themselves and with the non-Indian governments, organizations, and persons.

(b) The Congress further finds that—

(1) true self-determination in any society of people is dependent upon an educational process which will ensure the development of qualified people to fulfill meaningful leadership roles;

(2) the Federal administration of education for Indian children has not effected the desired level of educational achievement nor

created the diverse opportunities and personal satisfaction which education can and should provide;

(4) true local control requires the least possible Federal interference; and

(5) the time has come to enhance the concepts made manifest in Public Law 93-638.

SEC. 820K. DECLARATION OF POLICY.

(a) The Congress recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational services so as to render such services more responsive to the needs and desires of those communities.

(b) The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing trust relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy for education which will further deter further perpetuation of Federal bureaucratic domination of programs.

(c) The Congress declares that a major national goal of the United States is to provide the resources, processes, and structures which will enable tribes and local communities to effect the quantity and quality of educational services and opportunities which will permit Indian children to compete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being.

(d) The Congress affirms the reality of the special and unique educational needs of Indian peoples, including the need for programs to meet the linguistic and cultural aspirations of Indian tribes and communities. These can best be met through a grant process.

(e) The Congress declares its commitment to these policies and its support, to the full extent of its responsibility, for Federal relations with the Indian Nations.

(f) The Congress hereby repudiates and rejects any policy of unilateral termination of Federal relations with any Indian Nation.

SEC. 820L. GRANTS AUTHORIZED.

(a) Grants under this part shall go into a general operating fund of the school to defray, at the determination of the tribally controlled school board, any expenditures, including but not limited to, expenditures for school operations, academic, educational, residential, guidance and counseling, and administrative purposes and for the operation and maintenance (where funds for same are provided at the request of the tribally controlled school board) and for support services, including transportation, of the school. Funds provided pursuant to this Act may not be used in connection with religious worship or sectarian instruction.

(b) Funds may not be expended for administrative costs (as defined under section 1128(g) of the Education Amendments of 1978) in excess of the amount generated for such costs under section 1128(c) of such Act.

(c) In the case of a grantee which operates more than one school site, the grantee shall expend no less than 95 percent of the funds generated under section 1128 of such Act for each school site at each school site.

SEC. 820M. GRANTS ELIGIBILITY.

(a) To be eligible for grants under this part, a tribally controlled school shall fulfill one of the following criteria—

(1) was a school for which funds were received under the authority of the Indian Self-Determination and Education Assistance Act (Public Law 93-638) on the date of the enactment of this Act;

(2) was a school operated (as either an elementary or secondary or combined program) by the Bureau of Indian Affairs on the date of the enactment of this Act, meets the requirements of a tribally controlled school, and has met the requirements of section 8206(a); or

(3) is a tribally controlled school for which funds were not received by the Bureau of Indian Affairs on the date of the enactment of this Act which has met the requirements of section 8206(b).

(b) Any application which has been submitted by a tribe for a school which is not in operation on the date of the enactment of this Act shall be reviewed under the guidelines and regulations in effect at the time of submission, unless the tribe or tribal organization elects to have the application reviewed under the provisions of section 8205(b).

(c) Any application for expansion under section 8205(c) which has been submitted prior to the date of the enactment of this Act shall be reviewed under the regulations and guidelines in effect on the date of submission or the provisions of section 8206(c), at the discretion of the applicant.

(d) Nothing in this Act may or shall be construed to require a tribe or tribal organization, or allow the coercion of any tribe or tribal organization, to apply for or accept, a grant under this Act to plan, conduct, and administer all or parts of any Bureau program. Such applications, and the timing of such applications are strictly voluntary. Nothing in this Act shall be construed as allowing or requiring any grant with any other entity, whatsoever.

SEC. 8206. DETERMINATION OF ELIGIBILITY.

(a)(1) Within 120 days after receiving a request submitted by an Indian Tribe or tribal organization for eligibility under subsection (b) of section 8205, the Secretary shall make an initial determination of whether the applicant can maintain a tribally controlled school. The Secretary shall award a grant based upon such application unless the Secretary finds by clear and convincing evidence that the services to be provided will be deleterious to the welfare of the Indian beneficiaries of the particular program to be operated under this authority. In the award of a grant under this paragraph, the Secretary shall consider whether the tribe or tribal organization would be deficient in performance under the grant with respect to (A) equipment, (B) bookkeeping and accounting procedures, (C) substantive knowledge of the program to be operated, (D) adequately trained personnel, or (E) other necessary components of grant performance.

(2) An application from a tribal organization shall be accompanied by an action of the tribal governing body authorizing such application. A grant shall become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the Secretary's discretion.

(3)(A) Whenever the Secretary declines to issue a grant under this section, the Secretary shall (i) state the objections in writing to the tribe or tribal organization within the allotted time, (ii) provide assistance to the tribe or tribal organization to overcome all stated objections, and (iii) provide the tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(B) Whenever the Secretary has provided an opportunity and the technical assistance necessary to correct stated objections under subparagraph (A), the Secretary shall reconsider the amended application within 60 days.

(b)(1) The Secretary, within 180 days after receiving a request by an Indian tribe or tribal organization seeking a grant for a tribally controlled school program for which funds from the Bureau of Indian Affairs have not been previously received, shall conduct an eligibility study to determine whether there is justification to maintain a tribally controlled school and shall make an initial determination of eligibility under this Act. In making this determination, the Secretary shall give equal weight to all of the following factors:

(A) Within the applicant's proposal—
(i) the adequacy of facilities or the potential to obtain or provide adequate facilities;
(ii) geographic and demographic factors in the affected areas;
(iii) adequacy of applicant's program plans;

(iv) geographic proximity of comparable public education, provided that no negative decision can be made primarily based upon the proximity of such programs; and

(v) the wishes of all affected parties, including but not limited to students, families, tribal governments at both the central and local levels, and school organizations; and

(B) with respect to all educational services already available—

(i) geographic and demographic factors in the affected areas;

(ii) adequacy and comparability of programs already available;

(iii) consistency of available programs with tribal education codes or tribal legislation to education; and

(iv) the history and success of these services for the proposed population to be served, as determined from all factors and not just standardized examination performance.

(2) An application from a tribal organization under this authority shall be accompanied by an action by the tribal governing body authorizing such application. Submission of information on the factors in paragraph (1)(A) shall constitute an adequate submission for purposes of an application under this section, provided that the applicant may also provide such information relative to the factors in paragraph (1)(B) as it considers appropriate. Except as provided in paragraph (3), a grant shall become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the discretion of the Secretary. Whenever the Secretary declines to issue a grant under this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide the tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(3) If the Secretary fails to make a determination within 180 days of receipt of the application, such application is approved, provided that in these cases, the grant shall become effective 18 months after the date of application, or an earlier date, at the Secretary's discretion.

(c)(1) Expansions of the grade levels offered or modification to initiate residential services by eligible tribally controlled schools shall require an application. Such application shall be by a tribe or be accompanied by an action of the tribal governing body authorizing such application. The Secretary, within 120 days after the receipt of an application under this subsection, shall make a final determination on such application. Expansion or change of services or

programs within grade levels shall not require Secretarial approval. In reviewing all applications under this subsection, the Secretary shall give equal weight to the factors in subsection (b)(1), and to the enhancement of the quality of the overall program offered by the applicant. Whenever the Secretary declines to agree to the expansion proposed under this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide the tribe or tribal organization a hearing under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act and an opportunity to appeal the objection raised.

(2) A modification to a grant under this subsection will become effective beginning with the academic year succeeding the fiscal year in which such application is made or at an earlier date, at the discretion of the Secretary, except that an expansion involving more than two grade levels, or their equivalent, or the addition of residential services to a program not now offering them shall become effective 12 months after the application, or earlier, at the discretion of the Secretary. Whenever the Secretary declines to modify a grant pursuant to this subsection, the Secretary shall (A) state the objections in writing to the tribe or tribal organization within the allotted time, (B) provide assistance to the tribe or tribal organization to overcome all stated objections, and (C) provide a tribe or tribal organization a hearing, under the same rules and regulations pertaining to the Indian Self-Determination and Education Assistance Act, and an opportunity to appeal the objection raised.

(d) All applications under this section shall be filed with the Office of the Agency Education Superintendent or Education Programs Officer or Area Education Officer, at the discretion of the Director of the Office of Indian Education Programs (hereinafter referred to as the "Office"), and the calculation of the timeliness will begin on the date of receipt by this Office.

(e) The Bureau of Indian Affairs shall submit an annual report to Congress on all applications received and actions taken under this section at the same time as the budget is submitted.

SEC. 8207. GRANTS.

(a) Tribally controlled schools as defined by section 8205(a) or which have a positive determination under section 8205 shall receive grants under this part.

(b) The eligibility determination made under section 8205 shall only be made for the initial grant. Extension shall be automatic, subject to the availability of appropriations and satisfactory performance, as defined in this Act.

(c)(1) For purposes of this Act, satisfactory performance shall be defined only as the submission of the reports stipulated under paragraph (2) and one of the following:

(A) Certification or accreditation by a State or regional accrediting association as determined by the Secretary of Education, or candidacy in good standing for such accreditation under the rules of the State or regional accrediting association, showing that credits achieved by students within the education program are or will be accepted at grade level by a State certified or regionally accredited institution provided that the Secretary may waive this requirement for a period not to exceed three years if the Secretary determines that there is a reasonable expectation that candidacy or accreditation will be reached within that time and that

the program offered is beneficial to the Indian students.

(B) Accreditation by a Tribal Division of Education.

(C) Acceptance of the standards promulgated under section 1121 of the Education Amendments of 1978, evaluation of performance under this section to be done in conformance with the regulations pertaining to Bureau operated schools by an outside evaluator chosen by the grantee provided that no grantor shall be required to comply with these standards to a higher degree than a comparable Bureau operated school.

(D) A positive evaluation conducted once every three years for performance under standards adopted by the contractor under the contract for a school contracted under Public Law 93-638 prior to the date of enactment, such evaluation to be conducted by an outside evaluator agreed to by the Secretary and the grantee provided that upon failure to agree on such an evaluator, the tribal authority shall choose the evaluator or perform the evaluation.

The choice of standards shall be consistent with section 1121(e) of the Education Amendments of 1978.

(2) The reports to be submitted shall be limited to—

(A) an annual financial statement reporting revenue and expenditures as defined by the cost accounting established by the grantee;

(B) a biannual financial audit conducted pursuant to the standards of the Single Audit Act of 1984;

(C) an annual submission to the Secretary of the number of students served and a brief description of programs offered under the grant; and

(D) a program evaluation conducted by an outside entity, to be based on the standards under paragraph (1).

(d) Grants under this Act do not terminate, modify, suspend, or reduce the Federal responsibility to provide such a program. Whenever an Indian tribe requests retrocession of any program receiving a grant under this Act, such retrocession shall become effective upon a date specified by the Secretary not more than 120 days from the date of the request of the tribe or such later date as may be mutually agreed or by the appropriate Secretary and the tribe.

(e) The Secretary shall not make a determination of a lack of satisfactory performance or reassume a program until the Secretary provides notice to the tribal authority authorizing the tribally controlled school, giving the specific deficiencies which lead to the negative determination and the actions which are needed to remedy said deficiencies and afford such authority an opportunity to effect any remedial actions, except that the Secretary shall provide such technical assistance as is necessary to effect such actions. Such notice and technical assistance shall be in addition to hearing and appeal to be conducted pursuant to the regulations established under section 8205.

SEC. 8206. GRANT AMOUNTS.

(a) One grant shall be made to each tribally controlled school for each fiscal year for a sum which is not less than the total of—

(1) the amount the tribally controlled school is eligible to receive under section 1128 of the Education Amendments of 1978, including, but not limited to, any funds provided under this or any other authority for transportation costs;

(2) funds provided for operations and maintenance and other facilities accounts, pursuant to the provisions of section 1128(d)(1) of the Education Amendments of 1978, if such funds have been requested by the tribally controlled school;

(3) any other provision of law notwithstanding funds received and distributed by the Bureau under authority of chapter 1 of the Education Consolidation and Improvement Act of 1981, chapter 1 of this Act, and the Education of the Handicapped Act, on the same basis as these funds are distributed to Bureau operated programs, provided that programs which are within the basic grant of authority under the legislation for funds so distributed are conducted within the grantee's program, the Bureau shall place no program priority or activity limitations whatsoever upon receipt of these funds; and

(4) administrative costs as determined under section 1128(c)(1) of the Education Amendments of 1978.

(b) No grantee receiving a grant shall be held accountable for interest earned on grant funds, pending their disbursement for program purposes. Interest derived is not to be used to reduce Federal dollars under the Federal funding levels generated by the contractors under this authority, or any other authority. The investment of Federal dollars must be only in federally insured investments.

(c) For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this Act shall not be taken into consideration.

SEC. 8207. APPLICABILITY OF OTHER STATUTES.

All provisions of sections 5, 6, 7, 105, 109, and 110 of the Indian Self-Determination and Education Assistance Act (Public Law 93-638) except those provisions pertaining to indirect costs and length of contract, shall apply equally to grants under this Act. Until 120 days after the date of enactment, contractors for activities covered by this Act who have a contract under the Indian Self-Determination and Education Assistance Act in effect upon the date of enactment shall be afforded an opportunity to elect to have the provisions of this Act apply to such activity.

SEC. 8208. ROLE OF THE DIRECTOR.

Applications for grants pursuant to this Act and all application modifications shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such office.

SEC. 8209. REGULATIONS.

The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary by this title. In all other matters relating to the details of planning, development, implementing, and evaluating grants under this Act, the Secretary shall not issue regulations. Regulations issued pursuant to this title shall not have the standing of a Federal statute for the purposes of judicial review.

SEC. 8210. DEFINITIONS.

For the purposes of this part—

(1) The term "eligible Indian student" has the meaning of such term in section 1128(f) of the Education Amendments of 1978.

(2) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native Village or regional or village corporation as defined in or established pursuant to the Alaskan Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(3) The term "tribal organization" means the recognized governing body of any Indian tribe; any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body

or which is democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities, except that in any case where a grant is made to an organization to perform services benefiting more than one Indian tribe, the approval of Indian tribes representing 80 percent of those students attending such a tribally controlled school shall be considered a sufficient prerequisite of tribal authorization for such a grant.

(4) The term "Secretary", unless otherwise designated, means the Secretary of the Interior.

(5) The term "tribally controlled school" means a school, operated by a tribe or a tribal organization, enrolling students in grades kindergarten up to grade 12, including preschools, which is not a local educational agency as defined in this Act, and which is not directly administered by the Bureau of Indian Affairs.

(6) The term "a local educational agency" has the meaning given such term in chapter 1 of this Act.

PART C—OTHER PROGRAMS OF INDIAN EDUCATION

SEC. 8301. EXTENSIONS OF AUTHORIZATIONS OF OTHER INDIAN EDUCATION PROGRAMS.

(a) Section 307(a) of title III of the Act of September 30, 1950 (20 U.S.C. 236, Public Law 81-874) is amended—

(1) by striking "each of the fiscal years 1987, 1988, and 1989," and inserting in lieu thereof "fiscal year 1987"; and

(2) by adding at the end of such subsection the following: "For the purposes of making payments under this title there are authorized to be appropriated \$70,000,000 for fiscal year 1988 and such sums as may be necessary for each of the five succeeding fiscal years."

(b)(1) Section 1005(g)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3385) is amended by striking "1989" and inserting in lieu thereof "1993".

(2) Section 1005(g) is further amended by striking paragraph (3).

(c) Section 422(c) of the Indian Education Act (20 U.S.C. 3385a, Public Law 92-318) is amended to read as follows:

"(c) There is authorized to be appropriated for each of the fiscal years 1988, 1989, 1990, 1991, 1992, and 1993, such sums as may be necessary."

(d) Section 423(a) of the Indian Education Act is amended by striking "1989" and inserting in lieu thereof "1993".

(e) Section 423(d) of the Indian Education Act is amended to read as follows:

"(d) There is authorized to be appropriated for the purposes of this section such sums as may be necessary for each fiscal year ending prior to October 1, 1993."

(f) Section 442(a) of the Indian Education Act is amended by striking "1989" and inserting in lieu thereof "1993".

SEC. 8302. PROOF OF ELIGIBILITY.

(a) Section 453(a) of the Indian Education Act is amended by inserting ", as defined by the tribe, band, or other organized group," after "member".

(b) Section 453 of the Indian Education Act is further amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

(c) Section 453(b) of the Act (as so redesignated) is amended by striking "On the form establishing a child's eligibility for entitlement under part A of this Act, the Secretary shall request at least the following information on the student eligibility form:" and inserting in lieu thereof the following: "For the purpose of collecting statistical information

only, and not for the purpose of establishing eligibility, forms provided by the Department may provide for the provision of the following information, where available to the parent and at the option of the parent:"

(d) Section 453(b) of the Act (as so redesignated) is further amended by adding at the end the following new sentence: "Failure to provide any of the information listed above shall have no bearing on the determination of eligibility of the student."

(e) Section 453 is further amended by adding the following new subsection:

"(C) DETERMINATION OF ELIGIBILITY.—Determination of a student's eligibility to participate in this program, under the definition of subsection (a), shall vest solely with the parent committee and the local educational agency. It shall be based upon such information of eligibility as the parents may submit, include written proofs that the student is and has been for his or her life regarded by the community in which he or she resides as Indian. Such information shall be initially reviewed by the parent committee (under written guidelines established by such committee and the local educational agency which shall be on file and available to the public), which shall make a finding as to eligibility and shall submit such finding to the local educational agency. The local educational agency shall review and may accept or eject such finding with respect to any individual, except that a local educational agency may not count as eligible any student that the parent committee has found ineligible. Determinations of eligibility which are agreed to by the parent committee and the local educational agency shall not be subject to further administrative review."

PART D—NATIVE AMERICAN INDIAN SCHOOLS

SEC. 8401. SHORT TITLE.

This part may be cited as the "Native American Indian School Act".

SEC. 8402. DEFINITIONS.

For purposes of this part, the following terms have the following meanings:

- (1) The term "School" refers to an elementary or secondary school that is established by this part.
- (2) The term "Indian" means any person who is a member of an Indian tribe.
- (3) The term "Indian tribe" means any tribe, band, nation or other organized group or community of Indians, including any Alaska Native Village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.
- (4) The term "Secretary" means the Secretary of the Interior.
- (5) The term "Board" means the Board of Trustees of the School established under this part.

SEC. 8403. ESTABLISHMENT OF SCHOOL.

(a) CONSULTATION.—The Secretary of the Interior is directed to consult with Native American Indian tribes concerning the establishment of not more than five Native American Indian Schools on Indian lands to serve Indian students residing on Indian lands, and to make provision for the establishment of such schools. Indian tribes interested in establishing such schools shall petition the Secretary for the authority to establish such elementary and secondary schools. The Secretary shall establish criteria for applications and procedures for the establishment of such schools.

(b) ESTABLISHMENT.—Each school shall be established as a separate corporation. The appropriate name shall be indicated in the Indian tribe's application. Each school shall

be under the direction and control of a Board of Trustees established under section 8404.

(c) TERMINATION.—The corporation established under subsection (b) shall have succession until dissolved by Act of Congress. Only the Congress shall have the authority to revise or amend the charter of such corporation.

SEC. 8404. BOARD OF TRUSTEES.

(a) PETITION.—A petition from an Indian tribe shall indicate the number and composition of the Board of Trustees and the methods to be used in electing the members of the Board of Trustees of each school.

(b) TERMS OF OFFICE.—

(1) Except as otherwise provided in this section, members shall be appointed for terms of office of 3 years.

(2) Of the members of the Board first appointed under subsection (a)—

(A) one-third shall be appointed for terms of office of 1 year;

(B) one-third shall be appointed for terms of office of 2 years;

(C) one-third shall be appointed for terms of office of 3 years, as determined by the drawing of lots during the first meeting of the Board; and

(D) no member of the Board appointed shall be eligible to serve in excess of 2 consecutive terms, but may continue to serve until such member's successor is appointed.

(c) VACANCIES.—Any member of the Board appointed to fill a vacancy occurring before the expiration of the term to which such member's predecessor was appointed shall be appointed for the remainder of such term. If the vacancy occurs prior to the expiration of the term of a member of the Board, a replacement shall be appointed in the same manner in which the original appointment was made.

(d) REMOVAL.—No member of the Board may be removed during the term of office of such member, except for just and sufficient cause.

(e) CHAIRMAN AND VICE CHAIRMAN.—The Chairman and Vice Chairman shall be elected from among the members of the Board and shall serve for terms of 2 years. In the case of a vacancy in the office of Chairman or Vice Chairman, such vacancy shall be filled by the members of the Board, and the member filling such vacancy shall serve for the remainder of the unexpired term.

(f) QUORUM.—Unless otherwise provided by the bylaws of the School, a majority of the members shall constitute a quorum.

(g) POWERS.—The Board is authorized—

(1) to formulate the policy of the School;

(2) to direct the management of the School; and

(3) to make such bylaws and rules as it considers necessary for the administration of its functions under this part, including the organization and procedures of the Board.

(h) COMPENSATION.—Members of the Board shall serve without compensation. All members of the Board, while so serving away from their homes or regular places of business, shall be allowed travel expenses (including per diem in lieu of subsistence), as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(i) REVIEW BY THE SECRETARY OF THE INTERIOR.—For so long as any employee of School is covered under title 5, United States Code, the Board (acting by majority vote) shall submit final decisions relating to personnel to the Secretary of the Interior. Each such decision shall become final 30 days after the date of its receipt by the Secretary unless the Secretary disapproves of such decision. The Secretary may only disapprove a decision of the Board for just cause.

SEC. 8405. GENERAL POWERS OF THE BOARD.

In carrying out the provisions of this part, the Board shall have the power, consistent with the provisions of this part—

(1) to adopt, use, and alter a corporate seal;

(2) to make agreements and contracts with persons, Indian tribes, and private or governmental entities and to make payments or advance payments under such agreements or contracts without regard to section 3324 of title 31, United States Code;

(3) to sue and be sued in its corporate name and to complain and defend in any court of competent jurisdiction;

(4) to represent itself, or to contract for representation, in all judicial, legal, and other proceedings;

(5) with the approval of the agency concerned, to make use of services, facilities, and property of any board, commission, independent establishment, or executive agency or department of the executive branch in carrying out the provisions of this part and to pay for such use (such payments to be credited to the applicable appropriation that incurred the expense);

(6) to use the United States mails on the same terms and conditions as the executive departments of the United States Government;

(7) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, and to accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(8) to solicit, accept, and dispose of gifts, bequests, devises of money, securities, and other properties of whatever character, for the benefit of the School;

(9) to receive grants from, and enter into contracts and other arrangements with, Federal, State, or local governments, public and private agencies, organizations, institutions, and individuals;

(10) to acquire, hold, maintain, use, operate, and dispose of such real property, including improvements thereon, personal property, equipment, and other items, as may be necessary to enable the Board to carry out the purpose of this part;

(11) to obtain insurance or make other provisions against losses;

(12) to use any funds or property received by the School to carry out the purpose of this part; and

(13) to exercise all other lawful powers necessarily or reasonably related to the establishment of the School in order to carry out the provisions of this part and the exercise of the powers, purposes, functions, duties, and authorized activities of the School.

SEC. 8406. SUPERINTENDENT OF THE SCHOOL.

(a) APPOINTMENT.—The School shall have a Superintendent who shall be appointed by the Board. The Superintendent of the School shall serve as the chief executive officer of the School. Subject to the direction of the Board and the general supervision of the Chairman of the Board, the Superintendent of the School shall have the responsibility for carrying out the policies and functions of the School and shall have authority over all personnel and activities of the School.

(b) COMPENSATION.—The Superintendent of the School shall be paid at a rate not to exceed the maximum rate of basic pay payable for grade GS-15 of the General Schedule.

SEC. 8407. STAFF OF SCHOOL.

(a) EXEMPTION FROM CIVIL SERVICE.—Except as otherwise provided in this section,

title 5, United States Code, shall not apply to the School.

(b) APPOINTMENT AND COMPENSATION.—

(1) The Superintendent of the School, with the prior approval or authorization of the Board, shall have the authority to appoint, fix the compensation of (including health and retirement benefits), and prescribe the duties of, such officers and employees as the Superintendent of the School deems necessary for the efficient administration of the School.

(2) The Superintendent of the School shall fix the basic compensation for officers and employees of the School at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 of title 5, United States Code, applies.

(3)(A) Not later than 180 days after the Superintendent of the School is appointed, the Superintendent of the School shall make policies and procedures governing—

(i) the establishment of positions at the School,

(ii) basic compensation for such positions (including health and retirement benefits),

(iii) entitlement to compensation;

(iv) conditions of employment,

(v) discharge from employment,

(vi) the leave system, and

(vii) such other matters as may be appropriate.

(B) Rules and regulations promulgated with respect to discharge and conditions of employment shall require—

(i) that procedures be established for the rapid and equitable resolution of grievances of such individuals; and

(ii) that no individual may be discharged without notice of the reasons therefor and an opportunity for a hearing under procedures that comport with the requirements of due process.

(C) Any officer or employee of the School may appeal to the Board any determination by the Superintendent of the School to not reemploy or to discharge such officer or employee. Upon appeal, the Board may, in writing, overturn the determination of the Superintendent of the School with respect to the employment of such officer or employee.

(c) NO REDUCTION IN CLASSIFICATION OR COMPENSATION.—Individuals who elect to remain civil service employees shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions and personnel, except that any such transfer shall not result in a reduction in classification or compensation with respect to any such individual for at least one year after the date on which such transfer occurs.

(d) LEAVE.—

(1) Any individual who—

(A) elects under subsection (g) to be covered under the provisions of this section, or

(B) is an employee of the Federal Government and is transferred or reappointed, without a break in service, from a position under a different leave system to the School, shall be credited for purposes of the leave system provided under rules and regulations promulgated pursuant to subsection (b), with the annual and sick leave to the credit of such individual immediately before the effective date of such election, transfer, or reappointment.

(2) Upon termination of employment with the School, any annual leave remaining to the credit of an individual within the purview of this section shall be liquidated in accordance with sections 5551(a) and 6303 of title 5, United States Code, except that leave earned or accrued under rules and regulations promulgated pursuant to subsection (b) shall not be so liquidated.

(3) In the case of any individual who is transferred, promoted, or reappointed, without break in service, to a position in the Federal Government under a different leave system, any remaining leave to the credit of such person earned or credited under the rules and regulations promulgated pursuant to subsection (b) shall be transferred to the credit of such individual in the employing agency on an adjusted basis in accordance with the rules and regulations which shall be promulgated by the Office of Personnel Management.

(e) APPLICABILITY.—This section shall apply to any individual appointed after the effective date of this part for employment in the School. Except as provided in subsections (d) and (g), the enactment of this part shall not effect—

(1) the continued employment of any individual employed immediately before the effective date of this part, or

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

(f) TERMINATION OF CIVIL SERVICE POSITIONS.—

(1) At the end of the 2-year period beginning on the date referred to in subsection (f), any position at the School which is occupied by an individual in the civil service shall terminate. During such period, such individual may make an irrevocable election to be covered under the provisions of this section, except that any such individual who is subject to subchapter III of chapter 83 of title 5, United States Code, may elect to continue to be subject to such subchapter, and any such individual who is subject to chapter 84 of such part may elect to continue to be subject to such chapter.

(2) Any individual who makes an election under paragraph (1) to continue to be subject to subchapter III of chapter 83 of title 5, United States Code, or chapter 84 of such part shall, so long as continually employed by the School without a break in service subject to such subchapter or such chapter 84, as the case may be, continue to be treated as an employee subject to such subchapter or such chapter 84, as the case may be. Employment by the School without break of continuity in service shall be considered to be employment by the United States Government for the purpose of such subchapter or such chapter 84, as the case may be. The School shall be responsible for making the contributions required to be made by an employing agency under such subchapter or such chapter 84, as the case may be.

(g) COLLECTIVE BARGAINING.—The School shall be considered an agency for the purpose of chapter 71 of title 5, United States Code.

(h) WORKMEN'S COMPENSATION.—Employees of the School shall receive compensation for work injuries and illnesses in accordance with chapter 81 of title 5, United States Code.

SEC. 8408. FUNCTIONS AT THE SCHOOL.

The primary functions of the School shall be—

(1) to provide instruction in basic skills, educational programs, courses in elementary and secondary schools, and in Indian culture; and

(2) to establish programs which culminate in the completion of the program of studies for elementary and secondary schools.

SEC. 8409. INDIAN PREFERENCE.

(a) IN GENERAL.—Notwithstanding any other provisions of Federal or State law, the School is authorized to extend preference to Indians in—

(1) admissions to, and enrollment in, programs conducted by the School,

(2) employment by the School, and

(3) contracts, fellowships, and grants awarded by the School.

(b) HIRING PREFERENCE.—In carrying out section 8407(b)(1), the Superintendent of the School shall, to the maximum extent practicable, give preference in hiring to Indians.

SEC. 8410. NONPROFIT AND NONPOLITICAL NATURE OF THE SCHOOL.

(a) STOCK.—The School shall have no power to issue any shares of stock or to declare or pay any dividends.

(b) NONPROFIT NATURE.—No part of the income or assets of the School shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(c) NONPOLITICAL NATURE.—The School may not contribute to, or otherwise support, any political party or candidate for elective public office.

SEC. 8411. TAX STATUS.

The School and the franchise, capital, reserves, income and property of the School shall be exempt from all taxation imposed by the United States, by any Indian tribe, or by any State or political subdivision thereof.

SEC. 8412. REPORTS.

(a) ANNUAL REPORT.—In accordance with regulations issued by the Secretary, the Superintendent of the School shall submit an annual report to the Congress and to the Board concerning the status of the School during the 12 calendar months preceding the date of the report. Such report shall include, among other matters, a detailed summary of student achievement in academic and other areas, a detailed statement of all private and public funds, gifts, and other items of a monetary value received by the School during such 12-month period and the disposition thereof as well as any recommendations for improving the School.

(b) BUDGET PROPOSALS.—

(1) In accordance with regulations issued by the Secretary, the Board shall submit a budget proposal to the Secretary of the Interior.

(2) A budget proposal under this subsection shall be submitted not later than April 1 of each calendar year, and the Board shall propose a budget for the School for the 2 fiscal years succeeding the fiscal year during which such proposal is submitted.

(3) In determining the amount of funds to be appropriated to the School on the basis of such proposals, the amount of private fundraising or bequests made on behalf of the School during any preceding fiscal year shall not be considered.

SEC. 8413. COMPLIANCE WITH OTHER ACTS.

(a) IN GENERAL.—The School shall comply with the provisions of:

(1) Public Law 95-341 (42 U.S.C. 1996), popularly known as the American Indian Religious Freedom Act.

(2) The Archeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.).

(3) The National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) CRIMINAL LAWS.—All Federal criminal laws relating to larceny, embezzlement, or conversion of the funds or the property of the United States shall apply to the funds and property of the School.

SEC. 8414. ENDOWMENT PROGRAM.

(a) ESTABLISHMENT.—The Board of Trustees is authorized to establish an endowment fund, and such funds shall be deposited into a trust fund maintained by the School at a federally insured banking or savings institution as follows:

(1) The Superintendent of the School shall provide for the deposit into the trust fund—

(A) of any of capital contribution secured by the School; and

(B) any earnings on the funds.

(2) Funds in the trust fund described in paragraph (1) shall be invested in a manner

as to ensure the accumulation of interest thereon at a rate not less than that generally available for similar funds deposited at the same banking or savings institution for the same period or periods of time.

(3) No part of the net earnings of the trust funds shall inure to the benefit of any private person.

(4) The Board of Trustees, upon recommendation of the Superintendent of the School, shall provide for such other provisions governing the trust fund as may be necessary to promote the purpose of this part, including recordkeeping procedures for the expenditure of accumulated interest which allow for an external audit and permit the monitoring of programs and activities conducted with such interest.

(b) USE OF FUNDS.—Interest deposited in the trust fund may be periodically withdrawn and used, at the discretion of the School, to defray any expenses associated with the operation of the School, including expense of operations and maintenance, administration, academic and support personnel, community and student services programs, and technical assistance.

SEC. 8715. AUTHORIZATION OF APPROPRIATIONS.

(a) FUNDING.—To ensure continued funding for the operation of the Native American Indian Schools, the Secretary shall provide funds for these schools in accordance with—

(1) the formula for allocating funds to BIA-operated schools and contract schools under the Indian School Equalization Program under Public Law 95-561, as amended;

(2) procedures for providing funds for administration and related matters to contract schools under Public Law 93-638, as amended; and

(3) any other Federal programs for schools funded by the Secretary and operated on Indian reservations.

(b) ELIGIBILITY FOR FUNDING.—Schools created under this Act shall be eligible for funding under the Indian Education Act in the same manner as current contract schools funded by the Secretary of the Interior.

(c) The Secretary is authorized to expend such sums as may be necessary to ensure the orderly establishment of Schools under this part.

PART E—NATIVE HAWAIIAN EDUCATION PROGRAMS

SEC. 8701. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares that—

(1) the Federal Government retains the legal responsibility to enforce the administration of the State of Hawaii's public trust responsibility for the betterment of the conditions of Native Hawaiians;

(2) in furtherance of the responsibility for the betterment of the conditions of Native Hawaiians, Congress has the power to specially legislate for the benefit of Native Hawaiians;

(3) the attainment of educational success is critical to the betterment of the conditions of Native Hawaiians;

(4) it is the policy of the Federal Government to encourage the maximum participation of Native Hawaiians in the planning and management of Native Hawaiian Education Programs;

(5) Native Hawaiian students score below national norms on standardized education achievement tests;

(6) both public and private schools show a pattern of low percentages of Native Hawaiian students in the uppermost achievement levels and in gifted and talented programs;

(7) Native Hawaiian students are over-represented among those qualifying for special education programs provided to learning disabled, educable mentally retarded, handicapped, and other such students; and

(8) Native Hawaiians are disproportionately represented in many negative social

and physical statistics, indicative of special educational needs—

(A) lower educational attainment among Native Hawaiians has been found to relate to lower socioeconomic outcomes;

(B) Native Hawaiian students are disproportionately under-represented in Institutions of Higher Education;

(C) Native Hawaiians are under-represented in both traditional white collar professions, health care professions, and the newly emerging technology based professions and are over-represented in service occupations;

(D) Native Hawaiians are beset with multiple health problems;

(E) Native Hawaiian children are disproportionately victimized by child abuse and neglect, a signal of family stress; and

(F) there are and will continue to be geographically rural, isolated areas with a high Native Hawaiian population density.

(9) Special efforts in education recognizing the unique cultural and historical circumstances of Native Hawaiians are required.

SEC. 8702. PURPOSE.

It is the purpose of this title to—

(1) authorize and develop supplemental educational programs to benefit Native Hawaiians,

(2) provide direction and guidance to appropriate Federal, State, and local agencies to focus resources, including those made available by this title on the problem of Native Hawaiian education, and

(3) supplement and expand existing programs and authorities in the area of education to further the purposes of this title.

SEC. 8703. NATIVE HAWAIIAN MODEL CURRICULUM IMPLEMENTATION PROJECT.

(a) In order to implement the Kamehameha Elementary Education Program (KEEP) model curriculum developed by the Kamehameha Elementary Demonstration School in appropriate public schools, the Secretary shall make direct grants to—

(1) the State of Hawaii (University of Hawaii) for comprehensive teacher training;

(2) the State of Hawaii (Department of Education) for educational support services;

(3) the Kamehameha Schools/Bernice Pauahi Bishop Estate for continued research and development; and

(4) the Kamehameha Schools/Bernice Pauahi Bishop Estate and the State of Hawaii for the establishment of long-term followup and assessment activities.

(b) By no later than school year 1992-1993, the Secretary shall assure that the State of Hawaii (Department of Education) has implemented the KEEP model curriculum in a minimum of twenty public schools.

(c) There is authorized to be appropriated \$3,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989 through 1993. Of the amounts appropriated, no more than 10 percent may be used for administrative purposes. Such sums shall remain available until expended.

SEC. 8704. NATIVE HAWAIIAN FAMILY BASED EDUCATION CENTERS.

(a) The Secretary shall make direct grants to Native Hawaiian Organizations (including Native Hawaiian Educational Organizations) to develop and operate a minimum of eleven Family-Based Education Centers throughout the Hawaiian Islands; such centers shall include—

(1) Parent-Infant programs (prenatal through age 3);

(2) Preschool programs for four and five year-olds;

(3) continued research and development; and

(4) a long term followup and assessment program.

(b) In addition to any other amount authorized for such centers, there is authorized to be appropriated \$2,400,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989 through 1993. Of the amounts appropriated, no more than 10 percent may be used for administrative purposes. Such sums shall remain available until expended.

SEC. 8705. NATIVE HAWAIIAN HIGHER EDUCATION DEMONSTRATION PROGRAMS.

(a) The Secretary shall make grants to the Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration program to provide Higher Education fellowship assistance to Native Hawaiian students. The demonstration program under this section may include—

(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited two or four year degree granting institution of higher education with awards to be based on academic potential and financial need;

(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (a)(1) of this section;

(3) college preparation and guidance counseling at the secondary school level for students who may be eligible for fellowship assistance pursuant to subsection (a)(1) of this section; and

(4) appropriate research and evaluation of the activities authorized by this section.

(b) The Secretary shall make grants to the Kamehameha Schools/Bernice Pauahi Bishop Estate for a demonstration project of fellowship assistance for Native Hawaiian students in post-bachelor degree programs. Such project may include—

(1) full or partial fellowship support for Native Hawaiian students enrolled at an accredited post-bachelor degree granting institution of higher education, with priority given to professions in which Native Hawaiians are under-represented and with awards to be based on academic potential and financial need;

(2) counseling and support services for such students receiving fellowship assistance pursuant to subsection (b)(1) of this section; and

(3) appropriate research and evaluation of the activities authorized by this section.

(c) For purposes of subsection (b) fellowship conditions shall be established whereby recipients obtain an enforceable contract obligation to provide their professional services, either during their fellowship or upon completion of post-bachelor degree program, to the Native Hawaiian community within the State of Hawaii.

(d) There is authorized to be appropriated \$1,250,000 for fiscal year 1988 and for each succeeding fiscal year through 1993 for the purpose of funding the fellowship assistance demonstration project under subsection (a). There is authorized to be appropriated \$750,000 for fiscal year 1988 and for each succeeding fiscal year through 1993 for the purpose of funding the fellowship assistance demonstration project provided under subsection (b). Of the amounts appropriated no more than 10 percent of the funds may be used for administrative purposes. Such sums shall remain available until expended.

SEC. 8706. NATIVE HAWAIIAN GIFTED AND TALENTED DEMONSTRATION PROGRAM.

(a) The Secretary shall make grants to and enter into contracts with the State of Hawaii, including its junior or community colleges, and/or the Kamehameha Schools/Bernice Pauahi Bishop Estate for demonstration projects designed to address the special needs of Native Hawaiian gifted and

talented elementary and secondary school students.

(b) Demonstration projects under this section may include—

(1) the identification of the special needs of gifted and talented students who are eligible for assistance under this Act, with a priority for early identification, particularly at the elementary school level;

(2) the conduct of educational activities which hold reasonable promise of making substantial progress toward meeting the educational needs of such gifted and talented children;

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

(4) leadership programs designed to replicate programs for such children throughout the State of Hawaii, including the dissemination of information derived from the demonstration projects conducted under this section; and

(5) appropriate research, evaluation and related activities pertaining to the needs of such children.

(c) In addition to any other amount authorized for such project, there is authorized to be appropriated \$1,000,000 for fiscal year 1988 and for each succeeding fiscal year through fiscal year 1993. Of the amounts appropriated, no more than 10 percent shall be used for administrative purposes. Such sums shall remain available until expended.

SEC. 5797. NATIVE HAWAIIAN SPECIAL EDUCATION PROGRAM.

(a) The Secretary shall make grants to and enter into contracts with the State of Hawaii, and/or Native Hawaiian Organizations, to operate projects to address the special education needs of Native Hawaiian students. Such projects may include—

(1) the identification of Native Hawaiian children who are learning disabled, mentally or physically handicapped, educable, mentally retarded, or otherwise in need of special educational services;

(2) the conduct of educational activities which hold reasonable promise of making substantial progress toward meeting the educational needs of Native Hawaiian children who are identified as being learning disabled, mentally or physically handicapped, educable, mentally retarded, or otherwise in need of special educational services; and

(3) appropriate research, evaluation and related activities pertaining to the needs of such children.

(b) In addition to any other amount authorized for such project, there is authorized to be appropriated \$1,500,000 for fiscal year 1988 and for each succeeding fiscal year through 1993. Of the funds appropriated, no more than 10 percent shall be used for administrative purposes. Such sums shall remain available until expended.

SEC. 5798. MISCELLANEOUS PROVISIONS.

(a) No grant may be made, nor any contract be entered into under this title, unless an application is submitted to the Secretary in such form, in such manner, and containing such information as the Secretary may determine necessary to carry out the provisions of this title.

(b) Each application shall be accompanied by the comments of each local educational agency serving students who will participate in the project for which assistance is sought.

SEC. 5799. DEFINITIONS.

For purposes of this title—

(1) the term "Native Hawaiian" means any individual who is—

(A) a citizen of the United States,
(B) a resident of the State of Hawaii, and
(C) a descendant of the aboriginal people, who prior to 1778, occupied and exercised

sovereignty in the area that now comprises the State of Hawaii, as evidenced by—

(i) genealogical records,
(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification, or
(iii) birth records of the State of Hawaii;

(2) the term "Secretary" means the Secretary of Education;

(3) the term "Native Hawaiian Educational Organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians,

(B) has a demonstrated expertise in the education of Native Hawaiian youth, and
(C) has demonstrated expertise in research and program development;

(4) the term "Native Hawaiian Organization" means a private nonprofit organization that—

(A) serves the interests of Native Hawaiians, and

(B) is recognized by the Governor of Hawaii for the purpose of planning, conducting, or administering programs (or portion of programs) for the benefit of Native Hawaiians;

AMENDMENTS OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc and considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. KILDEE: Page 381, after line 25, insert the following new section (and amend the table of contents accordingly):

SEC. 5303. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN STUDENTS.

Section 1005 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3385) is amended—

(1) in subsection (c)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and";

(C) by adding after paragraph (2) the following:

"(3) the development, establishment, or improvement of tribal divisions of education, particularly with respect to the provision of services (comparable to those provided by State departments of education) to tribally controlled and Bureau of Indian Affairs operated schools which serve children of a tribe or tribes"; and

(D) by inserting after the second sentence "In addition, the Secretary is authorized to make grants to consortia of Indian tribes or tribal organizations, local educational agencies, and institutions of higher education for the purpose of developing, improving, and implementing a program of encouraging Indian students to acquire a higher education and reducing the incidence of dropouts among elementary and secondary school students";

(2) in subsection (d) by adding at the end the following sentence:

"In making grants under this subsection, the Secretary shall consider prior performance and may not limit eligibility on the basis of the number of previous grants or the length of time for which the applicant has received grants."; and

(3) in subsection (g) by adding after paragraph (3) the following paragraph:

"(4) For any fiscal year, from the sums appropriated under this subsection for activi-

ties under subsection (c), the Secretary shall reserve an amount which is not less than 10 percent of such sums for grants under subsection (c)(3)."

Mr. KILDEE. Mr. Chairman, I rise to offer four amendments to the Indian Education Act programs operated by the Department of Education. I ask for their consideration en bloc, since they are noncontroversial and have the support of both sides of the aisle.

Briefly, these amendments are to part B of the act, which funds a wide range of demonstration and model programs to benefit Indian students. One amendment recognizes the need to encourage and strengthen tribal divisions of education. This is particularly important due to recent congressional actions which have placed growing emphasis on tribal involvement in the education of Indian students. Many tribes have already taken the first steps to develop these divisions. However, more needs to be done in this area. Another amendment makes this activity a priority, by setting aside 10 percent of the funds for developmental activities for this purpose.

Another amendment allows grants to be made to consortia of tribes, elementary and secondary schools and postsecondary institutions to establish programs to coordinate services and support. The goals of these projects will be drop-out prevention and encouragement of Indian students to attend college.

The final amendment addresses an issue regarding eligibility to compete for a grant. There has been a recent administrative interpretation of the statute to state that an institution which has received grants to train Indian graduate students can only be eligible for a limited period. This is not the intent of the statute, which seeks to utilize the best program available, and not to upset ongoing, excellent programs unnecessarily. The amendment clarifies that such a program is eligible to re compete, regardless of past receipt of grants.

These amendments have no budget impact.

As I stated at the beginning of my statement, these amendments are noncontroversial and I hope they will be accepted.

Mr. GUNDERSON. Mr. Chairman, I rise in support of the amendments.

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Chairman, I rise in behalf of the vice chairman of our committee to indicate that these amendments have been checked out by our side of the aisle and they meet with our approval, and we are in support of them.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to concur in the acceptance of these amendments. We think that they are

excellent, and we certainly concur in the acceptance of them.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to indicate that we have examined the amendments and we approve the amendments. I particularly want to call attention to the fact that this would allow colleges and universities that are already involved in the program to continue to apply for grants. It makes good sense to allow those schools with established track records to continue to provide this important training function for Indian students, and we accept the amendments.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Michigan [Mr. KILDEE].

The amendments were agreed to.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word.

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Chairman, I would like to discuss the new concentration grants that are in this legislation, which I think address a very real need.

Connecticut is a State that for all intents and purposes eliminated county government many years ago, and while we have county lines, they are not significant. Consequently, it is difficult for some of the towns within those counties to be seen as servicing the distressed children that they do in fact service. So I was very pleased to see this attempt to recognize those towns that do not reside in counties that qualify for special treatment.

I would like to ask my colleague, who I understand was the author of the amendment in committee that set aside some of this money within the concentration-grant program, to enlarge a little bit on the concerns that he sees it addressing.

Mr. GUNDERSON. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Wisconsin.

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. The gentlewoman is correct that a number of us are concerned about the formula for concentration-grant funding. Clearly one of the new initiatives in this legislation is to not only authorize "concentration grants" but to try to require that the next additional \$400 million appropriated for chapter 1 would be distributed under a concentration-grant formula.

The problem with the concentration-grant formula as I understand it is while concentration grants are intended to focus on concentrated areas of low-income populations, the fact is that we do not use a concentration-grant formula, we use a numbers for-

mula. So if you have a large number of students or people in a county who are "economically disadvantaged," then you get the funds.

That presents some real problems. As the gentlewoman has indicated, first, the problem is that we are using 1980 statistics, which are very frankly too old, and I think that in this modern day we ought to be able to have statistics a lot more current than that.

Second, as the gentlewoman has indicated, we use countywide statistics. Let me give an example of one of the urban counties in my congressional district. That urban county happens to have a low-income population of I believe 13 percent, so they would not qualify under the 15 percent or 6,500 criteria of low-income population in that county.

Now, the problem with that is within that urban county we happen to have a rural school district that believe it or not has a 33-percent low-income population in that school district. But because they happen to be in this urban county, they do not qualify for concentration grants.

In appreciation of both the chairman of the full committee and our vice-chairman, the gentleman from Pennsylvania [Mr. GOODLING], they have made modifications in the concentration-grant formula from the original proposal. Now, rather than using a 5,000 population level of low income, they have upped it to 6,500, and they have also reduced the percentage of low income from 20 down to 15 percent. That is very significant to many rural counties.

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The other provision, the one which I included, was a provision which gives each State in the concentration grant formula a 2-percent discretionary fund. That 2 percent discretionary fund allows the State to go into selected counties where there happens to be an aberration such as the one I indicated. So we have made great progress in this area.

In addition, I want to point out to the gentlewoman that both the chairman and again the vice chairman have indicated to me that they are going to be willing as this process moves along in the Senate and in conference to look at alternatives which would better target those funding formulas.

The General Accounting Office, at my request, is presently pursuing what methods of distribution of concentration grant funding might target that money to those intended under the concept of concentration grants. In other words, the most needy getting the assistance.

So this issue has not been resolved. It is an issue that is very fluid, but because of the commitment from the chairman and the vice chairman I do not see any purpose served by debating it further today until, very honest-

ly, we have better concrete information from the General Accounting Office as to how we might proceed.

Mrs. JOHNSON. I thank the gentleman from Wisconsin and want to commend the chairman of the committee and the ranking Member for their sensitivity and dedication to this issue, as well as to many other issues in this reauthorization of chapter 1. The changes they have made to increase the flexibility of the use of these funds, the changes in the parent involvement program, the even start component in this bill marks this as really a great step forward.

AMENDMENTS OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer eight technical amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. RICHARDSON: Page 383, line 1, insert "or recognition" after establishment.

Page 383, line 8, after the period insert "Subject to the consultation required under this subsection, the Secretary of the Interior may recognize schools currently funded by the Bureau of Indian Affairs as schools for the purposes of this part."

Page 383, lines 9 and 10, after "established" insert "or recognized".

Page 388, strike lines 8 and 9, (and redesignate the subsequent paragraphs accordingly).

Page 389, line 8, strike "Except" and insert "In the case of a school which was operated by the Bureau of Indian Affairs prior to establishment or recognition under section 8403, except".

Page 394, line 22, after the semicolon strike "and".

Page 394, after line 22, insert the following:

(2) to provide programs, as determined by the Board, for gifted and talented students and students with special needs;

(3) to provide programs, as determined by the Board, for college preparation; and

Page 394, line 23, strike "(2)" and insert "(4)".

Page 395, strike lines 5 and 6, (and redesignate the subsequent paragraphs accordingly).

Page 396, after line 26, insert the following paragraph (and redesignate the subsequent paragraph accordingly):

(3) Funds appropriated pursuant to this subsection shall be in addition to sums distributed under section 8415.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, I have eight technical amendments to my Native American Indian School Act which was incorporated into H.R. 5 in committee. My amendment has

been met with great enthusiasm by many Indian schools, but the specific language has raised some questions as to how to interpret the legislation. My amendment establishes five model Indian schools to serve Indian students living on Indian lands. Each school would be established as a separate entity with a board of trustees.

These amendments simply seek to clarify the current provisions of the act. The amendments clarify the Indian Schools Act to be sure that:

First, current BIA and contract programs can be considered for the new program;

Second, the personnel provisions only apply to current BIA operated programs;

Third, the programs offered by these model schools will encompass college prep, gifted and talented, special needs populations, and other programs deemed necessary by the local individuals. After all, if it is to be a model program, these activities should at least be considered, and

Fourth, clarify the current provisions on submission of a locally determined budget, to make clear that this provision is to act in concert with the other current provision on funding through the Indian student equalization formula.

Mr. Chairman, I would like to point out, what I believe, will make an exemplary model school—the Santa Fe Indian School located in my home State of New Mexico. The Santa Fe Indian School has a long history of service to Indian education. The school was the first school to contract under the 1975 Indian Self-Determination Act. Santa Fe Indian School is a true success story. The school was ready to close its doors when the 19 Pueblos of New Mexico assumed responsibilities for a falling Bureau program at the Albuquerque Indian School. Ten years later, the school has documented proof that Indian students attending the school grow a minimum of 1 year academically for each year of attendance—no other Indian school can claim this rate of success. Santa Fe Indian School recently gained national attention by being nominated by the U.S. Office of Education to receive recognition under the President's Secondary School Recognition Program—they are the only school under consideration for this prestigious award.

Mr. Chairman, I would hope when the Secretary considers potential applicants for my model Indian schools, that the Santa Fe Indian School be seriously considered. The school has set a standard that we can all be proud of and I believe that it would certainly fall in line with the legislative intent of my legislation.

Mr. Chairman, I believe these amendments are not controversial and enjoy bipartisan support.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so only to indicate that the gentleman from New Mexico has certainly offered clarifying amendments and we are willing to accept them on this side.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendments were agreed to.

The CHAIRMAN pro tempore. Are there further amendments to title VIII?

If not, the Clerk will designate title IX.

The text of title IX is as follows:

**TITLE IX—AMENDMENTS TO OTHER LAWS
PART A—ADULT EDUCATION**

SECTION 9101. SHORT TITLE.

This part may be cited as the "Adult Education Amendments of 1987".

SEC. 9102. AMENDMENT TO ADULT EDUCATION ACT.

Title III of the Elementary and Secondary Education Amendments of 1966 is amended to read as follows:

"TITLE III—ADULT EDUCATION PROGRAMS

"SEC. 301. SHORT TITLE.

"This title may be cited as the 'Adult Education Act'.

"PART A—BASIC PROGRAM PROVISIONS

"SEC. 311. STATEMENT OF PURPOSE.

"It is the purpose of this title to assist the States to improve educational opportunities for adults who lack the level of literacy skills requisite to effective citizenship and productive employment, to expand and improve the current system for delivering adult education services including delivery of such services to educationally disadvantaged adults, and to encourage the establishment of adult education programs that will—

(1) enable these adults to acquire the basic educational skills necessary for literate functioning;

(2) provide these adults with sufficient basic education to enable them to benefit from job training and retraining programs and obtain and retain productive employment so that they might more fully enjoy the benefits and responsibilities of citizenship; and

(3) enable adults who so desire to continue their education to at least the level of completion of secondary school.

"SEC. 312. DEFINITIONS.

"As used in this title—

(1) The term 'adult' means an individual who has attained 16 years of age or who is beyond the age of compulsory school attendance under State law, except that for the purpose of section 313(b), the term 'adult' means an individual 16 years of age or older.

(2) The term 'adult education' means services or instruction below the college level for adults—

(A) who lack sufficient mastery of basic educational skills to enable them to function effectively in society or who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education;

(B) who are not currently required to be enrolled in schools and are not enrolled in school; and

(C) whose inability to speak, read, or write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, and thus are in need of programs to help eliminate such inability and raise the level of education of such indi-

viduals with a view to making them less likely to become dependent on others.

"(3) The term 'educationally disadvantaged adult' means an adult who—

"(A) demonstrates basic skills equivalent to or below that of students at the fifth grade level; or

"(B) has been placed in the lowest or beginning level of an adult education program when that program does not use grade level equivalencies as a measure of students' basic skills.

"(4) The term 'community school program' is a program in which a public building, including but not limited to a public elementary or secondary school or a community or junior college, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other related community services for the community that center serves in accordance with the needs, interest, and concerns of that community.

"(5) The term 'local educational agency' means a public board of education or other public authority legally constituted within a State for either administrative control or direction of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, except that, if there is a separate board or other legally constituted local authority having administrative control and direction of adult education in public schools therein, such term means such other board or authority.

"(6) The term 'Secretary' means the Secretary of Education.

"(7) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and except for the purposes of section 313, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and the Virgin Islands.

"(8) The term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is a separate State agency or officer primarily responsible for supervision of adult education in public schools then such agency or officer may be designated for the purpose of this title by the Governor or by State law. If no agency or officer qualifies under the preceding sentence, such term shall mean an appropriate agency or officer designated for the purposes of this title by the Governor.

"(9) The term 'academic education' means the theoretical, the liberal, the speculative, and classical subject matter found to compose the curriculum of the public secondary school.

"(10) The term 'institution of higher education' means any such institution as defined by section 1201(a) of the Higher Education Act of 1965.

"SEC. 313. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENTS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$200,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year through fiscal year 1993 for carrying out the purposes of this title.

"(b) ALLOTMENT.—From the sums available for the purposes of section 311 for any fiscal year, the Secretary shall allot (1) \$100,000 each to Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Is-

lands, and (2) \$250,000 to each of the other States. From the remainder of such sums the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the number of adults who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently enrolled or required to be enrolled in schools in such State bears to the number of such adults in all States.

"(c) REALLOTMENT.—The portion of any State's allotment under subsection (b) for a fiscal year which the Secretary determines will not be required, for the period of such allotment is available for carrying out the State plan approved under this title shall be available for reallocation from time to time, on such dates during such period as the Secretary shall fix, to other States in proportion to the original allotments to such States under subsection (b) for such year, but with such proportionate amount for any of such other State being reduced to the extent it exceeds the sum which the Secretary estimates such State needs and will be able to use for such period for carrying out its State plan approved under this title, and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount allotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (b) for such year.

"(d) MINIMUM ALLOTMENT.—Notwithstanding any other provision of this section, the sum of any State's allotments under this section for any fiscal year shall not be less than the total amount of payments the State received for fiscal year 1987. Any amounts necessary for increasing the sum of allotments of certain States to comply with the preceding sentence shall be obtained by ratably reducing the sums of the allotments of the other States, but no such sum shall be thereby reduced to an amount which is less than the total amount of payments received by the State for fiscal year 1987.

"(e) RESERVATION OF FUNDS FOR NATIONAL PROGRAMS.—For any fiscal year, if the amount appropriated to carry out the purposes of this title exceeds \$108,000,000, not more than 3 percent of such amount shall be reserved to carry out the programs described in part C, relating to national programs.

"PART B—STATE PROGRAMS

"Subpart 1—Basic State Grants

"SEC. 321. BASIC GRANTS.

"From the sums allotted to States for this subpart pursuant to section 313, the Secretary is authorized to make grants to States to assist them in funding adult education programs, services, and activities carried out by eligible recipients to achieve the purposes of this title.

"SEC. 322. USE OF FUNDS; LOCAL APPLICATIONS.

"(a) USE OF FUNDS.—

"(1) Grants to States under this subpart shall be used in accordance with State plans (and amendments thereto) approved under sections 341 and 351, to pay the Federal share of the cost of the establishment or expansion of adult education programs to be carried out by local educational agencies and by public or private nonprofit agencies, organizations, and institutions. Grants provided under this section to States to carry out the programs described in the preceding sentence may be carried out by public or private nonprofit agencies, organizations, and institutions only if the applicable local educational agency has been consulted with and has had an opportunity to comment on the application of such agency, organization, or institution. The comments of the local educational agency, and responses

thereto, shall be attached to the application when it is forwarded to the State.

"(2) Grants to States provided under this section may also be used to carry out programs by a consortium which includes a for-profit agency, organization, or institution if such agency, organization, or institution can make a significant contribution to attaining the objectives of this Act. Whenever the establishment or expansion of programs includes a for-profit agency, organization, or institution, as part of a consortium, a contract with such agency, organization, or institution, for the establishment or expansion of such programs shall be entered into by the public or private nonprofit agency, institution, or organization.

"(3) The State educational agency shall not approve any application unless evidence that such consultation has taken place is provided. Such application shall contain such information as the State educational agency considers necessary, including a description of current programs, activities, and services receiving assistance from Federal, State, and local sources; cooperative arrangements (including arrangements with business, industry, and volunteer literacy organizations as appropriate) that have been made to deliver services to adults as well as assurances that adult educational programs, services, or activities provided under this title are coordinated with and not duplicative of services, programs, or activities made available to adults under other Federal, State, and local programs, including the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, the Rehabilitation Act of 1973, the Education of the Handicapped Act, the Indian Education Act, the Higher Education Act of 1965, and the Domestic Volunteer Service Act.

"(4) The State educational agency shall give preference to those applicants who have demonstrated or can demonstrate a capability to recruit and serve educationally disadvantaged adults.

"(b) LIMITATIONS ON USE OF FUNDS.—

"(1) Not more than 20 percent of the funds granted to any State under subsection (a) for any fiscal year shall be used for the education of institutionalized individuals.

"(2) Not more than 20 percent of a State's allotment shall be used for programs of equivalency for a certificate of graduation from a secondary school.

"SEC. 323. PRIVATE SECTOR ADULT EDUCATION TRAINING.

"(a) LITERACY PROGRAMS FOR EMPLOYEES.—From the grants awarded to States described in section 322(a), a State may designate up to 10 percent of its State allotment for use to support, consistent with section 361(a), programs designed to provide literacy and other basic skills in order to improve the productivity of current employees through the use of business, industry, labor organizations, and education partnerships.

"(b) REQUIREMENTS FOR PROGRAMS.—Programs funded under this section shall be designed to improve the productivity of the workforce and shall be jointly applied for and conducted by a business or industry or labor organization, or private industry council as defined under the Job Training Partnership Act and a local educational agency or institution of higher education.

"SEC. 324. LOCAL ADMINISTRATIVE COST LIMITS.

"(a) Of the funds provided by the State agency to eligible recipients, at least 95 percent must be expended for provision of adult education instructional activities. The remainder shall be used for planning, administration, personnel development, and inter-agency coordination.

"(b) In cases where the administrative cost limits under subsection (a) would be in-

sufficient for adequate planning, administration, evaluation, and coordination of programs supported under this Act, the State agency shall negotiate with the local grant recipient in order to determine an adequate level of funds to be used for noninstructional purposes.

"Subpart 2—State Administrative Responsibilities
"SEC. 331. STATE ADMINISTRATION.

"(a) STATE AGENCY RESPONSIBILITIES.—Any State desiring to participate in the programs authorized by this title shall designate the State educational agency to be the sole State agency responsible for the administration and supervision of such programs. The responsibilities of the State agency shall include—

"(1) the development, submission, and implementation of the State application and plan and any amendments thereto (pursuant to sections 342 and 351), and the State evaluation (pursuant to section 352);

"(2) consultation with the State advisory council established pursuant to section 332, and other appropriate agencies, groups, and individuals involved in the planning, administration, evaluation, and coordination of programs funded under this title; and

"(3) the assignment of such personnel as may be necessary for State administration of programs under this title.

"(b) STATE IMPOSED REQUIREMENTS.—The imposition of any State rule or policy relating to the administration and operation of programs funded by this title (including any rule or policy based on State interpretation of any Federal law, regulation, or guideline) shall be identified as a State imposed requirement.

"(c) LIMITATION ON STATE ADMINISTRATIVE COSTS.—From the amount appropriated to each State, pursuant to section 313, for any fiscal year, not more than 5 percent may be made available to pay the cost of administration and development of the State plan and other activities required pursuant to this title (including the operations of the State Advisory Council under section 332).

"SEC. 332. STATE ADVISORY COUNCIL ON ADULT EDUCATION.

"(a) REQUIREMENT.—Any State which desires to participate in programs under this title for any fiscal year shall designate a body, or establish a new body if there is no suitable existing body, to act as a State advisory council on adult education, appointed by the Governor. The membership of the State advisory council shall be broadly representative of citizens and groups within the State having an interest in adult education, and shall consist of representatives of public education; private and public sector employment; recognized State labor organizations; private, voluntary, or community literacy organizations; libraries; and State economic development agencies.

"(b) REPRESENTATION ON COUNCIL.—The State shall ensure that there is appropriate representation on the State advisory council of urban as well as rural areas, of women, persons with handicaps, and racial and ethnic minorities.

"(c) CERTIFICATION.—The State shall certify the establishment and membership of the State advisory council to the Secretary prior to the beginning of any fiscal year in which the State desires to receive a grant under this title.

"(d) PROCEDURES.—Members of the State advisory council shall, using procedures agreed upon, elect their own chairperson. The State advisory council shall determine its own procedures, staffing needs (subject to funding levels authorized by the Governor), and the number, time, place, and conduct of meetings, except that it shall hold at

least one public meeting each year at which the general public is given an opportunity to express views concerning adult education programs in the State. In approving the plan for the evaluations under subsection (f)(3)(A), the council shall ensure that persons knowledgeable of the daily operation of adult education programs are involved.

"(e) TERMS.—Members shall be appointed for fixed and staggered terms and may serve until their successors are appointed. Any vacancy in the membership of the council shall be filled in the same manner as the original appointment. Any member of the council may be removed for cause in accordance with procedures established by the council.

"(f) DUTIES.—Each State advisory council shall—

"(1) meet with the State agency or its representatives during the planning year to advise on the development of the State plan;

"(2) advise the State agency concerning—
"(A) policies the State should pursue to strengthen adult education; and

"(B) initiatives and methods the private sector could undertake to assist the State's improvement of adult education programs; and

"(3)(A) approve the plan for evaluations required in section 352 and participate in the implementation and dissemination of such evaluations, (B) advise the Governor, the State legislature, and the general public of the State of the findings of such evaluations, and (C) include in any report of such evaluations its comments and recommendations.

"Subpart 3—Planning and Applications

"SEC. 341. STATE PLAN AND APPLICATION.

"(a) REQUIREMENT.—Any State desiring to receive funds under this title shall submit to the Secretary, during the fiscal year 1988 and during each fourth fiscal year occurring thereafter, a State plan and application for adult education (in one document) for the four fiscal years succeeding each fiscal year in which the State plan and application are submitted.

"(b) PROCEDURE FOR SUBMISSION AND CONSIDERATION.—Each State plan and application shall be submitted to the Secretary by July 1 preceding the beginning of the first fiscal year for which the plan is in effect. The Secretary shall approve, within sixty days, each such plan and application which is formulated in accordance with sections 342 and 343 and which meets the requirements of such sections, and shall not finally disapprove a State plan except after giving reasonable notice and an opportunity for a hearing to the State agency.

"(c) GEPA PROVISION.—Such document shall be considered to be the general application required to be submitted by the State for funds received under this Act for purposes of the provisions of section 435 of the General Education Provisions Act.

"SEC. 342. FOUR-YEAR STATE PLAN.

"(a) PROCEDURES REQUIRED IN FORMULATING STATE PLAN.—(1) In formulating the State plan, the State agency shall meet with and utilize the State advisory council, established pursuant to section 332 of this title.

"(2) The State agency shall conduct public hearings in the State, after appropriate and sufficient notice, for the purpose of affording all segments of the public, including groups serving educationally disadvantaged adults, and interested organizations and groups an opportunity to present their views and make recommendations regarding the State plan. A summary of such recommendations and the State agency's response shall be included with the State plan submitted to the Secretary.

"(3)(A) Not less than sixty days before submission of the State plan to the Secretary

under section 341, the State agency shall simultaneously submit the proposed State plan to (i) the State Board or agency for vocational education, (ii) the State Job Training Coordinating Council under the Job Training Partnership Act, and (iii) the State Board responsible for postsecondary education for review and comment. Such comments (to the extent such comments are received in a timely fashion) and the State's response shall be included with the State plan submitted to the Secretary. The Secretary shall consider such comments in reviewing such plan.

"(B) Not less than sixty days before the submission of the State plan to the Secretary, such plan shall be submitted to the State advisory council. Should the State advisory council find that it has substantial disagreement with the final State plan, the Council may file timely objections with the State agency. The State agency shall respond to all substantial objections of the State advisory council in submitting such plan to the Secretary. The Secretary shall consider such comments in reviewing the State plan.

"(b) REQUIRED ASSESSMENTS.—In developing the four-year State plan, each State shall (1) make a thorough assessment of (A) the needs of adults, including educationally disadvantaged adults, eligible to be served as well as adults proposed to be served and those served and (B) the capability of existing programs and institutions to meet those needs, and (2) state the changes and improvements required in adult education to fulfill the purposes of this title, and the options for implementing these changes and improvements.

"(c) COMPONENTS OF STATE PLAN.—Consistent with the assessments described in subsection (b) each such plan shall—

"(1) set forth the goals, the methods and strategies, and the expected outcomes of programs, services, and activities during the four-year period;

"(2) describe the curriculum, equipment, and instruments that are being used by instruction personnel and indicate how current these elements are;

"(3) describe the means by which the delivery of adult education services will be significantly expanded (including efforts to reach typically underserved groups such as educationally disadvantaged adults, individuals with limited English proficiency and individuals with handicaps) through the use of agencies, institutions, and organizations other than the public school system, such as businesses, labor unions, libraries, institutions of higher education, public health authorities, employment or training programs, antipoverty programs, organizations providing assistance to the homeless, and community and voluntary organizations;

"(4) describe the means by which representatives of the public and private sector are involved in the development and implementation of the plan, especially in the expansion of the delivery of adult education services by cooperation and collaboration with those public and private agencies, institutions, and organizations;

"(5) describe specialized efforts to attract and assist meaningful participation in adult education programs through flexible course schedules, provision of auxiliary aids and services, convenient locations, adequate transportation, and meeting child care needs;

"(6) provide for the needs of persons with limited English proficiency (as defined in section 7003(a) of title VII of the School Improvement Act of 1987 or no English proficiency by providing adequate appropriate language assistance to the extent necessary

to all such persons so they may progress effectively through adult education programs;

"(7) describe how the special education needs of adult immigrants, the incarcerated, persons with handicaps, the chronically unemployed, the homeless, the disadvantaged, and minorities will be addressed;

"(8) describe the progress the State has made in achieving the goals set forth in each State plan subsequent to the initial State plan;

"(9) describe the progress it expects to make toward achieving the purposes of this title during the four-year period of the State plan;

"(10) set forth the criteria the State agency will use in approving applications by eligible recipients and allocating funds made available under this title to such recipients;

"(11) describe the methods proposed for the joint planning and coordination of programs carried out under this title with those conducted under applicable Federal and State programs, including the Carl D. Perkins Vocational Education Act of 1963, the Job Training Partnership Act, the Rehabilitation Act of 1973, the Education of the Handicapped Act, the Immigration Reform and Control Act of 1986, the Higher Education Act of 1965 and the Domestic Volunteer Service Act to assure maximum utilization of funds under these Acts and to avoid duplication of services;

"(12) describe the steps taken to utilize volunteers, particularly volunteers assigned to the Literacy Corps established under the Domestic Volunteer Service Act and volunteers trained in programs carried out by section 374 of this title, but only to the extent that such volunteers supplement and do not supplant salaried employees; and

"(13) describe the measures to be taken to ensure that adult education programs, services, and activities assisted under this title will take into account the findings or program reviews and evaluations carried out pursuant to section 352.

"SEC. 343. STATE APPLICATIONS.

"The State application submitted pursuant to section 341 shall provide assurances—

"(1) that the State will provide such methods of administration as are necessary for the proper and efficient administration of this title;

"(2) that Federal funds made available under this title will be so used as to supplement the amount of State and local funds available for uses specified in this title, and in no case to supplant each State and local funds;

"(3) that the programs, services, and activities funded in accordance with the uses specified in section 322 are designed to expand or improve the quality of adult education programs including programs for educationally disadvantaged adults, to initiate new programs of high quality, or where necessary, to maintain programs;

"(4) that the State will provide such fiscal control and fundings accounting procedures as may be necessary to ensure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to eligible recipients under this title); and

"(5) that the State has instituted policies and procedures to ensure that copies of the State plan and all statements of general policy, rules, regulations, and procedures will be made available to the public.

"Subpart 4—Evaluation and State Plan Amendments

"SEC. 351. STATE PLAN AMENDMENTS.

"(a) TIMELY SUBMISSION.—When changes are necessary in the State plan, a State shall

submit by July 1 preceding the fiscal year of operation, amendments to its State plan.

"(b) CONSIDERATION BY SECRETARY.—The Secretary shall approve, within 60 days of submission, the State plan amendments which meet the requirements of this section, unless such amendments propose changes that are inconsistent with the requirements and purposes of this title. The Secretary shall not finally disapprove such amendments except after giving reasonable notice and an opportunity for hearing to the State agency.

"SEC. 312. EVALUATION.

"In order to assist grant recipients receiving funds under this title to plan and operate the best possible programs of adult education, each State agency during the four-year period of the State plan shall—

"(1) arrange a program review of grant recipients each year. During the first year of the State plan at least 15 percent of the grant recipients shall be evaluated; during the second year, at least 20 percent shall be evaluated; and during subsequent years, at least 25 percent of the grant recipients within the State receiving funds under this title shall be evaluated. These evaluations shall review—

"(A) the planning and content of the program;

"(B) the curriculum, qualifications of all personnel, equipment, and instructional materials;

"(C) the effect of the program on the subsequent work experience of graduates; and

"(D) other such factors as are determined to affect program operation; and

"(2) gather and analyze data (including standardized test data) to determine the extent to which the adult programs are achieving the goals set forth in the plan including the goal of serving educationally disadvantaged adults, and the extent to which grant recipients have improved their capacity to achieve the purposes of this title as set forth in section 311.

"Subpart 5—Demonstration Projects

"SEC. 313. SPECIAL EXPERIMENTAL DEMONSTRATION PROJECTS AND TEACHER TRAINING.

"(a) USE OF FUNDS.—Of the funds allotted to a State under section 312 for a fiscal year, not less than 10 percent shall be used for—

"(1) special projects which will be carried out in furtherance of the purposes of this title, which will be coordinated with other programs funded under this title and which—

"(A) involve the use of innovative methods (including methods for educating persons with handicaps, the homeless, and persons of limited English proficiency), systems, materials, or programs which may have national significance or will be of special value in promoting effective programs under this title; or

"(B) involve programs of adult education, including education for persons with handicaps, the homeless, and persons of limited English proficiency, which are part of community school programs, carried out in cooperation with other Federal, State, or local programs which have unusual promise in promoting a comprehensive or coordinated approach to the problems of persons with educational deficiencies; and

"(2) training persons engaged, or preparing to engage, as personnel in programs designed to carry out the purposes of this title.

"(b) APPLICATIONS.—Applications for funds under subsection (a) shall include such information as the State educational agency considers appropriate, including plans for continuing the activities and services under the project after the completion of the funding.

"Subpart 6—Federal Share; Federal Administrative Responsibilities

"SEC. 311. PAYMENTS.

"(a) FEDERAL SHARE.—The Federal share of expenditures to carry out a State plan shall be paid from a State's allotment available for grants to that State. The Federal share shall be 90 percent of the cost of carrying out the State's programs for fiscal year 1988, 87 percent for fiscal year 1989, 83 percent for fiscal year 1990, and 80 percent for fiscal years 1991, 1992, and 1993, except that with respect to Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, the Federal share shall be 100 percent.

"(b) MAINTENANCE OF EFFORT.—(1) No payment shall be made to any State from its allotment for any fiscal year unless the Secretary finds that the fiscal effort per student or the amount available for expenditure by such State for adult education from non-Federal sources for the preceding fiscal year was not less than such fiscal effort per student or such amount available for expenditure for such purposes from such sources during the second preceding fiscal year.

"(2) The Secretary may waive the requirements of this subsection for one fiscal year only, upon making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the applicant to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources.

"PART C—NATIONAL PROGRAMS.

"SEC. 312. ADULT MIGRANT FARMWORKER AND IMMIGRANT EDUCATION.

"The Secretary shall carry out a program of making grants to States and local eligible recipients to support planning, developing, and evaluating programs which are designed to provide adult education programs, services, and activities to meet the special needs of migrant farmworkers and immigrants. Programs operated from such grants shall be included in a State's plan and must conform to all requirements of programs provided for by the State's basic grant. In carrying out this section, the Secretary may enter into interagency agreements with the Secretary of Health and Human Services to conduct programs in conjunction with activities authorized under the Immigration Reform and Control Act of 1986.

"SEC. 313. STATE PROGRAM ANALYSIS ASSISTANCE AND POLICY STUDIES.

"(a) FEDERAL ASSISTANCE.—The Secretary shall assist States in evaluating the status and progress of adult education in achieving the purposes of this title, and activities designed to provide such assistance will include, but are not limited to—

"(1) an analysis of State plans and of the findings of evaluations conducted pursuant to section 352, with suggestions to State agencies for improvements in planning or program operation; and

"(2) the provision of an information network (in conjunction with the National Diffusion Network) on the results of research in adult education, the operation of model or innovative programs (including efforts to continue activities and services, under the program after the Federal funding has been discontinued) successful experiences in the planning, administration, and conduct of adult education programs, advances in curriculum and instructional practices, and other information useful in the improvement of adult education.

"(b) DETERMINATION OF LITERACY.—The Secretary, in consultation with the Congress shall, within the first two years after enactment of the Adult Education Amendments of

1987, make a determination of the criteria for defining literacy, taking into consideration reports prepared by the National Assessment of Educational Progress and others and shall identify concretely those skills that comprise the basic educational skills needed for literate functioning. The Secretary, once the definition of literacy has been determined, shall, in consultation with the Congress and using the appropriate statistical sampling methodology, determine an accurate estimate of the number of illiterate adults in the Nation.

"(c) REPORT ON STATUS OF LITERACY AND ADULT EDUCATION.—Subsequent to the determination of literacy and the number of illiterate individuals required in subsection (b), the Secretary shall submit a report every four years to the President and to the Congress on the status of literacy and adult education in the Nation.

"(d) EVALUATION REPORT.—Three years after the date of enactment of the Adult Education Amendments of 1987, and thereafter in conjunction with the report under subsection (c), the Secretary shall report to the Congress on the results of program evaluations required under this title and conclusions drawn therefrom regarding progress toward meeting the goals and purposes of this title, together with such recommendations as the Secretary may wish to make.

"SEC. 314. ADULT LITERACY VOLUNTEER TRAINING.

"The Secretary shall carry out a program of making grants to States and local eligible recipients to support planning, implementation, and evaluation of programs designed to train adult volunteers, especially the elderly, who wish to participate as tutors in local adult education programs.

"SEC. 315. JOINT STUDY OF SERVICES.

"The Secretary of Education, in conjunction with the Secretary of Labor and the Secretary of Health and Human Services, shall conduct a joint study of Federal funding sources for and services for adult education programs currently available, including literacy initiatives offered by public and private agencies, and shall jointly act to facilitate interagency coordination. The Secretary shall ensure the local and State officials involved in the delivery of adult education and literacy programs are involved in the study under this section. Not later than 24 months after the date of enactment of the Adult Education Amendments of 1987, a joint report shall be submitted to the Congress describing the findings of the study.

"SEC. 316. NATIONAL RESEARCH ACTIVITIES.

"(a) APPROVED ACTIVITIES.—The Secretary shall, with funds set aside under section 313(e), support applied research, development, demonstration, dissemination, evaluation, and related activities which will contribute to the improvement and expansion of adult education in the Nation. Such activities shall include the establishment of a national clearinghouse to compile information on literacy curriculum and resources for adults, including youth and adults of limited English proficiency and adults with handicaps. The Secretary may support such activities directly, or through grants to, or cooperative agreements with, public or private institutions, agencies, or organizations, or individuals.

"(b) RESEARCH CONCERNING SPECIAL NEEDS.—In addition to the responsibilities of the Assistant Secretary for Educational Research and Improvement under section 405 of the General Education Provisions Act, the Assistant Secretary may, with funds available under that section, with funds available under other Federal programs, or with funds set aside under section 312(e) of this title, support research on the special

needs of persons requiring adult education including a study of the magnitude and nature of the needs of adults with learning disabilities who are eligible for participation in adult education programs. The Assistant Secretary may support such research directly or through grants to, or contracts or cooperative agreements with, public or private institutions, agencies, or organizations.

"SEC. 377. LIMITATION.

"No grant may be made under this title for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For purposes of this section, the term 'school or department of divinity' means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

"SEC. 378. IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS.

"(a) **Use of Funds.**—The Secretary shall carry out a program of making grants to State and local educational agencies, and to Indian tribes, institutions, and organizations, to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for providing adult education for Indians—

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

"(2) to assist in the establishment and operation of programs which are designed to stimulate (A) the provision of basic literacy opportunities to all nonliterate Indian adults, and (B) the provision of opportunities to all Indian adults to qualify for a high school equivalency certificate in the shortest period of time feasible;

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

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

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

"(b) **IMPROVEMENT OF EDUCATIONAL OPPORTUNITY.**—The Secretary is also authorized to make grants to Indian tribes, Indian institutions, and Indian organizations to develop and establish educational services and programs specifically designed to improve educational opportunities for Indian adults.

"(c) **EVALUATION AND DISSEMINATION.**—The Secretary is also authorized to make grants to, and contracts with, public agencies, and institutions, and Indian tribes, institutions, and organizations for—

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

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

"(d) **APPLICATIONS.**—Applications for a grant under this section shall be submitted at such time, in such manner, and contain such information, and shall be consistent

with such criteria, as may be established as requirements in regulations promulgated by the Secretary. Such applications shall—

"(1) set forth a statement describing the activities for which assistance is sought;

"(2) provide for an evaluation of the effectiveness of the project in achieving its purposes and those of this section.

The Secretary shall not approve an application for a grant under subsection (a) unless he is satisfied that such application, and any documents submitted with respect thereto, indicate that there has been adequate participation by the individuals to be served and tribal communities in the planning and development of the project, and that there will be such a participation in the operation and evaluation of the project. In approving applications under subsection (a), the Secretary shall give priority to applications from Indian educational agencies, organizations, and institutions.

"(e) **AUTHORIZATION OF APPROPRIATIONS.**—For the purpose of making grants under this section there are authorized to be appropriated \$8,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, 1992, and 1993.

"SEC. 379. NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION.

"(a) **APPOINTMENT.**—The President shall appoint a National Advisory Council on Adult Education (hereinafter in this section referred to as the 'Council').

"(b) **MEMBERSHIP.**—The Council shall consist of fifteen members who shall, to the extent possible, include persons knowledgeable in the field of adult education including education for persons of limited English-speaking ability in which instruction is given in English and, to the extent necessary to allow such persons to progress effectively through the adult education program, in the native language of such persons, State and local public school officials, and other persons having special knowledge and experience, or qualifications with respect to adult education, and persons representative of the general public. The Council shall meet initially at the call of the Secretary and elect from its number a chairman. The Council will thereafter meet at the call of the chairman, but not less often than twice a year.

"(c) **DUTIES.**—The Council shall advise the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans and policies to eliminate duplication, and to effectuate the coordination of programs under this title and other programs offering adult education activities and services.

"(d) **REPORTS.**—The Council shall review the administration and effectiveness of programs under this title, make recommendations with respect thereto, and make annual reports to the President of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to adult education activities and services). The President shall transmit each such report to the Congress together with comments and recommendations. The Secretary of Education shall coordinate the work of the Council with that of other related advisory councils."

PART B—IMPACT AID

SEC. 3201. REAUTHORIZATIONS FOR IMPACT AID.

(a) P.L. 81-874.—Title I of the Act of September 30, 1950 (20 U.S.C. 236, P.L. 81-874) is amended—

(1) in section 2(a) by striking "1988—" and inserting "1993—";

(2) in section 3(b) by striking "1988," both places it appears and inserting "1993,";

(3) in section 3(d)(2)(E)(ii) by striking "1988" and inserting "1993";

(4) in section 4(a) by striking "1988—" and inserting "1993—"; and

(5) in section 7(a) by striking "1988," both places it appears and inserting "1993,".

(b) P.L. 81-815.—The Act of September 23, 1950 (20 U.S.C. 631; P.L. 81-815) is amended—

(1) in section 3 by striking "1988" and inserting "1993";

(2) in section 16(a)(1)(A) by striking "1988," and inserting "1993,"; and

(3) in paragraph (15) of section 15 by striking "1978-1979" and inserting "1988-1989".

SEC. 3202. LIMITATION ON IMPACT AID PAYMENTS.

(a) P.L. 81-874.—Title I of the Act of September 30, 1950 (20 U.S.C. 236, P.L. 81-874) is amended by inserting at the end the following new section:

"LIMITATION ON PAYMENTS

"Sec. 8. Notwithstanding any other provision of this title, amounts appropriated for the purposes of this title for fiscal year 1988 may not exceed \$735,000,000."

(b) P.L. 81-815.—The Act of September 23, 1950 (20 U.S.C. 631; P.L. 81-815) is amended by inserting at the end the following new section:

"LIMITATION ON PAYMENTS

"Sec. 18. Notwithstanding any other provision of this Act, amounts appropriated for the purposes of this Act for fiscal year 1988 may not exceed \$24,000,000."

SEC. 3203. CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY.

Section 3(d)(2)(D) of the Act of September 30, 1950 (20 U.S.C. 236, P.L. 81-874) is amended by adding at the end "Tuition funds under this section may be paid for any student not eligible for funding under section 1128 of P.L. 95-561 in any school receiving funding under such section. No condition involving program or personnel shall apply to any such payments."

PART C—GENERAL EDUCATION PROVISIONS ACT

SEC. 3301. ENFORCEMENT UNDER THE GENERAL EDUCATION PROVISIONS ACT.

(a) **AMENDMENT TO PART E OF GEPA.**—Part E of the General Education Provisions Act is amended to read as follows:

"PART E—ENFORCEMENT

"SEC. 451. OFFICE OF ADMINISTRATIVE LAW JUDGES.

"(a) The Secretary shall establish in the Department of Education an Office of Administrative Law Judges (hereinafter in this part referred to as the 'Office') which shall conduct—

"(1) recovery of funds hearings pursuant to section 452 of this Act,

"(2) withholding hearings pursuant to section 455 of this Act,

"(3) cease and desist hearings pursuant to section 456 of this Act, and

"(4) other proceedings designated by the Secretary.

"(b) The administrative law judges (hereinafter 'judges') of the Office shall be appointed by the Secretary in accordance with section 3105 of title 5, United States Code.

"(c) The judges shall be officers or employees of the Department. The judges shall meet the requirements imposed for administrative law judges pursuant to section 3105 of title 5, United States Code. In choosing among equally qualified candidates for such positions the Secretary shall give favorable consideration to the candidates' experience in State or local education agencies and their knowledge of the workings of Federal education programs in such agencies. The Secretary shall designate one of the judges of the Office to be the chief judge.

"(d) For the purposes of conducting hearings described in subsection (a), the chief judge shall assign a judge to each case or class of cases. With respect to any case, the judge shall not have been a party to, or have had any responsibility for, any particular matter assigned to that judge.

"(e) The judge shall review and may require that evidence be taken on the sufficiency of the preliminary departmental determination as set forth in section 452.

"(f)(1) The proceedings of the Office shall be conducted according to such rules as the Secretary shall prescribe by regulation in conformance with the rules relating to hearings in title 5, United States Code, sections 554, 556, and 557.

"(2) The provisions of title 5, United States Code, section 504, relating to costs and fees of parties, shall apply to the proceedings before the Department.

"(g)(1) In order to secure a fair, expeditious, and economical resolution of cases and where the judge determines that the discovered information is likely to elicit relevant information with respect to an issue in the case, is not sought primarily for the purposes of delay or harassment, and would serve the ends of justice, the judge may order a party to—

"(A) produce relevant documents;

"(B) answer written interrogatories that inquire into relevant matters; and

"(C) have depositions taken.

The judge shall set a time limit on the discovery period. The judge may extend this period for good cause shown. At the request of any party, the judge may establish a specific schedule for the conduct of discovery.

"(2) In order to carry out the provisions of subsections (f)(1) and (g)(1), the judge is authorized to issue subpoenas and apply to the appropriate court of the United States for enforcement of a subpoena. The court may enforce the subpoena as if it pertained to a proceeding before that court.

"(h) The Secretary shall establish a process for the voluntary mediation of disputes pending before the Office. The mediator shall be agreed to by all parties involved in mediation and shall be independent of the parties to the dispute.

"(i) The Secretary shall employ, assign, or transfer sufficient professional personnel, including judges of the Office, to ensure that all matters brought before the Office may be dealt with in a timely manner.

SEC. 453. RECOVERY OF FUNDS.

"(a)(1) Whenever the Secretary determines that a recipient of a grant or cooperative agreement under an applicable program must return funds because the recipient has made an expenditure of funds that is not allowable under that grant or cooperative agreement, or has otherwise failed to discharge its obligation to account properly for funds under the grant or cooperative agreement, the Secretary shall give the recipient written notice of a preliminary departmental decision and notify the recipient of its right to have that decision reviewed by the Office and of its right to request mediation.

"(2) In a preliminary departmental decision, the Secretary shall have the burden of stating a prima facie case for the recovery of funds. The facts to serve as the basis of the preliminary departmental decision may come from an audit report, an investigative report, a monitoring report, or other evidence. The amount of funds to be recovered shall be determined on the basis of section 452.

"(3) For the purpose of paragraph (2), failure by a recipient to maintain records required by law, or to allow the Secretary access to such records, shall constitute a prima facie case.

"(b)(1) A recipient that has received written notice of a preliminary departmental decision and that desires to have such decision reviewed by the Office shall submit to the Office an application for review not later than 30 days after receipt of notice of the preliminary departmental decision. The application shall be in the form and contain the information specified by the Office. The Office shall return to the Secretary for such action as the Secretary considers appropriate any preliminary departmental decision which, the Office determines does not meet the requirements of subsection (a)(2).

"(2) In cases where the preliminary departmental decision requests a recovery of funds from a State recipient, that State recipient may not recover funds from an affected local educational agency unless that State recipient has—

"(A) transmitted a copy of the preliminary departmental decision to any affected subrecipient within ten days of the date that the State recipient in a State administered program received such written notice; and

"(B) consulted with each affected subrecipient to determine whether the State recipient should submit an application for review under paragraph (1).

"(3) In any proceeding before the Office under this section, the burden shall be upon the recipient to demonstrate that it should not be required to return the amount of funds for which recovery is sought in the preliminary departmental decision under subsection (a).

"(c) Upon review of a decision of the Office by the Secretary, the findings of fact by the Office, if supported by substantial evidence, shall be conclusive. However, the Secretary, for good cause shown, may remand the case to the Office to take further evidence, and the Office may thereupon make new or modified findings of fact and may modify its previous action. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(d)(1) If a recipient submits a timely application for review of a preliminary departmental decision, the Secretary shall take no collection action until the decision of the Office upholding the preliminary Department decision in whole or in part becomes final agency action under subsection (e).

"(2) If a recipient files a timely petition for judicial review under section 458, the Secretary shall take no collection action until judicial review is completed.

"(3) The filing of an application for review under paragraph (1) or a petition for judicial review under paragraph (2) shall not affect the authority of the Secretary to take any other adverse action under this part against the recipient.

"(e) A decision of the Office regarding an application for review of a preliminary departmental decision shall become final agency action 60 days after the recipient receives written notice of the decision unless the Secretary either—

"(1) modifies or sets aside the decision, in whole or in part, in which case the decision of the Secretary shall become final agency action when the recipient receives written notice of the Secretary's action, or

"(2) remands the decision to the Office.

"(f) The Secretary shall publish decisions that have become final agency action under subsection (e) in the Federal Register or in another appropriate publication within 60 days.

"(g) The amount of a preliminary departmental decision under subsection (a) for which review has not been requested in accordance with subsection (b), and the amount sustained by a decision of the Office or the Secretary which becomes final agency

action under subsection (e), may be collected by the Secretary in accordance with chapter 37 of title 31, United States Code.

"(h)(1) Notwithstanding any other provision of law, the Secretary may, subject to the notice requirements of paragraph (2), compromise any preliminary departmental decision under this section which does not exceed the amount agreed to be returned by more than \$200,000, if the Secretary determines that (A) the collection of any or all of the amount thereof would not be practical or in the public interest, and (B) the practice which resulted in the preliminary departmental decision has been corrected and will not recur.

"(2) Not less than 45 days prior to the exercise of the authority to compromise a preliminary departmental decision pursuant to paragraph (1), the Secretary shall publish in the Federal Register a notice of intention to do so. The notice shall provide interested persons an opportunity to comment on any proposed action under this subsection through the submission of written data, views, or arguments.

"(i) No recipient under an applicable program shall be liable to return funds which were expended in a manner not authorized by law more than five years before the recipient received written notice of a preliminary departmental decision.

SEC. 454. MEASURE OF RECOVERY.

"(a)(1) A recipient determined to have made an unallowable expenditure, or to have otherwise failed to discharge its responsibility to account properly for funds, shall be required to return funds in an amount that is proportionate to the extent of the harm its violation caused to an identifiable Federal interest associated with the program under which the recipient received the award.

"(2) For the purpose of paragraph (1), an identifiable Federal interest includes, but is not limited to, serving only eligible beneficiaries; providing only authorized services or benefits; complying with expenditure requirements and conditions (such as set-aside, excess cost, maintenance of effort, comparability, supplement-not-supplant, and matching requirements); preserving the integrity of planning, application, record-keeping, and reporting requirements; and maintaining accountability for the use of funds.

"(b)(1) In no case shall a State or local educational agency that is determined to have made an unallowable expenditure, or to have otherwise failed to discharge its responsibility to account properly for funds, be required to return funds with respect to a violation for which mitigating circumstances exist, as described in paragraph (2). The burden of demonstrating the existence of mitigating circumstances shall be upon the State or local educational agency.

"(2) For the purpose of paragraph (1), mitigating circumstances exist only when it would be unjust to compel the recovery of funds because the State or local educational agency—

"(A) actually and reasonably relied upon erroneous written guidance provided by the Department;

"(B) made an expenditure or engaged in a practice after—

"(i) the State or local educational agency submitted to the Secretary, in good faith, a written request for guidance with respect to the expenditure or practice at issue, and

"(ii) the Department official did not respond within 90 days of receipt by the Department of such request; or

"(C) actually and reasonably relied upon a judicial decree issued to the recipient.

"(3) If the Secretary responds to a written request for guidance described in paragraph (2)(B) more than 90 days after its receipt, the State or local educational agency that submitted the request shall comply with the guidance received at the earliest practicable time.

"(4) In order to demonstrate the existence of the mitigating circumstances described in paragraph (2)(B), the State or local educational agency shall demonstrate that—

"(A) the written request for guidance accurately described the proposed expenditure or practice and included the facts necessary for a determination of its legality; and

"(B) the written request for guidance contained a certification by the chief legal officer of the State educational agency that such officer had examined the proposed expenditure or practice and believed the proposed expenditure or practice was permissible under then applicable State and Federal law; and

"(C) the State or local educational agency reasonably believed that the proposed expenditure or practice was not permissible under then applicable State and Federal law.

"(5) The Secretary shall disseminate to State educational agencies responses to written requests for guidance, described in paragraph (4), that reflect significant interpretations of applicable law or policy.

"(c) The Secretary shall periodically review the written requests for guidance submitted under this section to determine the need for new or supplementary regulatory or other guidance under applicable programs.

"SEC. 444. REMEDIES FOR EXISTING VIOLATIONS.

"(a) Whenever the Secretary has reason to believe that any recipient of funds under any applicable program is failing to comply substantially with any requirement of law applicable to such funds, the Secretary may—

"(1) withhold further payments under that program, as authorized by section 455;

"(2) issue a complaint to compel compliance through a cease and desist order of the Office, as authorized by section 456;

"(3) enter into a compliance agreement with a recipient to bring it into compliance, as authorized by section 457(a); or

"(4) take any other action authorized by law with respect to the recipient.

"(b) Any action, or failure to take action, by the Secretary under this section shall not preclude the Secretary from seeking a recovery of funds under section 452.

"SEC. 455. WITHHOLDING.

"(a) In accordance with section 454, the Secretary may withhold from a recipient, in whole or in part, further payments (including payments for administrative costs) under an applicable program.

"(b) Before withholding payments, the Secretary shall notify the recipient, in writing, of—

"(1) the intent to withhold payments;

"(2) the factual and legal basis for the Secretary's belief that the recipient has failed to comply substantially with a requirement of law; and

"(3) an opportunity for a hearing to be held on a date at least 30 days after the notification has been sent to the recipient.

"(c) The hearing shall be held before the Office and shall be conducted in accordance with the rules prescribed pursuant to subsections (f) and (g) of section 451 of this Act.

"(d) Pending the outcome of any hearing under this section, the Secretary may suspend payments to a recipient after such recipient has been given reasonable notice and an opportunity to show cause why future payments should not be suspended.

"(e) Upon review of a decision of the Office by the Secretary, the findings of fact by the Office, if supported by substantial evidence, shall be conclusive. However, the Secretary, for good cause shown, may remand the case to the Office to take further evidence, and the Office may thereupon make new or modified findings of fact and may modify its previous action. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(f) The decision of the Office in any hearing under this section shall become final agency action 60 days after the recipient receives written notice of the decision unless the Secretary either—

"(1) modifies or sets aside the decision, in whole or in part, in which case the decision of the Secretary shall become final agency action when the recipient receives written notice of the Secretary's action; or

"(2) remands the decision of the Office.

"SEC. 444. CEASE AND DESIST ORDERS.

"(a) In accordance with section 454, the Secretary may issue to a recipient under an applicable program a complaint which—

"(1) describes the factual and legal basis for the Secretary's belief that the recipient is failing to comply substantially with a requirement of law; and

"(2) contains a notice of a hearing to be held before the Office on a date at least 30 days after the service of the complaint.

"(b) The recipient upon which a complaint has been served shall have the right to appear before the Office on the date specified and to show cause why an order should not be entered by the Office requiring the recipient to cease and desist from the violation of law charged in the complaint.

"(c) The testimony in any hearing held under this section shall be reduced to writing and filed with the Office. If upon that hearing the Office is of the opinion that the recipient is in violation of any requirement of law as charged in the complaint, the Office shall—

"(1) make a report in writing stating its findings of fact; and

"(2) issue to the recipient an order requiring the recipient to cease and desist from the practice, policy, or procedure which resulted in the violation.

"(d) The report and order of the Office under this section shall become the final agency action when the recipient receives the report and order.

"(e) The Secretary may enforce a final order of the Office under this section which becomes final agency action by—

"(1) withholding from the recipient any portion of the amount payable to it, including the amount payable for administrative costs, under the applicable program; or

"(2) certifying the facts to the Attorney General who shall cause an appropriate proceeding to be brought for the enforcement of the order.

"SEC. 457. COMPLIANCE AGREEMENTS.

"(a) In accordance with section 454, the Secretary may enter into a compliance agreement with a recipient under an applicable program. The purpose of any compliance agreement under this section shall be to bring the recipient into full compliance with the applicable requirements of law as soon as feasible and not to excuse or remedy past violations of such requirements.

"(b)(1) Before entering into a compliance agreement with a recipient, the Secretary shall hold a hearing at which the recipient, affected students and parents or their representatives, and other interested parties are invited to participate. The recipient shall have the burden of persuading the Secretary that full compliance with the applicable re-

quirements of law is not genuinely feasible until a future date.

"(2) If the Secretary determines, on the basis of all the evidence presented, that full compliance is genuinely not feasible until a future date, the Secretary shall make written findings to that effect and shall publish those findings, along with the substance of any compliance agreement, in the Federal Register.

"(c) A compliance agreement under this section shall contain—

"(1) an expiration date not later than three years from the date of the written findings under subsection (b)(2), by which the recipient shall be in full compliance with the applicable requirements of law; and

"(2) those terms and conditions with which the recipient must comply until it is in full compliance.

"(d) If a recipient fails to comply with the terms and conditions of a compliance agreement under this section, the Secretary may consider that compliance agreement to be no longer in effect, and the Secretary may take any action authorized by law with respect to the recipient.

"SEC. 448. JUDICIAL REVIEW.

"(a) Any recipient of funds under an applicable program that would be adversely affected by a final agency action under section 452, 455, or 456 of this Act, and any State entitled to receive funds under a program listed in section 435(a) of this title whose application has been disapproved by the Secretary, shall be entitled to judicial review of such action in accordance with the provision of this section. The Secretary may not take any action on the basis of a final agency decision until judicial review is completed.

"(b) A recipient that desires judicial review of an action described in subsection (a) shall, within 60 days of that action, file with the United States Court of Appeals for the circuit in which that recipient is located, a petition for review of such action. A copy of the petition shall be transmitted by the clerk of the court to the Secretary. The Secretary shall file in the court the record of the proceedings on which the action was based, as provided in section 2112 of title 28, United States Code.

"(c) The findings of fact by the Office, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Office to take further evidence, and the Office may make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(d) The court shall have jurisdiction to affirm the action of the Office or the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"SEC. 458. USE OF RECOVERED FUNDS.

"(a) Whenever the Secretary recovers funds paid to a recipient under a grant or cooperative agreement made under an applicable program because the recipient made an expenditure of funds that was not allowable, or otherwise failed to discharge its responsibility to account properly for funds, the Secretary may consider those funds to be additional funds available for that program and may arrange to repay to the recipient affected by that action an amount not to exceed 75 percent of the recovered funds if the Secretary determines that—

"(1) the practices or procedures of the recipient that resulted in the violation of law have been corrected, and that the recipient is in all other respects in compliance with the requirements of that program;

"(2) the recipient has submitted to the Secretary a plan for the use of those funds pursuant to the requirements of that program and, to the extent possible, for the benefit of the population that was affected by the failure to comply or by the misuse of funds that resulted in the recovery; and

"(3) the use of those funds in accordance with that plan would serve to achieve the purposes of the program under which the funds were originally paid.

"(b) Any payments by the Secretary under this section shall be subject to such other terms and conditions as the Secretary considers necessary to accomplish the purposes of the affected programs, including—

"(1) the submission of periodic reports on the use of funds provided under this section; and

"(2) consultation by the recipient with students, parents, or representatives of the population that will benefit from the payments.

"(c) Notwithstanding any other provisions of law, the funds made available under this section shall remain available for expenditure for a period of time deemed reasonable by the Secretary, but in no case to exceed more than three fiscal years following the fiscal year in which the preliminary departmental decision under section 452(a) was issued.

"(d) At least 30 days prior to entering into an arrangement under this section, the Secretary shall publish in the Federal Register a notice of intent to enter into such an arrangement and the terms and conditions under which payments will be made. Interested persons shall have an opportunity for at least 30 days to submit comments to the Secretary regarding the proposed arrangement.

SEC. 402. DEFINITIONS.

"For purposes of this Act, the following terms have the following meanings:

"(1) The term 'recipient' means a recipient of a grant or cooperative agreement under an applicable program.

"(2) The term 'applicable program' excludes programs authorized by the Higher Education Act of 1965 and assistance programs provided under the Act of September 30, 1950 (Public Law 874, 81st Congress), and the Act of September 23, 1950 (Public Law 815, 81st Congress)."

(b) EFFECTIVE DATE.

(1) Except as provided in paragraph (2) the amendments made by this section shall be effective 180 days after the date of enactment of this Act.

(2) The amendments made by this part shall not apply to any case in which the recipient, prior to the effective date of this part, received a written notice that such recipient must return funds to the Department.

SEC. 403. NATIONAL CENTER FOR EDUCATION STATISTICS.

(a) ADMINISTRATION.—Section 406(a) of the General Education Provisions Act (hereinafter in this section referred to as "the Act") is amended—

(1) by inserting "(1)" after "(a)";

(2) in the first sentence of subsection (a) by inserting "National" before "Center"; and

(3) by striking all after the first sentence and inserting the following:

"The general design and duties of the National Center for Education Statistics shall be to acquire and diffuse among the people of the United States useful statistical infor-

mation on subjects connected with education, in the most general and comprehensive sense of the word, particularly the retention of students, the assessment of their progress, the financing of institutions of education, financial aid to students, the supply of and demand for teachers and other school personnel, comparisons of the education of the United States and foreign nations and the means of promoting material, social, and intellectual prosperity through education."

(b) COMMISSIONER OF EDUCATION STATISTICS.—(1) Section 406(a) of the Act is amended by inserting after paragraph (1) (as so designated in subsection (a)) the following new paragraph:

"(2)(A) The Center shall be headed by a Commissioner of Education Statistics who shall be appointed by the President, by and with the advice and consent of the Senate. The Commissioner of the National Center for Education Statistics shall have substantial experience and knowledge of programs encompassed by the National Center. The Commissioner shall be paid in accordance with section 5315 of title 5, United States Code. The Commissioner shall serve for terms of 4 years, except that in the case of the initial appointment, the Commissioner shall serve until June 21, 1991.

"(B) There shall be within the Center (i) an Associate Commissioner for Statistical Standards and Methodology who shall be qualified in the field of mathematical statistics or statistical methodology; and (ii) an Associate Commissioner for International Education Statistics who shall promote United States participation in international research on educational statistics. The Commissioner shall appoint such other Associate Commissioners as may be necessary and appropriate."

(2) Section 5315 of title 5 of the United States Code, is amended by adding at the end thereof the following:

"Commissioner, National Center for Education Statistics."

(c) ADVISORY COUNCIL ON EDUCATION STATISTICS.—Section 406(c) of the Act is amended—

(1) in the first sentence of paragraph (1) by inserting "public" after "7";

(2) in paragraph (2)—

(A) in subparagraph (B) by striking "and";

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following subparagraph:

"(D) Commissioner of Education Statistics."

(3) in paragraph (4) by striking "Assistant Secretary" and inserting "Commissioner of Education Statistics";

(4) in paragraph (7) by striking "establishing" and inserting "advising on"; and

(5) by adding after paragraph (7) the following new paragraph:

"(8) The Commissioner may appoint such other ad hoc advisory committees as the Commissioner considers necessary."

(d) CONDITION OF EDUCATION REPORT.—Section 406(d) of the Act is amended—

(1) in paragraph (1) by striking "Secretary" and inserting "Commissioner"; and

(2) by striking the semicolon at the end of paragraph (1)(C) and all that follows through the end of such paragraph and inserting a period;

(3) by redesignating paragraph "(2)" as paragraph "(3)"; and

(4) by adding after paragraph (1) the following new paragraph:

"(2) The Secretary may submit annually a report to the Congress giving information of the State of Education in the Nation. In such report the Secretary shall clearly set forth his views of critical needs in education and the most effective manner in which the

nation and the Federal Government may address such needs."

(e) AUTHORITY OF COMMISSIONER.—Section 406(e) of the Act is amended by adding at the end the following paragraphs:

"(3) In carrying out any authorized responsibilities under this section, the Commissioner may enter into contracts or other financial arrangements. Contracts or financial arrangements may include sole source contracts with States, organizations performing international studies, and associations that are nationally representative of a wide variety of States or nonpublic schools. The Commissioner shall submit annually a report to the appropriate committees of the Congress, listing each sole source contract, its purpose, and the reasons why competitive bidding was not feasible in each such instance.

"(4) The Commissioner is authorized to prepare and publish such information and documents as may be of value in carrying out the purposes of this section. Periodically, the Commissioner shall issue a regular schedule of publications.

"(5) In addition to the condition of education report under subsection (d), the Commissioner is authorized to make special reports on particular subjects whenever required to do so by the President or either House of Congress or when considered appropriate by the Commissioner.

"(6) The Commissioner is authorized to use information collected by other executive agencies and to enter into interagency agreements for the collection of statistics for the purposes of this section. The Commissioner is authorized to arrange with any agency, organization, or institution for the collection of statistics for the purposes of this section and may assign employees of the Center to any such agency, organization, or institution to assist in such collection.

"(7) The Commissioner is authorized to use the statistical method known as sampling to carry out this section. Data may be collected from States, local educational agencies, schools, administrators, teachers, students, the general public, and such other individuals, persons, organizations, agencies, and institutions as the Commissioner may consider appropriate."

(f) REPORTS ON EDUCATION INDICATORS.—Section 406(g) of the Act is amended—

(1) by adding "(1)" after "(g)"; and

(2) by adding after paragraph (1) (as so designated in paragraph (1) of this section) the following new paragraph:

"(2) In addition to other duties of the Commissioner under this section, it shall be the responsibility of the Commissioner to issue regular public reports to the President and Congress on dropout and retention rates, results of education, supply and demand of teachers and school personnel, financial aid and on such other education indicators as the Commissioner determines to be appropriate."

(g) SPECIAL STUDY PANEL ON EDUCATION INDICATORS.—Section 406(g) of the Act is amended by adding after paragraph (2) the following new paragraph:

"(3) The Commissioner shall establish a special study panel to make recommendations concerning the determination of education indicators for study and report under paragraph (2). Not more than 18 months after the date of enactment of the School Improvement Act of 1987, the Commissioner shall submit the report of the panel to the appropriate committees of the Congress. The panel shall cease to exist 6 months after the date of such submission."

(h) DROPOUT AND RETENTION STUDY AND REPORTS.—Section 406(g) of the Act is amended

by adding after paragraph (3) the following new paragraph:

"(4)(A) The Center shall conduct an annual national survey of dropout and retention rates as an education indicator.

"(B) The Commissioner shall appoint a special task force to develop and test an effective methodology to accurately measure dropout and retention rates. Not later than 1 year after the date of enactment of the School Improvement Act of 1987, the task force shall submit a report of its recommendations, including procedures for implementation of such recommendations, to the Commissioner and the appropriate committees of the Congress.

"(C) On the second Tuesday after Labor Day of 1988 and on each such Tuesday thereafter, the Center shall submit a report to the appropriate committees of the Congress of the dropout and retention rate prevailing on March 30 of each such year."

(i) FINANCIAL AID STUDY.—Section 406(g) of the Act is amended by adding after paragraph (4) the following new paragraph:

"(5) As of March 30, 1990, and every 3 years thereafter, the Center shall conduct a national study and survey of financial aid in accordance with the provisions of section 1303(c) of the Higher Education Act Amendments of 1986. The Center shall submit a report to the appropriate committees of the Congress concerning the findings of such study."

(j) DECENNIAL ANALYSIS OF SCHOOL DISTRICTS.—Section 406(g) of the Act is amended by adding after paragraph (5) the following new paragraph:

"(6) On April 1, 1992, and every 10 years thereafter, the Center shall submit a report to the appropriate committees of the Congress concerning the social and economic status of children who reside in the areas served by different local educational agencies. Such report shall be based on data collected during the most recent decennial census.

(k) NATIONAL LONGITUDINAL SURVEY.—Section 406(g) of the Act is amended by adding after paragraph (6) the following new paragraph:

"(7) The Center shall conduct a study of a statistically relevant sample of students enrolled in elementary and secondary school concerning educational progress, intellectual development, and economic prosperity. Such study shall evaluate such students by such criteria at 2-year intervals. As of February 1, 1988, and every 8 years thereafter, the Commissioner shall select a sample of students enrolled in school for this study.

(l) CONFIDENTIAL TREATMENT OF DATA.—Section 406(d) of the Act is amended by adding after paragraph (3) the following new paragraph:

"(4)(A) Except as provided in this section, no person may—

"(i) use any individually identifiable information furnished under the provisions of this section for any purpose other than statistical purposes for which it is supplied;

"(ii) make any publication whereby the data furnished by any particular person under this section can be identified; or

"(iii) permit anyone other than the individuals authorized by the Commissioner to examine the individual reports; or

"(B) no department, bureau, agency, officer, or employee of the Government, except the Commissioner of Education Statistics in carrying out the purposes of this section, shall require, for any reason, copies of reports which have been filed under this section with the Center for Education Statistics or retained by any individual respondent. Copies of such reports which have been so retained or filed with the Center or any of its employees or contractors or agents shall

be immune from legal process, and shall not without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding. This subsection shall only apply to individually identifiable data (as defined in subparagraph (E)).

"(C) Whoever, being or having been an employee or staff member appointed under the authority of the Commissioner or in accordance with this section of the Act, having taken and subscribed the oath of office, or having sworn to observe the limitations imposed by subsection (a), publishes or communicates any individually identifiable information (as defined in subparagraph (E)), the disclosure of which is prohibited under the provisions of subparagraph (A), and which comes into his or her possession by reason of employment (or otherwise providing services) under the provisions of this section, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both.

"(D) The Commissioner may utilize temporary staff, including employees of Federal, State, or local agencies or instrumentalities including local education agencies, and employees of private organizations to assist the Center in performing the work authorized by this section, but only if such temporary staff is sworn to observe the limitations imposed by this section.

"(E) For the purposes of this section—

"(i) the term 'individually identifiable information' means any record, response form, completed survey or aggregation thereof from which information about individual students, teachers, administrators or other individual persons may be revealed;

"(ii) the term 'report' means a response provided by or about an individual to an inquiry from the Center and does not include a statistical aggregation from which individually identifiable information cannot be revealed; and

"(iii) as used in clause (i), the term 'persons' does not include States, local educational agencies, or schools."

(m) EDUCATION INFORMATION AND DATA.—Section 406 of the Act is amended—

(1) in subsection (e)(1) by striking in the first sentence "of the Office";

(2) by adding at the end a new subsection (i):

"(i) There is established within the Center a National Cooperative Education Statistics System (hereafter referred to in this subsection as the 'System'). The purpose of the System is to produce and maintain, with the cooperation of the States, comparable and uniform educational information and data that are useful for policy-making at the Federal, State, and local level.

"(2) Each State that desires to participate in the system shall—

"(A) first develop with the Center the information and data-gathering requirements that are needed to report on the condition and progress of elementary and secondary education in the United States, such as information and data on—

"(i) schools and school districts;

"(ii) students and enrollments, including special populations;

"(iii) teachers and school administrators;

"(iv) the financing of elementary and secondary education;

"(v) student outcomes, including scores on standardized tests and other measures of educational achievement; and

"(vi) the progress of education reform in the States and the Nation; and

"(B) then enter into an agreement with the Center for that fiscal year to comply with those information and data-gathering requirements.

"(3) To establish and maintain the system, the Commissioner—

"(A) shall—

"(i) provide technical assistance to the States regarding the collection, maintenance, and use of the System's data; and

"(ii) to the extent possible, implement standard definitions and data collection procedures; and

"(B) may—

"(i) directly, or through grants, cooperative agreements, or contracts, conduct research, development, demonstration, and evaluation activities that are related to the purposes of the System; and

"(ii) prescribe appropriate guidelines to ensure that the statistical activities of the States participating in the System produce data that are uniform, timely, and appropriately accessible."

(3) in subsection (f)—

(A) by inserting "(1)" after "(f)"; and

(B) by adding after paragraph (1) the following paragraph:

"(2) The Commissioner may contract with States to carry out subsection (1). Such contracts may not exceed 33.5 percent of the cost to the State of meeting the information and data gathering requirements in compliance with such subsection."

(n) STATE TRAINING PROGRAM.—Section 406(d)(3) of the Act is amended by adding before the semicolon the following: "(and shall establish a special program to train employees of such State and local agencies in the use of the Center's standard statistical procedures and concepts and may establish a fellows program to temporarily appoint such employees as fellows at the Center for the purpose of familiarization with the operations of the Center)".

(o) AUTHORIZATION OF APPROPRIATIONS.—

(1) Section 406(f)(1) of the Act (as so redesignated in subsection (m) of this section) is amended to read as follows:

"(f)(1) There are authorized to be appropriated for the purposes of this section (including salaries and expenses) \$25,809,000 for fiscal year 1988, \$32,823,000 for fiscal year 1989, \$37,323,000 for fiscal year 1990, and such sums as may be necessary for each of the fiscal years 1991, 1992, and 1993."

(2) Section 405(f)(1) of the Act is amended by striking "and section 406".

(p) CONFORMING AMENDMENTS.—The heading of section 406 of the Act is amended to read as follows: "NATIONAL CENTER FOR EDUCATION STATISTICS".

SEC. 214. SCHOOL IMPROVEMENT ACT OF 1987 DATA.

Section 405(e)(1)(A) of the General Education Provisions Act is amended by inserting before the semicolon, including data on the performance in these areas of students served by chapter 1 of the School Improvement Act of 1987 and chapter 1 of the Education Consolidation and Improvement Act of 1981."

AMENDMENT OFFERED BY MR. DAUB
Mr. DAUB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAUB: Page 447, line 14, before "Section" insert "(a)".

Page 447, after line 20, insert the following subsection:

(b) Section 3 of the Act of September 30, 1950 (20 U.S.C. 236, P.L. 81-874) is amended by adding after subsection (h) the following subsection:

"(1) For any fiscal year, a local educational agency which does not receive the full amount to which such agency is entitled under subsections (a)(2) and (b)(3), shall be eligible, at the discretion of any Federal executive agency, to receive funds from such

agency in an amount which is not in excess of any deficiency under this section."

Mr. DAUB (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. DAUB. Mr. Chairman, I rise today to offer an amendment to the Impact Aid Program.

My amendment seeks to introduce an element of flexibility to the Impact Aid Program for those school districts who are impacted by the Federal presence of a military base or installation. The amendment provides a mechanism to allow any local education agency that does not receive the full amount to which it is entitled in order to pay for the education of military "A" and "B" children, to apply for supplemental funds from the Department of Defense.

The decision to award these supplemental funds would remain at the discretion of the Department of Defense, and the funds could not exceed the amount of shortfall that the school district had incurred.

Under current law, the only recourse that the militarily impacted school districts have should they be faced with a funding shortfall, is to file an application for funding under section 6 of the Impact Aid Program.

Section 6 is funded by the Department of Defense, a district that qualifies under section 6 of the Impact Aid Program must meet very specific criteria, and must receive all of its funds through section 6.

The amendment, therefore, would allow the Defense Department to make supplemental payments to heavily impacted military school districts if these districts are unable to receive full entitlement payments during any fiscal year.

Finally, Mr. Chairman, I want to indicate that this is not an attempt to transfer the responsibility for funding military "A" and "B" students from the Department of Education, but rather, I seek to allow a school district to receive funding concurrently from both the Defense and Education Departments—should the funding shortfall necessitate such actions.

I would like to add my sincere thanks to Chairman HAWKINS and my good friend and colleague, Mr. GOODLING, for their exemplary efforts at crafting H.R. 5, and for their assistance on crafting my amendment.

Mr. Chairman, it would be my intention at some point later in the debate on my amendment to ask my colleagues to consider the opportunity to support this amendment in conference should it get to the conference table this year or next via the other body's bill as distinguished from it being included by a vote in the work that we here today are considering.

Mr. GOODLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all I would like to explain a little how we have gotten to this point in relationship to impact aid. In every other area in this bill we were able to work very closely with all of those interested. They did not all get what they wanted, but they all got something.

When we were dealing with impact aid and during the period where the impact aid people were testifying I asked the question: Is there some disunity among this group, because it seemed things were not falling together, nor have we seen anything from them that was concrete. I was told by one of the gentleman that no, they are unified, and they would have their proposal to me the very next day. That was several months ago. As yet I have not seen that proposal, my staff has not seen that proposal. To the best of my knowledge, no one on the other side has seen that proposal.

So we had a dilemma. I then decided to give in on the issue that I have always argued for for the last 13 years. The gentleman from Minnesota, BILL FRANKEL, tells me we should do something about the B people in the impact aid because in my area, for instance, they were getting money that I did not really think they deserved. I said I would not fight that issue this time. I would just go with the current legislation. That is the way we left it.

The gentleman from Illinois (Mr. HAYES), who had a proposal that came to him late, which he put together, was willing to say that we will put this off and we will deal with the issue at a later time. Normally I would not have any problem with what the gentleman is trying to do. If he can get any money from the Defense Department, that would be fine. I do not think he can get any money, but that is fine.

The problem is that we then open this gate which we have closed, and in fairness it seems to me to the gentleman from Illinois, Mr. HAYES, and to many others who had individual issues, I must reluctantly oppose the amendment.

I do not have any problem with the proposal, that if it becomes a conferenceable item because the Senate is dealing with it I would very much support what the gentleman from Nebraska (Mr. DAUB) is trying to do.

I yield back the balance of my time.

Mr. DAVIS of Michigan. Mr. Chairman, I move to strike the requisite number of words.

(Mr. DAVIS of Michigan asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Michigan. Mr. Chairman, I just want to rise to say to the gentleman from Nebraska, Mr. DAUB, that I think this is an excellent amendment and I would hope in the final analysis, and as I understand he is perhaps going to withdraw the amendment, but there should be an agreement among all of us here and

those who will be working on the bill that it will be considered when and if the bill goes to conference. It is a good amendment. It does allow, as the gentleman has indicated, an opportunity for the Defense Department, if there should be a shortfall from whatever source, whether the shortfall is from the State or Federal Government, it would allow the Defense Department to be able to contribute some money to that school system to keep that school system in operation.

I think it is an excellent amendment and a good idea. I would hope that this amendment will be finally agreed to when the bill goes to conference.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. I am pleased to yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Chairman, I want to thank the gentleman from Michigan for his support. I know that he too has other concerns with respect to the impact aid program, and it is an important concern.

For a small State like Nebraska, it is not just a military impaction which was the principal vehicle years ago, as the gentleman from Michigan (Mr. FORD) has indicated to me I know in many discussions was the reason this all came about, but we have added to it since low-income housing provisions and provisions that take care of the impaction problem with our native American Indian reservation circumstances. I happen to have in Nebraska three very large Indian reservations. I am as concerned as are many members of the committee with fair treatment for educational opportunities for the children of the folks who live on our native American reservations across this country.

By the same token, I am concerned about some States that have different allocation formulas, as I think the gentleman's State does, and I want to be very supportive of his intentions as well which may occur at a later point in this debate. But I do thank the gentleman very much for supporting the amendment.

It would be my hope, as I indicated, at some point when I withdraw the amendment, with the appropriate signals from the majority and the minority side, I would hope that this does get favorable consideration by the conferees should the matter make it to conference through the other body's efforts.

Mr. SLATTERY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Chairman, I thank the gentleman for yielding and would like to commend both gentlemen for their interest in this area. As someone who represents both Fort Riley and Fort Leavenworth and the surrounding communities, yesterday perhaps my colleagues did not hear

the colloquy I had with the chairman of the Subcommittee on Armed Services dealing with this very basic issue, because there we have a situation where the land is owned by the Army, the building is owned by the local school board, and there is a hassle over whether the DOE or the Department of Education is going to pay the bill or whether the Department of Defense is going to pay the bill, and the problem we are having, of course, is the kids are falling between the cracks, so to speak.

It is just very important for us to come together and resolve this issue to make sure that the quality of the education the kids are being exposed to is excellent and that we can all be proud of it, so I look forward to working with the gentleman and my friend from Nebraska in the next few months in trying to once and for all resolve this question about who is going to be paying for this education.

Mr. DAVIS of Michigan. I appreciate the gentleman's comments.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, the ranking minority member, the gentleman from Pennsylvania [Mr. Goodling], I think has described the problem that we have before the Committee today and the tremendous efforts that we put forth in trying to bring into play and into place before the House a package.

□ 1225

Unfortunately, the statesmanship exhibited by Mr. Goodling and by Mr. Hayes did not accomplish a satisfactory compromise to many individuals. We have these individual proposals to deal with specific items in the package which we obviously would oppose, because we think that they relate to each other and they should not be considered in isolation. It is for that reason we decided that the best approach and the wisest approach would be to oppose the amendments. At the same time we commit to you and if and when this matter is considered in conference that we will give favorable consideration to the proposal.

We think they have a lot of merit. We are not passing on the merit today, but merely on the procedure. We can assure you full consideration in conference committee.

Mr. BUSTAMANTE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. I yield to the gentleman from Texas.

Mr. BUSTAMANTE. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Daub amendment. It is a good amendment. It is a fair amendment. I will work with the gentleman from Nebraska to get the other body to adopt it.

Mr. HAYES of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to express my profound appreciation to the colleagues who have expressed, through this amendment, their interest and concern in the whole issue of impact aid. I am glad also to be able to support the position that has been taken by the chairman of our committee, Congressman HAWKINS and vice chairman, Congressman GOODLING.

I favor, as has been said, a balanced approach to this whole question of impact aid. This is the reason why I tried my best to package, and the staff in my office worked feverishly to try to put together all entities of the impact aid issue and approach it from that angle, because I did not want to see a fragmented approach which would throw the whole funding issue out of line.

Agreement could not be reached on the packaging approach. For that reason, I withdrew my amendment.

I will be glad, as has been suggested by our chairman, to participate in the discussion in conference to see if we can reach an agreement on all angles and all parts of this impact aid situation.

I frankly appreciate the approach of our keeping the issue alive, because we do have many of our kids, not only in the military but those who live in public housing, those who have no taxing base to support our education system, are in need of help as they seek to get the education that they deserve and need.

I think it is to the interests of our whole country to make sure that we see that people who are economically disadvantaged have an opportunity to get the kind of education that will make them the kind of citizens that our great country deserves and needs.

For this reason and this reason alone at this time I agree with the chairman, with Congressman DAUB, in the withdrawal of his amendment and I do hope and pray we can reach agreement in conference on this particular issue involving all interests of the impact aid.

Mr. RICHARDSON. Mr. Chairman, I move to strike the requisite number of words.

I want to also join in commending my colleague from Nebraska, HAL DAUB, for agreeing to withdraw his amendment. He is in the unique position here, acting with enormous sensitivity, of having three Indian reservations and a military district. He is trying to deal with the problem as effectively as he can.

I think it is critically important that in the equalization formula on impact aid that we do everything we can to make this program better. But the effect of some of the amendments which have been proposed and which I now understand will be dealt with in conference, is that the coalition that is so vital to keep this impact aid co-

lesced together might be hurt. I say this because you have many important critical school districts in the country operating under the military, which, obviously, are very strong. Then you have many other school districts operating under the BIA, the Committee on Interior and Insular Affairs representing Indian children, that many times are politically weak. They are politically weak, because many times the Department of Interior does not adequately represent Indian students.

If you look at the budget for Indian education, if you look at the budget for many Indian programs, the Interior Department, which traditionally stands behind Indian programs, has not been doing that. They have been decimating Indian programs at a time when the Assistant Secretary of Indian Affairs, Ross Swimmer, proposed a sweeping proposal which radically altered Indian education programs, which many Indian leaders felt insulted because they had not been consulted, which basically almost took the decisionmaking out of the hands of the Indian people and put it in the hands of the bureaucracy; it has been rejected. For that reason, there has been a tremendous amount of discomfort in Indian tribes on Indian reservations about the future of Indian education.

The Federal trust responsibility says there is such a commitment by the Federal Government to provide for Indian education. But I want to praise my colleague from Nebraska is trying to deal with a difficult problem. I feel very strongly that this is something that we can deal with better in conference, in future hearings.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding and I thank the gentleman very much for the interest he has shown. This is not any easy one when you consider the payment in lieu of tax idea, particularly for States west of the Mississippi, those which have sparsely settled areas, even perhaps more Federal parkland than they do square miles with a tax base; this is a very important program, one which the committee, I think, has always dealt with very well. It is a program that has had little respect by any President, regardless of which political party occupies the White House. The program has constantly been nicked and dimed and sort of been the whipping boy at the end of the trail when we tried to put budget matters together. It is a critical program of more quality education for low income families, for folks who live on native American Indian reservations as well as the children of the folks who proudly wear the uniform of their country and want that same kind of education no matter how transient they might be, in terms

of their assignments, over their careers.

So I appreciate what the gentleman is saying. It is unfortunate that confusion and dissension and perhaps in some cases the lack of outright being forthcoming on the part of some of the special interests that we here today seek to accommodate in terms of getting this matter moved forward with unanimity so that we in the Congress did not have the concerns that we are expressing here today.

I thank the gentleman for yielding.

Mr. RICHARDSON. Mr. Chairman, the Daub amendment potentially hurts the coalition that impact aid has tried to hold together. Encourages the politically strong military districts to go to other departments or agencies. Leaves the politically weak out.

While this may help in the short run, in the long run it would destroy the program.

If this constitutes an authority to use any other funds, then:

First, broadest authority ever enacted;

Second, we have no control over where Defense Secretary may take the money from. Most likely from programs politically unpopular with an administration; and

Third, we have no reason to believe that any payments from the Defense Department would be stable and continuing. If they fluctuate—based upon personalities, philosophies, or politics—then in a very short time there would be chaos.

We need to keep impact aid intact and stable.

NEW MEXICO STATE DEPARTMENT OF EDUCATION—IMPACT AID QUESTIONS AND ANSWERS

1. Q. What is the "big deal" about being an equalization state, and why is equalization important?

A. When a state has such diversity in its school districts in terms of wealth, student population, ruralness and isolation such as New Mexico, it becomes necessary that education be funded in such a way that students can be guaranteed a free and appropriate education. In New Mexico we found out 14 years ago that it was necessary that we establish an equalization funding formula for this exact purpose. New Mexico's equalization formula is second to none, and according to the Federal Impact Aid Office, this state's disparity from district to district in student expenditures is approximately 5 percent.

2. Q. Why should states be allowed to take credit for Impact Aid funds? These funds were intended for local education agencies to make up for the loss of property taxes when the federal government's property ownership in a school district reduces that district's ability to generate local revenue to fund education.

A. When a state provides the majority of funding for a school district and property taxes are not a major consideration as a revenue source for funding education, it is then imperative that a state be allowed to consider the Impact Aid revenue as part of the total revenue available to the state to fund education.

New Mexico has an equalization funding formula for education which considers many different elements in an effort to equalize revenue to districts with different needs and conditions. New Mexico is a large state with 88 school districts. We have many rural and a few urban districts. We have districts with less than 100 students covering many square miles, and a metropolitan school district with 75,000 students. We

have so-called "rich" school districts where property valuation is high due to oil and gas resources, and districts with property values extremely low because of the mountainous or desert land. Property taxes are not a good basis of funding local education agencies or school districts.

The State of New Mexico, through its general fund system, provides over 90 percent of the revenue needed to fund education. Consequently, it is imperative that states such as New Mexico be allowed to continue to count Impact Aid revenue as part of the state's revenue to fund education. By doing so, New Mexico can retain EQUALIZATION as it funds education statewide for all students.

Q. What significance does local property tax have in funding education?

A. In New Mexico, practically none. For operational purposes, school districts can generate revenue from a half mill levy. In total, this represents approximately \$5 million out of total statewide funding of \$785 million. School districts retain only 5 percent of the \$5 million and the rest is distributed on a per-unit basis to school districts. Most other states rely on property taxes as the main basis for funding education. But then, again, many are under federal court order to provide students with an appropriate and equal opportunity education. That is done through forced bussing and other ways that may disrupt the educational system.

4. Q. What happens if that section of federal statute is removed and school districts retain 100 percent of their Impact Aid revenue?

A. Desequalization. Other mechanisms, including the possibility of an entirely new equalization formula, would need to be considered for New Mexico. That would mean sending New Mexico back to the drawing board after it has fine-tuned its formula over 13 years.

5. Q. Do New Mexico school districts that receive Impact Aid feel shortchanged because they do not retain their Impact Aid revenues?

A. To our knowledge, not one New Mexico school district receiving Impact Aid has contacted its Congressional delegation to support an attempt to allow Impact Aid school districts to retain the Impact Aid revenues. Why? Because they realize that such an action would result in disequalization in the state, and ramifications will be felt by every school district in New Mexico.

6. Q. Does equalization work?

A. Yes, particularly when a poor state like New Mexico has to maximize its revenues to provide the best education possible to all of its students. New Mexico's commitment to education is amongst the highest in the nation with over 60 percent of its general fund expended for education.

STATE OF NEW MEXICO,
DEPARTMENT OF EDUCATION,
Santa Fe, NM, May 15, 1987.

HON. BILL RICHARDSON,
U.S. Representative, 332 Cannon Building,
Washington, DC.

DEAR CONGRESSMAN RICHARDSON: We have been advised by your office that an attempt will be made to eliminate Subsection 5(d)(2)(A) of Public Law 874, which provides the following:

"... If a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

(i) financial resources available to local educational agencies that State; and

(ii) Financial need of such agencies for the provision of free public education for children served by such agency provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues."

As you are aware, New Mexico is an equalized state and it takes credit for ninety-five (95%) of Impact Aid revenue received by local educational agencies (LEAs). New Mexico expects to receive approximately \$35,000,000 in Impact Aid in School Year 1988-87. The Impact Aid districts retain one-third (1/3) of the \$74 revenue generated by Special Education Handicapped pupils (approximately \$1,400,000) plus five percent (5%) of the balance (\$3,100,000). The ninety-five percent (95%) retained by the state is approximately \$31,900,000.

The state recognizes the ninety-five (95%) as state revenue, and those funds are reallocated to all public school districts. This amount approximates \$73.15 per program unit.

New Mexico vehemently opposes the proposal that payments under this title may not be taken into consideration by an equalized state for the following reasons:

1. New Mexico utilizes an equalized formula to ensure that pupils throughout the state are afforded a free and appropriate public education. We will lose approximately \$31,900,000 that we are presently able to distribute to all school districts on a per unit basis.

2. As an equalized state, this change would cause a significant disparity between the per unit revenue received for those districts who receive Impact Aid and those Non-Impact Aid districts. See Attachment A(1) and A(2). New Mexico's state equalization formula distributes funds on a per unit basis. Units are determined by considering membership, rural isolation, high cost pupils, teacher training and experience, as well as district size.

As Attachment B, we are providing a letter to Governor Caruthers which explains the problem of New Mexico not having the ability to take credit for Impact Aid, and Attachment C provides a question and answer document to respond to some issues which may be raised.

Again, losing the ability to take credit for Impact Aid will cause two very major problems to this state. First, the state has that much less to distribute to all school districts, and second, the impact on Impact Aid districts and Non-Impact Aid districts are such that a large disparity (disequalization) will exist in the state.

Please realize that we have been given but one (1) day to analyze, review and consider the implications of the proposal that will be brought up on the House floor. We hope that the information we've provided will be of some assistance to you as this issue is addressed.

Should you need additional information, please let me know.

Sincerely,

ALAN D. MORGAN,
State Superintendent of Public
Instruction.

STATE OF NEW MEXICO,
DEPARTMENT OF EDUCATION,
Santa Fe, NM, May 20, 1987.

MR. DAMIAN THORMAN,
U.S. Courthouse, South Federal Place—
Room B26, Santa Fe, NM.

DEAR MR. THORMAN: As per your request, attached is an analysis which reflects the

impact that the proposed change to eliminate states from taking credit for P.L. 81-874 will have on Congressional District #3. Column 8 reflects revenue that school districts would receive on a per unit basis while column 9 reflects revenue on a per pupil basis. While the proposed change would

benefit a few school districts it would hurt a great deal more. For example, Zuni Public Schools would receive \$2,560 per unit or \$4,378 per pupil while Belen Public Schools would receive \$1,616 per unit or \$2,356 per pupil.

If you have any questions regarding this information or need additional information, you may contract us at (505) 827-6610.

Sincerely,
KATHY LOPEZ,
Federal Funds Accounting Unit.

NEW MEXICO STATE DEPARTMENT OF EDUCATION ANALYSIS OF PUBLIC LAW 81-874 IMPACT OF PROPOSED CHANGE CONGRESSIONAL DISTRICT NO. 3, MAY 20, 1987

	1987-88 projected units	1987-88 projected membership	Total 1987-88 State appropriation	Total 1987-88 State appropriation without 95 percent Public Law 81-874	1987-88 projected Public Law 81-874 revenue 95 percent	Total revenue to districts as per proposed change	Net gain or (loss) to school district (col. 6 less col. 5)	Per unit allocation (col. 6 divided by col. 1)	Per pupil amount (col. 6 divided by col. 2)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Impact aid districts:									
Artec	4,122.606	2,880.00	\$6,963,081	\$6,661,530	\$73,991	\$6,735,521	(\$27,560)	1.634	2.339
Bernalillo	5,065.924	2,977.00	8,356,345	8,185,794	1,646,682	9,832,476	1,276,131	1.941	3.303
Bloomfield	5,135.612	3,453.00	8,674,048	8,294,400	354,377	8,652,777	(21,271)	1.685	2.506
Central Construction	9,644.475	6,375.00	16,285,517	15,584,065	6,339,374	22,533,439	6,233,922	2.335	3.533
Chama	1,265.823	564.50	2,137,975	2,045,396	2,821	2,048,207	(89,768)	1.618	1.628
Cuba	1,373.362	680.00	2,319,607	2,219,152	519,041	2,738,193	418,586	1.994	4.027
Duke	1,233.536	593.50	2,063,442	1,993,214	906,413	2,899,627	816,185	2.351	4.886
Espanola	8,290.530	5,113.00	14,002,705	13,396,289	74,326	13,470,615	(532,090)	1.625	2.635
Farmington	12,129.920	8,356.00	20,487,434	19,600,182	159,290	19,759,472	(727,962)	1.629	2.365
Gallop	17,372.990	11,937.00	29,342,980	28,072,220	10,824,761	38,896,981	9,554,001	2.239	3.259
Grants	6,468.554	4,137.00	10,925,387	10,452,241	1,265,021	11,717,262	791,875	1.811	2.832
Jemez Mountain	1,085.911	471.50	1,834,103	1,754,673	35,392	1,790,065	(44,038)	1.648	3.797
Jemez Springs	959.896	488.00	1,621,264	1,551,052	372,397	1,473,449	252,185	1.952	3.839
Las Vegas East	4,277.599	2,548.00	7,224,865	6,911,977	1,618	6,915,595	(309,270)	1.617	2.714
Las Vegas West	3,152.829	1,815.00	5,325,128	5,094,512	4,476	5,098,988	(226,140)	1.617	2.809
Los Alamos	5,822.035	3,554.00	9,853,416	9,407,559	392,621	9,800,180	(33,236)	1.683	2.758
Los Lunas	6,422.712	4,468.00	10,847,960	10,378,196	152,407	10,530,573	(317,387)	1.640	2.357
Magdalena	744.230	349.00	1,257,904	1,202,567	177,281	1,379,848	122,844	1.854	1.954
Matwell	318.234	110.00	537,497	514,219	2,671	516,890	(20,507)	1.624	4.699
Mesa Vista	979.411	438.00	1,634,274	1,582,584	2,713	1,585,297	(68,977)	1.619	3.619
Penasco	1,388.610	764.00	2,345,361	2,243,790	17,719	2,261,509	(83,852)	1.629	2.960
Pojoaque	2,621.020	1,676.50	4,426,502	4,235,186	565,329	4,800,515	373,613	1.832	2.863
Quemado	518.596	234.80	875,909	837,976	1,788	839,764	(36,145)	1.619	3.577
Quemado	518.596	234.80	875,909	837,976	1,788	839,764	(36,145)	1.619	3.577
Raton	2,777.640	1,786.00	4,691,433	4,488,261	3,359	4,491,620	(199,813)	1.617	2.515
Reserve	705.634	334.00	1,191,815	1,140,200	22,871	1,162,271	(29,544)	1.647	3.480
Santa Fe	17,115.829	11,163.00	28,908,634	27,656,685	23,498	27,680,183	(1,228,451)	1.617	2.480
Socorro	3,137.435	1,922.00	5,299,127	5,069,637	8,122	5,078,759	(270,368)	1.619	2.642
Springer	974.055	398.00	1,645,178	1,573,338	2,413	1,576,343	(68,835)	1.618	3.961
Taos	4,874.437	3,070.00	8,232,824	7,876,380	97,151	7,973,531	(259,293)	1.636	2.587
Zuni	2,537.480	1,484.00	4,285,804	4,100,196	2,396,360	6,496,556	2,210,754	2,360	4,378
Subtotal	132,516,822	84,139.80	223,821,069	214,128,025	26,998,496	241,126,511	17,305,442		
Non-impact aid districts:									
Belen	5,869.805	4,025.00	9,914,101	9,484,750		9,484,750	(429,351)	1.616	2.356
Ciudadon	927.969	417.00	1,567,339	1,499,462		1,499,462	(67,877)	1.616	3.596
Mora	1,486.788	753.00	2,511,184	2,402,432		2,402,432	(108,752)	1.616	3.190
Mosque	200.507	60.00	338,655	323,969		323,969	(14,686)	1.616	5.400
Pecos	1,477.851	748.50	2,496,898	2,387,991		2,387,991	(108,909)	1.616	3.199
Quartz	1,515.380	770.50	2,559,477	2,448,634		2,448,634	(110,843)	1.616	3.178
Roy	298.071	181.00	503,441	481,639		481,639	(21,802)	1.616	4.769
Mason Mound	415.604	173.00	791,855	671,555		671,555	(30,400)	1.616	3.882
Subtotal	12,191.975	7,046.00	20,582,242	19,790,452	0	19,790,452	(891,790)		
Grand total	144,708,897	91,185.80	244,403,311	233,928,477	26,998,496	260,926,963	16,413,652		

Mr. BUSTAMANTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had an amendment that I intended to offer, but because of the problems that have arisen I would like to engage in a colloquy with the chairman regarding my amendment which will hold harmless impact aid payments to coterminous school districts. The chairman has indicated that he will encourage the Senate to consider this amendment and then the amendment can possibly be fully debated in conference.

Mr. Chairman, is that the agreement of the chairman?

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. BUSTAMANTE. I yield to the chairman.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, my understanding is that the Senate will be encouraged. That does not place on this chairman the full responsibility of doing it. I had understood that Mr. BUSTAMANTE will join with us in encouraging the

Senate to do so. In that event we will give every possible consideration to the amendment which he has offered and I believe has agreed to withdraw.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. BUSTAMANTE. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Mr. Chairman, I certainly have appreciated the opportunity to visit with my colleague, Mr. BUSTAMANTE, about the nature and intent that he sought to improve the impact aid section of this particular piece of legislation.

I want to rise in support of what he is attempting to do. I think his language is fair, appropriate and beneficial and I would like to join with the chairman in working with the gentleman and with our colleagues in the other body to see to it that it is a conferenceable item.

Mr. BUSTAMANTE. I thank the chairman and I thank the gentleman.

Mr. DAUB. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). Without objection the gentleman is recognized for 5 minutes.

Mr. DAUB. Mr. Chairman, I rise to speak for the purpose of entering appropriately into the Record at this time my intention.

I thank the Chair for recognition and the chairman of the committee and the ranking member for their interest in helping to perfect this idea as the process moves along.

I have tried to be accommodating over the years and I appreciate the committee's accommodation. It is a good program. I also want the Record to show that I rise in support of this legislation and ask my colleagues, in the end, to cast an "aye" vote in favor of the very good work which the committee has done.

With that, Mr. Chairman, I ask unanimous consent that my amendment be withdrawn at this point.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Are there further amendments to title IX?

AMENDMENT OFFERED BY MR. SAXTON

Mr. SAXTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAXTON: Page 447, after line 20, insert the following section and amend the table of contents accordingly:

SEC. 9204. AMENDMENTS TO PUBLIC LAW 871, 81ST CONGRESS.

(a) Section 3(d)(2)(B)(i) of such Act is amended—

(1) by striking "computed under" and inserting in lieu thereof "of payment resulting from";

(2) by inserting "but not including any cash balance at the end of a year allowed under State law, or, where no State law governing cash balance exists, not including 30 percent of the local educational agency's total current expenditures," after "the funds available";

Mr. SAXTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SAXTON. Mr. Chairman, this is an amendment which I feel is a very important amendment and one that I would like to take just a few minutes to discuss because of its importance. Before I do that, if I may just indicate to the Members present and to the gentleman from Illinois [Mr. HAYES], who I know has worked so diligently on impact aid problems, and Mr. DAUB from Nebraska and others, that the Impact Aid Program—I had first said problem and it probably is—the Impact Aid Program is one that is of great significance and importance to school districts all around our country. To the extent that it provides aid for our school districts, it has been a great success. However, a "total" success it is not. Our formula to which our statute computes the amount of impact aid to be distributed this year, I am told, would have provided for about \$1.2 billion. Our budget this year suggested that we spend about \$800 or \$400 million less than would have been called for.

Now that is not the fault of the impact aid formula. That has to do with our fiscal situation in our country, but it is a failing in any event, of the system.

The second problem with impact aid is that the way Congress has implemented the formula, the way this House has gone about its business of appropriating from that formula, school districts never know from one year to the next how much money they are going to have to spend. It therefore makes it impossible for them to plan their budget for the succeeding year.

Now I started to look at this problem some time ago and I thought, "Wouldn't it be great if we could just make this program an entitlement program?" As Mr. PORTER mentioned earlier, I introduced a bill to that effect. I was told that approach is unrealistic it is unrealistic because we are not going to create another entitlement program.

That entitlement program would appropriate through an entitlement process the entire \$1.2 billion that the program called for. Because of our fiscal situation that is not a practical approach to use, at least this year.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. SAXTON. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

I just want to rise in support of what the gentleman is undertaking to do. I think it is a creative amendment, a constructive amendment, trying to essentially take unused moneys in a forward funding problem and carry it forward.

I want the RECORD to show clearly that I want to work with the gentleman in supporting his amendment at the appropriate time.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. SAXTON. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

Mr. Chairman, is the gentleman implying that if the impact aid section were left untouched there would be less money this year than previously allocated for this purpose?

Mr. SAXTON. The amount to be allocated pursuant to the formula I am told is \$1.2 billion and we are budgeting this year \$800 million or \$400 million less than what the formula calls for.

Mr. GEKAS. But the formula remains the same, is that correct?

Mr. SAXTON. The formula remains the same. However, we have chosen not to appropriate the amount that we authorized pursuant to the formula.

Mr. GEKAS. I have been told by my colleague from Pennsylvania that by and large this issue on impact aid will not reach full resolution until conference. Is your amendment geared toward increasing the formula or the allocation of moneys?

Mr. SAXTON. I would say to the gentleman that before I yielded I was about to explain what my amendment would do and I wanted to get the previous statement in by way of background to show the importance of the amendment that I want to present.

Mr. GEKAS. Then I thank the gentleman for yielding.

□ 1240

Mr. SAXTON. So in beginning to approach the problem, and understanding that the entitlement concept and the process to go through was not

practical, given the fiscal situation of this year, I began to look, like Mr. HAYES and others, for other solutions.

Together with other Members of Congress, I put together a package of what I thought were reasonable amendments. The other Members of Congress thought they were reasonable, as well, and they formed a package of amendments. They had to do with equalization and they had to do with States that had equalization formulas and a whole raft of things that we perceived to be wrong and unfair in the current formula.

But once again, we were prevailed upon by certain Members, who are certainly well-meaning, please do not do this this year. We are not ready for that in the House. The coalition of States that are concerned about impact aid are not together, and so again, I chose to heed the advice of those who took that position and I have now one simple amendment to offer, and one that I think strikes at the heart of the unfairness of this entire situation. It does not affect all of the other situations, but is one that I consider to be very important.

Certain impacted aid schools are entitled to aid under a program known as 3(d)(2)(B). In order to qualify for that aid, you need to fit into two sets of circumstances. One set of circumstances is that you have to have in the school more than 50 percent of the school children military connected.

(By unanimous consent, Mr. SAXTON was allowed to proceed for 5 additional minutes.)

Mr. SAXTON. Criteria No. 1, more than 50 percent of the children in the school must be federally connected. Criteria No. 2 says that in order for Federal aid under the 3(d)(2)(B) to be forthcoming, the school would have to be below the average of certain comparable districts.

Once having fit into those two categories, and I am told that there are a number of schools across the country that fit into that category, once fitting into that category and approaching the end of a budget fiscal year for that school district, the superintendent must look at those books and say, "I am going to have a problem with my 3(d)(2)(B) aid this year because I am not going to be able to spend all of the money that I had budgeted this year unless I hurry up and do so."

So these school districts that qualify for this money have to hurry up and spend their money out, many times in most unwise, fiscally unsound ways, just to get rid of the money so they qualify for their aid for next year.

My amendment simply says that those schools that fit into these two categories can put forward, carry forward, 30 percent of their budget from the previous year without being disqualified for the 3(d)(2)(B) program.

I am told, again, that many people agree with this approach and I have been forewarned that perhaps this

amendment will not meet with a great deal of success because of a reluctance, and I understand why, on the part of many here to change the formula piecemeal.

But that is my amendment. I ask for your support for it. I believe it is a good amendment and a real start toward correcting a serious flaw in the Impact Aid Program.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

May I ask the gentleman whether or not it is his intent to have a vote on the amendment or to withdraw it?

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, I have been advised that at the appropriate time, and I believe I have agreed, to withdraw the amendment.

Mr. HAWKINS. In anticipation of that, may I indicate my agreement with the analysis given by the gentleman. It is my understanding that in current law, there is no specific provision which would disqualify a school district with carryover funds, but that this is a provision that has been added by the Department of Education through regulations.

Based on that fact, we understand that the Department is currently considering regulations which would allow a carryover, and perhaps—

Mr. SAXTON. If the gentleman would yield on that one point, you are correct, and I did not mean to overstate the fact that there is something in the law. However, there is a provision which permits the Department of Education to communicate to those school districts near the end of their budget cycle that they are, in effect, not going to receive this funding for the ensuing years because they have too many funds left. Frankly, the school districts do not know what to plan for because that is an arbitrary decision made by the Department of Education pursuant to statute or regulation, whichever, and that is what I seek to correct.

Mr. HAWKINS. Regardless, I want to assure the gentleman that in terms of discussing it with the Department of Education, as well as the possibility that it may be an item which will be considered in conference, that we will certainly move to do everything we possibly can to accomplish the goal which the gentleman seeks.

We give you that commitment. I am confident that we will have considerable influence on the outcome in the direction that the gentleman has spoken.

Mr. DYMALLY. Mr. Chairman, I move to strike the requisite number of words.

(Mr. DYMALLY asked and was given permission to revise and extend his remarks.)

Mr. DYMALLY. Mr. Chairman, I rise in support of H.R. 5, legislation which is important for the children of our country. This bill reau-

thorizes one of our most successful Federal programs—the Chapter 1 Compensatory Education Program. Over its many years history, chapter 1 has been responsible for raising the basic reading and mathematic skills of millions of children. As chairman of the Congressional Black Caucus, I must emphasize how essential this program and its services have been for black children fortunate enough to participate.

But far too many children—black, Hispanic, and white—in desperate need of such educational assistance and eligible for the program, have been denied chapter 1 services and the lifelong opportunities associated with them. This is a tragedy for our children and for our Nation.

H.R. 5 makes valuable improvements in the Chapter 1 Program, and importantly, it declares national policy that these critical services will, over time, be provided to all educationally disadvantaged children. That is a goal, a national policy that I hope all my colleagues will embrace, and it is one we can achieve through the modest addition of funds to this program in a planned and incremental way. For if we added \$500 million to this program each year between 1989 and 1993, we could fund chapter 1 at a level that would ensure services to all educationally disadvantaged children.

All of us benefit when our children succeed in school and in life. But for millions of black children today, the future does not hold the promise of success. The odds against them are mounting. The poverty rate among all black children under 18 is higher now than at any time since 1967. Each year over 100,000 black children drop out of school, and the numbers of black youth enrolled in college are declining.

Providing additional children chapter 1 services is one step—an important one—toward their future success, achievement and self-sufficiency because this program has been shown to raise the basic skills of participating youngsters. And we know from several studies that the level of a child's basic skills is strongly related to the likelihood of finishing school and finding employment or dropping out and being unemployed, success and hope or failure and despair.

We can no longer write off a large proportion of our children and youth, but must ensure that all children of every race and ethnic group are fully prepared for the future. Reauthorizing the Chapter 1 Program, with important improvements, and then fully funding this program over the next several years is one of the most important investments we can make in our Nation's future.

I urge my colleagues to support this bill, and support its implementation at the Federal, State, and local district level.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, want to join with the chairman in assuring the gentleman from New Jersey that, No. 1, I do not believe the Department has handled this very well. They do not tell you how much carryover money you are going to be allowed to carry over until the last minute, or even after the last minute. It makes it very difficult to plan.

Second, I want to assure the gentleman that as they write these regulations, we from the committee will certainly indicate to them that we think that your provision of a 30-percent carryover is a good provision and that we believe that they should make the regulations once and for all so that the school districts know exactly where they stand, and furthermore, that we will do what we can do in conference—I would think this would become a conferenceable item before the Senate is finished with their deliberation and do everything in conference to support the gentleman's initiative.

Mr. SAXTON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from New Jersey.

Mr. SAXTON. Mr. Chairman, if I may ask the gentleman, he indicated that this would be a conferenceable item. I was wondering, pursuant to what has happened here today, would that automatically make this a conferenceable item in your opinion?

Mr. GOODLING. I cannot give the gentleman a legal interpretation. I would think, however, that before the Senate is finished, impact aid will be written differently than we have provided here in the House, and therefore, I think it would become a conferenceable item.

Mr. SAXTON. Mr. Chairman, I thank the chairman of the committee and the vice chairman of the committee for their consideration, and I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. COATS

Mr. COATS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COATS: In title IX, part C, insert after section 9301 the following new section:

SINGLE STATE APPLICATION; FAMILY IMPACT
Sec. 9302. Section 435(b) of the General Education Provisions Act is amended—

(1) in paragraph (8), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and following new paragraph (9):

"(9) that the State educational agency, in developing the application and in administering the programs covered by the application, has taken and will take into account the impact that the operation of such programs will have on the family.

Mr. COATS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. COATS. Mr. Chairman, this amendment would require that State education agencies to include in their applications for Federal money in the State grant programs an assessment of how their use of the money would affect the family.

One of the things that I think all of us have learned in the educational process is the importance of the role of the parents in the educational process.

This bill recognizes this, and I commend the chairman and the ranking member and others on the committee for incorporating into the bill a number of procedures which do that. This amendment simply expands the concept to assess the impact of a number of programs contained in the bill on the family.

If we agree, and I think we all do agree that the family is a key element in the educational process, then I believe it is important that we know what the impact of the particular program is on the family.

With this information, we can better assess these programs and better define how the parents should be involved in the programs.

I would urge and appreciate the committee's support.

□ 1250

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. COATS. I yield to the chairman of the committee.

Mr. HAWKINS. Mr. Chairman, let me assure the gentleman that we accept his amendment on this side.

Mr. COATS. Mr. Chairman, I thank the gentleman.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. COATS. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, we also accept the amendment on this side.

I do want to make sure that the Department of Education understands that we are not looking for a lot of rules and regulations and we are not looking for a lot of paperwork. It seems to me that the applicant merely says that in their estimation the program they are recommending also takes into consideration the family.

Sometimes the Department, whether it is this Department or any department, gets carried away. I want to make sure they understand that we are not looking for a lot of paperwork and we are not looking for a lot of rules and regulations that could be misinterpreted.

Mr. COATS. Mr. Chairman, I have discussed this matter with the Department of Education, and they assure me that the inclusion of this will not amount to any significant increase in the amount of administrative burden or paperwork burden. They estimate no essential additional cost with this amendment.

I agree with the gentleman, we do not want to load on additional administrative burdens for the State education agencies or the Department of Education. Hopefully, this will direct us toward the stated purpose of the amendment, and that is to determine what the assessment of the benefit of the particular program is to the families.

Mr. GOODLING. Mr. Chairman, if the gentleman will yield further, with that understanding, we are happy to accept the amendment.

Mr. CHAIRMAN pro tempore (Mr. GRAY of Illinois). The question is on the amendment offered by the gentleman from Indiana [Mr. COATS].

The amendment was agreed to.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of H.R. 5, and I commend the committee chairman, the gentleman from California [Mr. HAWKINS], and the ranking member, the gentleman from Vermont [Mr. JEFFORDS], on a very thoughtful, careful reauthorization and expansion of chapter 1.

AMENDMENT OFFERED BY MR. DAVIS OF MICHIGAN

Mr. DAVIS of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Michigan: Page 447, after line 20, insert the following new section (and amend the table of contents accordingly):

SEC. 504. METHOD OF MAKING PAYMENTS.

Effective October 1, 1988, section 5(d)(2) of the Act of September 30, 1950 (20 U.S.C. 240) is amended by striking clause (ii).

(Mr. DAVIS of Michigan asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Michigan. Mr. Chairman, let me explain what this amendment does. It involves impact aid in those States—and there are eight States—that do deduct money from the State allocation to the States from impact aid. In other words, let us take as an example my State of Michigan where we have numerous school districts that receive impact aid. The impact aid goes back to the school district, and then in our case the State is deducting the amount of money that normally would go to that school district, deducting the amount that is given in impact aid. There are eight States, as I have indicated, that have this same problem.

We have talked to the gentleman from Michigan [Mr. Ford] and we have talked to the gentleman from Pennsylvania [Mr. Goodling] actually for a number of weeks in trying to work out a proper solution to this, and I would have to say, frankly, that my amendment is just introduced as a means of being able to reach a satisfactory conclusion to this particular issue.

The amendment in and of itself, which I may withdraw, merely says that that section which allows the

State to deduct money would expire in 1 year's time.

Mr. Chairman, I would now like to engage my friend and colleague, the gentleman from Michigan [Mr. Ford], who knows a great deal about this particular issue, especially as it relates to my State, in a colloquy.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I thank the gentleman for yielding.

The problem arising under subsection 5(d)(2) of Public Law 81-874 which permitted States that had true equalization to take account in their equalization of moneys received from the impact aid formula. That contemplated a true equalization where they equalized the educational opportunity for every child, no matter whether they went to a wealthy school district or a property poor school district.

On examination, as a result of the gentleman's efforts, we find that seven States—Alaska, Arizona, Kansas, Maine, Michigan, New Mexico, and Wisconsin—have been permitted by the Department to take advantage of this opportunity to divert money or offset it against State aid from impact aid districts, and if we look at the way in which the seven States do it, they are each a little bit different.

On the one end of the scale, you have a State like New Mexico, which the Department tells us pays for 90 percent of the cost of operating the local school districts from State funds, and you go in the other direction from that State down. With the 90 percent, this kind of provision seems to make some sense, but when you look at the districts in the gentleman's district, it does not make much sense at all.

I am frankly shocked that our legislature in Michigan would have done this. Both the gentleman and I served in that legislature, and would that we had been there when this was being done. If any of my colleagues were there then, I forgive them because they must not have noticed it. But the fact is that we have a very strange system in Michigan. Out of the \$7.5 million which the State gets, which is not very much, of the total \$7.5 million, almost \$5 million of it is earned for the State by two school districts, both in the gentleman's district, which is in the northern part of our State.

Now, on average the State takes back from the impact aid school districts 95 percent of the money that they receive for impact aid. This stands the whole purpose of the program on its head because the purpose of the impact aid is exactly what the title means, to recompense a local school district for the impact of federally generated children which become a financial burden on the local school district, and if indeed we give that local school district money to offset

the Federal activity and then the State finds a way to offset that money against State aid, the net result is that we have not done anything to help that school district with the Federal money at all.

What is even more distressing about the Michigan attempt to do this is that Michigan has in its formula those districts that are considered in formula and out of formula, and roughly a school district that is in formula is one that is so poor in terms of local assets that it needs State aid. So the poorer it is, the more it gets from the State.

There are some that are called out of formula, and if we look at the some 23 school districts in Michigan that get impact aid, we will find that about half of them are in formula and about half of them are out of formula. The really crazy thing about this is that both of the gentleman's districts are in formula, which means they are not rich school districts. They get a big chunk of their money taken away from them, but the other half of the school districts that are in formula keep all of their aid money.

If that makes sense to any educator at the State or Federal level, they will have to explain it to me better than it has been explained so far.

The CHAIRMAN pro tempore. (Mr. GRAY of Illinois). The time of the gentleman from Michigan [Mr. FORD] has expired.

(On request of Mr. FORD of Michigan, and by unanimous consent, Mr. DAVIS of Michigan was allowed to proceed for 4 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, if the gentleman will yield further, I have worked on the Impact Aid Program now for the 23d year. My very first bill, within months after I came to Congress, was successfully passed and became a public act, and that was to increase impact aid for construction of Public Law 815 provisions. I have been a consistent supporter all these years, but I have never seen an education lobby that has done such a successful job of creating confusion as this one has. The chairman and the ranking Republican member and the other members of the committee have worked very diligently through this very complex bill. We have solved public school-private school problems which a year ago we thought would be insurmountable, we have solved problems having to do with parental involvement, and we have solved problems that existed with bilingual, and a lot of controversies that have plagued us in the past have gone through very easily. But then suddenly a smooth-running program that ever since 1951 had never really been seriously challenged on this floor finds itself with no supporters, except those few Members who have been up here offering amendments that are ill-fated because it is too late and we cannot put the pieces together without having them totaled before us.

I am not as optimistic as the gentleman from Pennsylvania [Mr. GOOGLING] that the Senate will have a different provision on impact aid, but if there is anybody here within the sound of my voice that represents impact aid, they ought to be put on notice right now that if the Senate does not have provisions for impact aid in the bill that meet our needs—and I am guessing, only guessing—sometime next year, when we go to conference with the Senate on this bill, there will be no conference on these items, and there will be no opportunity for them to get the remedies they are seeking.

So I am really telling them that they had better get to work and do a better job than they have done here. They have let down the people who represent their districts. I am not aiming this at the gentleman or his specific districts, but I say that as an association the wheels have come off the buggy, and it is about time somebody told them that.

I am glad that the gentleman has let me impose on his time to serve notice on them that that is the position they are in. If there is somebody back home who is relying on them to continue doing a job for them, they had better start looking at what they are doing, because this was the poorest-handled section of the entire bill, and in trying to accommodate the warring factions within impact aid, what we succeeded in doing was divide all the committee so we could not reach a consensus, even on matters that on their face, like the gentleman's amendment, seemed eminently reasonable and rational and representing things that ought to be done.

I hope that we will have a chance between now and next year when we go to conference to get the players in this game together and come up with a rational way to approach the gentleman's problem, as well as the problems of others that are presented here by Members who withdrew their amendments. I appreciate the consideration for the committee and the hard work done by the chairman and the minority members in withdrawing their amendments.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. DAVIS] has again expired.

(By unanimous consent, Mr. DAVIS of Michigan was allowed to proceed for 4 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield further, just briefly?

Mr. DAVIS of Michigan. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I will tell the gentleman now that if this gets a chance in conference, I will be supporting the gentleman's position.

Mr. DAVIS of Michigan. Mr. Chairman, I would like to further engage my colleague, the gentleman from Michigan, [Mr. FORD], in colloquy on

another point. He has done an excellent job of explaining the problem in my particular State and in my particular area, and as he is well aware and as others are aware, if we solve one problem in one State, we have to solve a problem in another one. I indicated that there were eight States involved, but there are actually only seven States.

My question is this: My amendment merely says that this section of the bill, the one that allows a State to deduct, shall expire on October 1, 1988. That is what it does, and the reason I provided that was to be able to have something that we could go to conference on.

My question is this—and anyone who cares to answer it may answer—if we do nothing, if we pass nothing on this particular issue, does that mean that we will not be able to go to conference on this, if in fact the Senate does not do anything on it? Am I correct in that?

Mr. FORD of Michigan. Mr. Chairman, if the gentleman will yield further, the problem arises that this legislation merely reauthorizes the current law, and if the Senate were to merely reauthorize the current law with no different provision from what we have had before, then that item is not open in conference for any debate. So the conference ability on this issue will depend on whether or not, between now and next year the impact aid people are able to make their case with the Senate and present us with some alternative that we can work with.

□ 1305

They have not successfully presented us with alternatives, and I do not blame the chairman and the ranking member for taking the position that they have taken on this.

Mr. DAVIS of Michigan. Mr. Chairman, my amendment only says that, if this particular section of the law expires on January 1, 1988, and I am wondering if we could get an agreement by the chairman of the committee, and two subcommittee chairman, to go ahead with this amendment, because it will have no adverse effect.

It just gives us an opportunity to be able to go to conference and means that we will have a conferenceable item.

It does not really have that much affect, but it does affect the gentleman from New Mexico [Mr. RICHARDSON], his state. The idea is to be able to come up with an agreement that will solve the problem in this gentleman's State, as well as it would in mine.

This amendment will give us an opportunity to go to conference. It does not say anything other than it expires on October 1, 1988.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. Mr. Chairman, I yield to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I was hopeful that the gentleman from Michigan [Mr. DAVIS], my good friend, would consider what I thought was the original agreement; and that is, that the gentleman withdraw his amendment, and in conference we deal with the gentleman's concern.

If we proceeded with this amendment, and basically sent the signal that it is going to end by 1988, in communities like mine and the eight other States affected, it would have a very, very negative effect.

I recognize the gentleman's problem. I agree with the view of the gentleman from Michigan, Mr. FORD, that this program needs some review.

But once again, I would strongly urge the gentleman from Michigan [Mr. DAVIS], my good friend, to work with us to see if we can reach some kind of agreement, but do so in the context of the conference.

We do not know what the other body is going to do.

The gentleman from Pennsylvania, and the gentleman from Michigan [Mr. FORD] has stated that they are willing to consider some changes.

I would urge the gentleman from Michigan [Mr. DAVIS] not to deprive us of that option by going forth with his amendment.

Mr. DAVIS of Michigan. Mr. Chairman, I suppose that that is probably what we are going to end up doing.

I remind the gentleman from New Mexico [Mr. RICHARDSON] that if the other body takes no action on this section of the bill, we have nothing to go to conference on. That solves this gentleman's problem, but it does not solve about five other States' problems.

I am trying to accommodate the gentleman from New Mexico and the other five States.

Alaska and New Mexico have a special problem. The other five States need a change.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Michigan [Mr. DAVIS] has again expired.

(By unanimous consent [Mr. DAVIS of Michigan] was allowed to proceed for 2 additional minutes.)

Mr. DAVIS of Michigan. Mr. Chairman, my point is at this time we have not figured out how to solve the problems of the other five States.

That is the only thing I am concerned about, and I guess I have the concurrence of both the minority and the majority that they will do everything they can to see that we resolve this problem.

I would be willing to withdraw it if we can.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman has my assurance that we will, look at all of these issues.

I am sure that the other body will do everything differently than we have done in impact aid.

I would suggest that the gentleman make very sure that it happens by doing some really good lobbying and making sure that the organization, as the gentleman from Michigan [Mr. FORD] said, get their act together.

We would have been very happy to entertain many things if we could have ever found out what it was that they wanted to do as a group, but we could not find that out.

Mr. DAVIS of Michigan. As the gentleman from Pennsylvania [Mr. GOODLING] is well-aware, I am not a Johnny-come-lately on this issue.

I have been talking to the gentleman, and to the majority side, for weeks and weeks on this particular issue trying to get some kind of a consensus that would solve the problems of all seven States.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Michigan. Mr. Chairman, I yield to the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I quite agree with the gentleman from Pennsylvania [Mr. GOODLING]. We will do everything we possibly can.

We have given that assurance to you and the other Members that have amendments that affect the same issue.

We are confident the other body will do something different, and that there will be the possibility of a conference; and we will work with the gentleman from Michigan [Mr. DAVIS] to accomplish what the gentleman is intending to do.

To do otherwise, I would say, is a greater risk. If this is voted down, it will discourage the issue before the conference committee and place the gentleman in a worse position.

I am not assuring the gentleman an ideal situation.

The CHAIRMAN pro tempore. The time of the gentleman from Michigan [Mr. DAVIS] has expired.

(By unanimous consent, the gentleman from Michigan [Mr. DAVIS] was allowed to proceed for 1 additional minute.)

Mr. HAWKINS. Mr. Chairman, if the gentleman will yield further, I think the course we are pursuing is certainly the less risky course.

I would encourage the gentleman from Michigan [Mr. DAVIS] to withdraw his amendment rather than risk what may be a rejection of the amendment.

Mr. DAVIS of Michigan. Mr. Chairman, based on the strong indication from the gentleman from California [Mr. HAWKINS], the chairman, and the gentleman from Pennsylvania [Mr. GOODLING], and the gentleman from Michigan [Mr. FORD], I will withdraw my amendment and certainly expect that we will resolve this issue in conference.

Mr. DAVIS of Michigan. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan to withdraw his amendment?

There was no objection.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 161, after line 18, insert the following:

(4) Teachers make a significant and positive contribution to the education of our Nation's students, and local educational agencies are encouraged to recognize this contribution.

Mr. JEFFORDS. Mr. Chairman, I just want to take a moment to talk about what we ought to be concentrating on, and that is the teachers of this country.

This adds to the findings of fact in chapter 2 that, of course, teachers make a very significant and wonderful contribution to the educational process and that it would be a good idea for local educational agencies in this country to recognize that fact.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. Mr. Chairman, I yield to the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this gentleman is very willing to accept, and at the same time, to commend the gentleman from Vermont [Mr. JEFFORDS] for the gentleman's contribution to this subject, and for the statesmanlike manner in which the gentleman has helped both the ranking minority member on the subcommittee and me.

Mr. GOODLING. Mr. Chairman, I, too, want to join in supporting the amendment. I am married to an outstanding teacher and I think she does not receive enough recognition.

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I just want to take a moment to again thank the chairman and the ranking member of the subcommittee, the gentleman from Pennsylvania [Mr. GOODLING] for the tremendous work they have done on this bill. I think that has been exemplified by the fact that have had little controversy over the tremendous areas of potential conflict that existed in the committee. We have taken the time to try to find the answers, and although we obviously have some areas, that

some Members are not happy with, above all we have kept in mind the value of this program and I think we have come up with an excellent bill, as demonstrated by the fact that we are going to get through here without a vote until final passage.

Mr. PENNY. Mr. Chairman, I move to strike the last word.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from California.

(Mr. FAZIO asked and was given permission to revise and extend his remarks.)

Mr. FAZIO. Mr. Chairman, I rise today in strong support of H.R. 5, the School Improvement Act of 1987. I especially want to applaud the committee's actions on this important legislation and its improvements in chapter 1, a program which reaffirms the Federal commitment to quality and excellence in education for all students.

Chapter 1 has been critical to my congressional district. For example, North Avenue Elementary School in Sacramento, CA, which has about 360 students, 238 of which come from families receiving public assistance, has been cited for its educational excellence, in large part as a result of this program.

Three years ago, however, at North Avenue, fewer than 50 percent of the students between grades one and six achieved test scores at their grade levels or above. Today, I am pleased to report that 95 percent of the first graders and 92 percent of the sixth graders tested at their grade level or above. These changes would not have occurred without chapter 1 and the use of the schoolwide program.

Although under current law, schools with 75 percent or more poor children are permitted to implement schoolwide projects, this provision has not been widely used, primarily because a matching contribution by State and local funds for every child who does not meet chapter 1 eligibility is required. Consequently, less than 5 percent of schools that are permitted to operate schoolwide projects take advantage of the program.

H.R. 5 eliminates this matching provision and the administration burden associated with it and will mean that a greater number of eligible schools will participate and receive the benefits of using schoolwide funds. These funds, therefore, can be used in a number of ways, such as to reduce class size, an issue which has been of great concern to California, especially since we have such an unacceptably high student/teacher ratio.

For many of our Nation's students, learning is a challenge looked upon with vigor; however, for many disadvantaged students, it's a major challenge to merely get through each school day. These students need special attention. The reauthorization of chapter 1 and other important programs contained in H.R. 5 will enable

us to reach these children and continue the work we have begun and reduce reliance or more drastic welfare programs for these children later on in life.

Mr. PENNY. Mr. Chairman, I rise in support of H.R. 5, the School Improvement Act of 1987. This measure is the product of a year's work on the part of the Education and Labor Committee, of which I am a member.

H.R. 5 is a comprehensive measure that reauthorizes a number of elementary and secondary education programs, including the Math and Science Education Act, the State Education Block Grant Program, adult education, as well as a number of other, smaller, programs. The primary focus of the committee's work over the last few months, however, has been in reauthorizing the chapter 1 program. The largest and most successful national program of assistance to elementary and secondary education, chapter 1 services are provided to disadvantaged students in both public and nonpublic schools. Currently, 5 million children are served.

As approved by the committee, the bill strengthens methods for service delivery, expands access to more eligible students, and provides for more parental involvement in local chapter 1 programs.

Mr. Chairman, recently I had the opportunity to meet with students, parents, teachers, and school officials in my district to discuss chapter 1, and I learned first hand the results compensatory education bring to students. In all the schools I visited I found enthusiastic students and teachers who presented me with documentation of the success of their chapter 1 programs. The fact is, Mr. Chairman, that chapter 1 students on average score higher than other students on standardized tests and most pursue a post-secondary degree.

Mr. Chairman, for many students, chapter 1 is the difference between success and failure in school. If agreed to, H.R. 5 will insure that chapter 1 programs continue. I commend Mr. HAWKINS, the chairman of the committee, and the gentleman from Pennsylvania (Mr. GOODLING) for their leadership in developing this bill.

I urge a vote in favor of H.R. 5.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from Texas.

Mr. ANDREWS. Mr. Chairman, the School Improvement Act represents the Federal commitment to America's schoolchildren and public education at a time when the competitiveness of our Nation is more dependent than ever before on a strong educational system, and I heartily endorse its passage.

Today in the United States, 27 million adults cannot fill out an application or read a newspaper, cannot maintain a checkbook or understand the warning label on a bottle of medicine.

An additional 47 million people have only marginal abilities to perform these tasks.

Illiteracy in our Nation poses both a financial and emotional impediment to progress. The cost to our economy is enormous. Illiteracy feeds crime, unemployment, and economic dependence and saps the strength of our Nation.

In addition, 90 percent of all high school graduates are scientifically and technologically illiterate. Our students' math skills are ninth out of 12 industrialized nations. Astoundingly, one-third of all entering college freshmen in the United States regularly read below a seventh grade level.

The House of Representatives cannot afford to ignore these statistics.

Education is the key to empowering our economy. Franklin Roosevelt recognized this central fact a half century ago when he said:

The only real capital of a nation is its natural resources and its human beings. So long as we take care of and make the most of them, we will survive as a strong nation If we skimp on that capital, if we exhaust our national resources and weaken the capacity of our human beings, then we shall go the way of all weak nations.

Forty-eight years later, the fundamental truth of Roosevelt's statement has been realized. To empower our economy, this Nation must rededicate itself to education.

The School Improvement Act does this by extending Federal programs for aid to elementary and secondary education. In addition, programs are authorized for mathematics and science education, gifted and talented children, drug education, dropout prevention and technology education.

These programs represent the Federal Government's commitment in assisting the educational reform movement.

There are those who argue that this Nation cannot afford these investments in empowering our people and our economy. To the contrary, we can no longer afford to neglect them.

A nation that cannot or will not educate its people is not a nation bound for greatness. The test of genuine patriotism today is our willingness to invest our personal and national treasure in the skills and talents of our young people—the future of our Nation.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The question is on the amendment offered by the gentleman from Vermont (Mr. JEFFORDS).

The amendment was agreed to.

Mr. PURSELL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I know we are finishing the bill. I am not a member of the committee, but I am a member of the Subcommittee on Appropriations for this bill. I just want to relay, I think I can speak for most of the members of our subcommittee, that we are very happy that this bill has come to final

passage early before our markup in mid-June.

I think there are some basic elements of this piece of legislation that have needed national attention. I think compensatory education in chapter 1 is really the hallmark of this bill.

I believe our subcommittee will add additional funds to help more young American children who need that help at that funding level to improve the quality of education in America.

I also noticed that there is a gifted and talented program in there. I believe it is \$25 million for 5 years. I think that is a step to the Biaggi bill that we debated last year. I hope the Senate looks favorably on that particular segment.

I just want to say to this bill and to the leadership on the Democratic and Republican sides, that I wish our foreign policy and national issues could take a lesson in bipartisan work on this particular bill. They have worked hard in the subcommittees and full Committee on Labor and Education to put an excellent bill together for this country.

I think it is time that we look back to the days of the Truman-Vandenberg history of foreign policy, that we could take a lesson from the various leadership on this subcommittee and full committee. I want to congratulate this group on this bill. I am going to fully support it on final passage.

Mr. OWENS of New York. Mr. Chairman, I move to strike the requisite number of words.

(Mr. OWENS of New York asked and was given permission to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 5.

Mr. Chairman, the School Improvement Act of 1987 (H.R. 5) is the most important piece of legislation that we in the Congress will enact as it relates to the children of our nation, and ipso facto the security and future of our great society. Indeed, it most probably is paramount to any other piece of legislation that we will consider in this historic 100th Congress.

H.R. 5 provides educational opportunity for all socioeconomic classes, and does it in a manner that facilitates the continued growth and development of the Nation as a whole, and more specifically, the growth and development of poor and minority children in our nation.

Mr. Chairman, I represent a congressional district which is the 10th poorest in the country. My district has a significant percentage of schools which are in total chapter 1 schools. This monumental legislation, which has my wholehearted support, enables me to tell my constituents that the future of the education of our children is a priority in this Nation. H.R. 5 enables the parents of my congressional district to be able to participate in the growth and learning processes and learning environments of their children, participation, which research data bears out, that is necessary for completion of high school and participation as a skilled citizen in the American society.

As a result of the improvements in chapter 1, the parents of my congressional district now have an avenue to participate in the educational planning of their children. In addition, these parents can now request that they are made aware of the amounts of funds that are being spent on parent involvement activities by their local educational agencies, and in conjunction with the local educational agencies, determine what activities most benefit and facilitate the learning processes of their children.

Recognizing the oftentimes erratic working conditions and hours of the working poor, the Education Committee has in its wisdom seen fit to include the in loco parentis concept in the bill. This concept allows parents who are not able to attend important meetings, seminars, conferences, and various other learning sessions on the attainment and achievement of their children to designate a parent representative. This concept is very important not only for the working poor, but also for disabled parents.

While this bill does not go as far as I would have liked to have seen in the areas of legal recourse for parents who have complaints against the local educational agencies with respect to compliance with the law, H.R. 5 does state that all policies shall be made available to the parents of children participating in chapter 1 programs, and it is expected that these policies are inclusive of policies of legal recourse which are available to parents.

Mr. Chairman, one of the greater strengths of chapter 1 is the inclusion of librarians in the process of formulating educational plans and working with parents in this formulation. This is most important because librarians are the greatest resource persons for current information, books, and learning and resource aids which are most effective to provide specific help to the educationally disadvantaged.

Mr. Chairman, chapter 2 also has been significantly enhanced in H.R. 5. Prior to the Education Consolidation and Improvement Act of 1981, libraries had separate legislation which assured the continued existence and expansion of learning and resource centers in elementary and secondary schools. The bold steps taken in H.R. 5 now reestablishes the national demand for librarians to be a part of the total grant application process and includes librarians as eligible representatives to the Governor's advisory committee—the committee which advises on the content and formulation of the chapter 2 plan for the State.

As a result of the high levels of poverty in my congressional district, impact aid is of critical concern to the people of the 12th Congressional District of New York. Impact aid helps to ensure that those children living in the various public housing facilities of my congressional district will receive appropriate education.

The education of the handicapped is well served in H.R. 5 and I sincerely hope that when this bill leaves the conference committee that this section remains intact as it presently stands.

In conclusion, Mr. Chairman, let me say that this piece of legislation was well crafted. I commend the Education Committee, the staff, and all of the Members of the House who participated in the creation of this legislation and I anxiously await our passage of the bill.

The CHAIRMAN. If there are no further amendments to title IX, the Clerk will designate title X.

The text of title X is as follows:

TITLE X—GENERAL PROVISIONS

SEC. 10001. DEFINITIONS.

Except as otherwise provided, for purposes of this Act the terms used in this Act have the meanings provided under section 1471 of chapter 1 of this Act.

SEC. 10002. BUDGET ACT PROVISION.

Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this Act shall be effective for any fiscal year only to the extent or in such amounts as are provided in appropriation Acts.

SEC. 10003. EFFECTIVE DATE.

Except as otherwise provided, this act shall take effect October 1, 1987.

Mr. MURPHY. Mr. Chairman, I want to commend Chairman HAWKINS for his efforts in bringing H.R. 5 to the floor. H.R. 5 reauthorizes virtually all of the Federal funding programs to elementary and secondary education. Only vocational education and education of the handicapped are not included. This bill was reported with bipartisan support by the Education and Labor Committee and is supported by teacher organizations and State and local school officials. The Education and Labor Committee has produced a bill that encompasses such issues as gifted and talented education and adult illiteracy. My colleagues and I on the committee are proud that we have fashioned a bill that will benefit so many people. We as a nation must provide all of our citizens with every opportunity for an education.

Chapter 1, the largest Federal Elementary and Secondary Education Program, is designed to help low-achieving students in low-income areas. It funds programs for handicapped, neglected, and delinquent children. Chapter 1 is essential to providing education to these forgotten children. This year two programs have been added to insure maximum participation in education. The new Even Start Program teaches parents basic skills as well as involve their preschoolers in educational projects. The problem of parents not being able to help with their child's education has been overlooked in this fast-paced era. The new Dropout Prevention Program is a must if we do not want to be looked upon as a society who does not care if our children stay in school and get a good education.

The Gifted and Talented Program meets the needs of these students who otherwise would find a regular classroom dull and uninspiring. The Drug Education Program is a great necessity in our society today. We have to educate our children about the fact that drugs do not make life any better and can only make life worse if relied upon.

H.R. 5 authorizes funding for adult education programs. Teaching basic literacy skills which enable adults to then go to high school and benefit from employment-related training is essential if we are to progress as a competitive nation.

The committee struck a compromise on the controversial subject of bilingual education. Children with little or no proficiency in English are at a disadvantage when they enter school and can fall behind quickly. English is the basis in all of our schools. If the student does not understand enough English to learn other

subjects how can he become a productive citizen? These students are prime candidates for the dropout roles and unemployment lines.

If the United States wants to compete we must educate all of our citizens. An educated well-informed population is the most valuable asset any country can have.

Mr. RANGEL. Mr. Chairman, I rise today to express my support for the School Improvement Act of 1987 which reauthorizes major Federal aid programs for elementary and secondary schools across the country.

One of the things this Nation and the Congress have grappled with over the years, particularly in recent years, is the setting of priorities for our Nation's future. Not just in terms of how we want to set priorities for our individual constituencies, but how we want to set the agenda for the future of the Nation as a whole. The questions that we quite often find ourselves faced with here in the U.S. Congress are: Where do we spend the tax dollars? Where do we put emphasis in terms of looking for a brighter tomorrow? Simply put, it is a question of having the foresight to properly plan for meeting head-on the problems this country is destined to face down the road.

If it has not been clear before, then it is now more clear than ever that we need to strengthen our efforts in the area of education. In all of the planning and budgeting for the future, this is where we can really make a mark. This is an area where a good bit of this Nation's resources are sorely needed.

In my own congressional district, the 16th District for the State of New York, a clear and convincing case has been made for the passage of the School Improvement Act of 1987. Schools have not done well in the 16th District for about the last two decades.

In a recent survey of preschool age children in New York City, it was discovered that about half of all schoolchildren entering the public school system at the kindergarten level come from homes where no English is spoken. More than 30 percent of all children aged 4 live below the povertyline. And the number of minority children in the city's public school system is growing at a rapid rate. The 1980 census reported that nearly two-thirds of the 4-year-old public schoolchildren in New York were either black or Hispanic. At least one projection says that the minority population of New York City will rise to near 60 percent by the end of the century. Many studies have indicated that poor and minority children, whether in New York or some small town in some other State, have a greater tendency to drop out along the way.

Given these facts, there is reason to worry about improvements to our educational system at the elementary and secondary level. We would be shirking our responsibility by not passing this important piece of legislation.

For those of you who say we should find alternatives to change and upgrade besides Federal aid, let me again use my district as an example, and this time as a shining example.

Realizing that one of the ways to improve education is through giving kids an early start, New York City will phase in over a 4-year period a universal education program for 4-year-olds. Operating under a 10-point set of guidelines that features increased parental involvement, better pupil review and more frequent staff training, New York will become the

only city in the country with a full-fledged education program for its 4-year-olds.

So you see, New York is trying to help itself. It is not sitting back entirely dependent on the Feds to step in and answer the problem with dollars and more dollars. I imagine that there are other school systems throughout the country that are doing all they can to improve the quality of educational training they are giving to their elementary and secondary pupils.

As legislators, we need to do our part to make sure that these school systems and their respective students will have the necessary resources to accomplish these important objectives aimed at improving education.

All of the problems that we are coming in contact with now that can be traced to an educational shortcoming of one type or another—such as adult illiteracy, deficiencies in math and science, less-than-adequate teacher training, a need for more bilingual education and lack of resources in our public schools, especially in our inner cities—are addressed in the School Improvement Act of 1987.

The School Improvement Act of 1987 is an investment in our future, an endorsement of the platform that America needs to look first toward providing for the adequate education of its youth. There has been debate in recent years about the quality of our education when matched up against that of some other Western nations, such as Japan. Let's take this opportunity to end the debate once and for all, and get on with the work ahead of us to show our young people that we care.

You build on tomorrow by taking care of business today, and the leaders and contributors of the future deserve our present attention.

I urge my distinguished colleagues to support the School Improvement Act of 1987.

Mr. AUCOIN. Mr. Chairman, I want to commend the chairman and the committee for their work on this bill. It is a good bill, and it clearly responds to the needs of our schools now and in the future.

The committee has done its homework. My constituents who have monitored the development of this legislation tell me that it rates an "A."

There are 40 million Americans who have a surpassing interest in this bill, but they have no voice in making policy. They do not vote. They don't lobby. They aren't aware of our debate today.

But 40 million schoolchildren depend on us to make the right decision. The depend on us to make sure they have the greatest possible opportunities to make the most of their lives.

They are the future of this country. And the questions they will ask a few years from now are questions we must be prepared to answer today.

They will ask: Did we clear the obstacles to opportunity—the barriers of poverty and prejudice—so that everyone had every chance to make the most of their abilities? We must be able to say yes, we did.

They will ask: Did we demand of each child sufficient effort to learn basic skills, so that each could succeed and contribute something back to the society that nurtured them? We must be able to say yes, we did.

They will ask: Did we train them to work and compete effectively in a global economy, where rapid changes and new technologies

demand quick intelligence and flexible minds? We must be able to say yes, we did.

Mr. Chairman, the basic responsibility for our schools remains with local leaders. But programs in this bill can spark innovative projects and highlight the most successful initiatives.

Chapter 1 programs serve over 47,000 children in Oregon. These programs have become an essential part of the landscape, fulfilling our national commitment to full opportunity for all students, regardless of whether they or their schools are rich or poor. The committee is to be commended for continuing and adding improvements to chapter 1. I appreciate the concentration grant formula for distributing funding above current levels to districts with higher proportions of children in poverty.

Oregon schools are among the leaders in compensatory education. Portland Public Schools was recognized recently for exceptional success in teaching disadvantaged children in reading, math, and language arts.

More than 8,000 students drop out of school in Oregon each year, despite the creative efforts of our teachers and districts. While the causes are complex, there is no question we can do an even better job of challenging marginal students to remain in school and to acquire basic skills. With the bill come new resources to do this, and I welcome these provisions.

Finally, Mr. Chairman, I want to mention the math and science education programs, which are investments we cannot afford not to make. In Japan 21 percent of college students are studying engineering, while our number is only 8 percent. We have to do better if we are going to pass along to the next generation an economy that's on the same map as our global competitors. The place to begin is at the grade school, where interests and incentives are embedded, and the time for a new effort is now. I support the provisions in the bill for math and science education, and will work for more adequate appropriations for these investments.

Mr. DORGAN of North Dakota. Mr. Chairman, I rise today to thank my colleagues of the Education and Labor Committee for the diligent efforts to bring the School Improvement Act to the floor. This omnibus reauthorization bill is an excellent package, offering us the opportunity to focus our attention on the wide variety of assistance provided by the Federal Government for essential education programs.

For too long State and local school agencies have borne the brunt of deep cuts in programs. While the results of these cuts may not be as tangible as cutting funds for a new water project, the long-term impact will be greater. Unlike the water project, which we could fund at a later date, we face a difficult task when trying to make up for lost educational opportunities. H.R. 5 may not repair the damage that has been done to school systems over the past 6 years, but it goes a long way to ensure reliable and consistent programming for the next 6 years.

While the package offers impressive increases for many programs, the increases in chapter 1 and reauthorization of the Impact Aid Program are particularly important to the home State of North Dakota. With more than 10,000 students in North Dakota who qual-

for chapter 1 funds and more than 9,000 who qualify for impact aid funds, these two programs account for more than \$16 million in Federal assistance to the local education agencies across the State each year. These funds are a vital component of the State's effort to provide quality education for all students in North Dakota.

A few weeks ago, this body debated trade legislation and the problems caused by the outrageous trade deficit. As we look at the challenges we must meet to overcome this deficit, it is clear that one of the most effective solutions is a well-educated population equipped with the knowledge to enable us to proceed into the 21st century as a leader in technology and innovation. H.R. 5 recognizes this need by increasing the authorization for the Math and Science Education Program, for the Gifted and Talented Students Program and a host of other important programs.

It is my hope that the Appropriations Committee will see the wisdom in this reauthorization package and will follow its lead by ensuring that adequate funds are available for the wide variety of education programs reauthorized in the Schools Improvement Act.

Mr. FOGLIETTA. Mr. Chairman, I rise today in strong support of H.R. 5, the School Improvement Act.

The future of our country depends on education, a strong educational base is essential for all industrial and military development, as well as for our general prosperity. Of those who support the Reagan education budget, I would ask, how will the United States remain competitive in the world marketplace if we continue to underfund and eliminate those very programs, such as math-science teacher training, which help increase our competitiveness? How can we work to eliminate drug abuse among our Nation's youth if we reduce current funding for drug abuse education and prevention programs by 50 percent? How will we reduce the need for public assistance if we do not adequately fund chapter 1 compensatory education programs now?

We can no longer skew our priorities in favor of Pentagon spending at the expense of vital domestic program funding. If our manufactured goods are to compete in world markets, for example, we must work to improve the literacy of our citizens. One recent survey revealed that 50 percent of Americans in their early twenties could not decipher a street map. The National Alliance of Business has repeatedly warned that the "less well-educated" segments of our population will continue to grow unless we act quickly and decisively. These findings have grave implications for U.S. manufacturing. With an uneducated workforce, we will not see enough innovations coming from workers on plant floors. With an uneducated work force, employees will not understand the nature of an error, and, consequently, the same errors will be repeated. In the end, an uneducated work force will result in products of poor quality and a manufacturing industry unable to adapt to change.

H.R. 5 addresses many of the problems in the administration's education budget. This bill recognizes that the Federal Government must work with State and local governments by providing adequate funding for such programs as compensatory education, education block grants, and impact aid. Education must be a high priority for all citizens, and this bill provides the necessary resources to achieve ex-

cellence in American education. I urge my colleagues to support H.R. 5.

Mr. HEFLEY. Mr. Chairman, I rise today in support of impact aid.

The Impact Aid Program provides vital financial assistance to many local school districts that are financially burdened as a result of Federal activities or Federal ownership of land. The burden on the school districts is the removal of land from the local tax base. Federal funds, in the form of impact aid, attempt to replace the moneys lost due to this Federal presence.

In my congressional district I have over 10 school districts which are dependent on impact aid funding. These school districts rely on this funding to pay for their general operating expenses.

For example, one school district has had an assessed valuation per student that for the past 9 years has averaged 60.6 percent of the State average assessed value per student. This assessed value per student would have averaged about 82.3 percent if the land owned by the Federal agency had remained on the tax rolls. The low assessed valuation has made it very difficult for the school district to raise additional revenues from property taxes and it would require a huge increase in the mill levy to generate additional dollars.

The low assessed value of the school district that I mentioned, like many other school districts, is detrimental to the capital reserve fund which allows the district to raise money from a mill levy for capital improvement purposes. These schools have not been able to generate significant dollars to effectively meet their needs for maintenance, repairs, improvements, and replacement of their facilities.

Generally, I feel that State and local governments should be responsible for the educational systems. However, in this situation I believe the Federal Government has the responsibility to intervene because Federal agencies are involved. Therefore, I urge my colleagues to endorse the legislation to continue the Impact Aid Program.

Mr. MILLER of California. Mr. Chairman, I rise in support of H.R. 5, the School Improvement Act, which extends and revises many of our most important Federal elementary and secondary education programs, and establishes a program for preschool children. This important legislation reaffirms congressional commitment to education equity and acknowledges the value of early intervention.

The Select Committee on Children, Youth, and Families has documented significant savings accrue in human potential as well as in dollars when investments are made in successful early intervention programs such as those authorized in this legislation.

The cornerstone of the legislation is chapter 1, compensatory education for disadvantaged children, which assures children who are educationally disadvantaged with equal access to educational services. Chapter 1 has made great strides in raising the academic achievement levels of these students. A study commissioned by the U.S. Department of Education found that chapter 1 students gained 7 to 12 months in reading and 11 to 12 months in math for every year they participated in the program—a significantly higher gain than a control group.

Chapter 1 is also essential to family self-sufficiency. In tandem with efforts to expand child care opportunities for families, this legislation

can help provide necessary services to allow parents to seek and maintain employment, securing and strengthening the Nation's economy. With 60 percent of mothers with preschool age children in the work force, most of them working full time, such cooperative and coordinated efforts are essential to long-term family stability and workplace productivity. I am especially pleased that provisions to strengthen the quality of chapter 1 preschool programs allow school districts to train early childhood education professionals.

Almost half of all educationally disadvantaged children, however, do not receive chapter 1 services. While chapter 1 served 75 students for every 100 poor school-aged children in 1980, by 1985, it served only 54 students per 100. The administration again proposed cutting chapter 1 funding for fiscal year 1988, including a \$1.4 million reduction for fiscal year 1988 in my district of Contra Costa County alone.

The Budget Committee has indicated its continuing support for chapter 1 programs through the children's initiative in fiscal year 1987 and fiscal year 1988. A funding level for chapter 1 that ensures its vital services will be available to all educationally disadvantaged children should be supported, and is clearly the goal set out in H.R. 5.

One of the improvements authorized by the legislation is the Even Start Act, which emphasizes strong parental involvement by combining basic adult education for parents and early childhood development for their children. Perhaps no service is more critical to averting costly special education services, or to preventing crime, unemployment, and welfare dependency in adulthood, than early educational opportunities. In addition, program quality has been assured by including provisions to train staff, including child care staff, to work with parents and children participating in even start. As a result of this new effort, not only will children be better prepared to enter school, parental guidance, and self-sufficiency will be fostered.

The legislation maintains and strengthens the important Bilingual Education Act, which has proved critical to assuring the academic success of non-English-speaking students. As the Select Committee learned, culturally appropriate curriculum can mean the difference between success in school or eventually dropping out. This program especially benefits Hispanic youth who are of special concern because their high school drop out rate is high, and because they face increasing poverty and limited employment opportunities at a higher rate than any other group.

National concern about the high incidence of drug and alcohol abuse among the Nation's youth is also addressed in this bill through the establishment of drug education programs. Given the increasing use of cocaine among teenagers, such efforts are especially timely and build on work begun by Congress last year to ameliorate the growing drug problem.

Another provision will fund innovative efforts to prevent students from dropping out of school. As many as 25 percent of the Nation's youth may never finish high school. In some communities this percentage may be as high as 50 percent. Without a high school education, few will be able to compete in the new, high-technology centered labor market. Dropout prevention programs are essential to se-

curing family self-sufficiency and to preventing the cycle from starting over again with a new generation of children.

This legislation makes tremendous strides by fostering educational equity for handicapped students, female students, and high-risk disadvantaged students through a continuum of services from preschool to high school. A new Federal program, long overdue, creates a program to identify and meet the needs of gifted and talented children as well, such as those which now serve gifted and talented students in my district of Contra Costa County. I am delighted that Federal effort will permit replication of similar programs nationwide.

Chairman HAWKINS and the members of the Education and Labor Committee are to be commended for conducting a thorough evaluation of the program and for instituting important reforms. I urge my colleagues to support their efforts by supporting this legislation.

Miss SCHNEIDER, Mr. Chairman, I rise today in support of H.R. 5 the School Improvement Act of 1987. I would like to commend the members of the Education and Labor Committee for putting together a forward-looking package which will assist our young people build their personal skills, find employment and rebuild America's competitiveness in the world economy.

Education is a critical element in the competitiveness equation. As a nation, we are rich in technology and natural resources. But our edge in global markets doesn't depend on oil wells or high speed computers. Our real strength is the knowledge, skills, enthusiasm and flexibility of the American people. As the economy shifts from manufacturing to service jobs, our human resources will be even more critical. In the years ahead, we will need workers who are better educated than ever before. There was a time when, if you could screw a bolt or weld a joint, that was enough. Today we need people who can solve problems, who are creative and intuitive, and who can translate abstract concepts into concrete solutions. We'll need workers who won't necessarily come to a job knowing all they have to know, but knowing how to figure out what they need to know, where to get it and how to make meaning out of it.

Some of the most significant steps that the Federal Government can take to rebuild America's competitive edge are included in the bill before us today. This legislation incorporates a number of the recommendations made by the Congressional Competitiveness Caucus in our short-term legislative agenda.

In the area of basic skills, the caucus recommended expansion of compensatory education. After all, children who learn to read, write and solve problems at an early age are less likely to drop out of high school or be on public assistance. To address this concern, H.R. 5 provides a substantial increase for chapter 1 and targets those new funds into areas with the greatest concentration of disadvantaged children. It provides an additional authorization to extend chapter 1 services to secondary school students. It also provides funding for a new Even Start Program which will work with adult illiterates and their preschool children, in an effort to get families reading together.

In the area of math and science education, the caucus recommended that the Education for Economic Security Act be reauthorized.

International comparisons consistently show that American students study less science and math than their counterparts in Japan and West Germany. In fact, half of all U.S. high school students take no math or science beyond the 10th grade. H.R. 5 provides a significant increase in funding for teacher training and retraining in math and the sciences.

In the area of adult literacy, the caucus recommended better coordination of State and local programs and an increased role for businesses in reaching out to workers with basic skill deficiencies. A more comprehensive effort is needed to reach the tens of millions of Americans who can neither read the newspaper, decipher a bus schedule or fill out a job application. H.R. 5 increases funding for adult basic education and increases the State-matching requirement for Federal grants. It allows the States to use up to 10 percent of their allotments to provide literacy training to currently employed individuals, in programs operated by education-business-labor partnerships. In addition, it requires each State to include private sector initiatives in its 4 year plan.

Mr. Chairman, H.R. 5 will not solve all our problems overnight. It will not ensure that there are no school failures; it will not guarantee that every high school graduate is proficient in math, science, and language skills. But then there are no easy answers to our competitiveness woes. The solutions will require commitment and cooperation from educators, policymakers, and business leaders. We have to work as partners, not antagonists, in an effort to rebuild American competitiveness. I urge my colleagues to join in supporting this important bill.

Mr. LEWIS of Georgia, Mr. Chairman, I rise today in strong support of H.R. 5, the School Improvement Act of 1987. Education is and must continue to be our highest national domestic priority. Our country cannot continue to prosper if we do not support our educational system. While I am concerned about the overall growth and well-being of our educational system, I want to specifically address the problem of our Nation's horrendous high school dropout rate.

Dropping out of school is a very costly endeavor—to the individual and to society as a whole. It is, in fact, economic suicide. For example, in December 1986 the overall unemployment rate rested at 6.7 percent. However, for teenagers it remained at 17.3, and for black teenagers, many of whom are dropouts, it was a staggering 36.9 percent.

In the late 1960's a high school graduate was 30 percent more likely than a dropout to have a job. By the late 1970's that figure had risen to 50 percent. And through the first half of this decade, the number has climbed still higher to 60 percent. Three out of four new jobs by 1990 will require some training beyond high school. Those jobs will also require a mastery of basic skills such as reading, writing and simple math reasoning—skills which most dropouts simply do not attain.

Most dropouts share similar characteristics. They are from low-income families; their parents have low educational levels, are likely to be behind in their studies, have feelings of low self-worth and do not feel that they fit in at school. The pressing question remains: "What can be done?" Many of the problems which I mentioned, can be addressed by early childhood training programs. The benefits of pro-

grams, such as Headstart are well known and have been well documented. Also, teachers, counselors, and administrators must be on the lookout for students with problems in the classroom, as well as at home.

As elected officials we are obligated to address this issue head on. We must join with teachers and counselors in the effort to combat this growing problem. I call upon my colleagues to support H.R. 5. The bill authorizes \$100 million in fiscal year 1988 for new programs to prevent dropouts, encourage dropouts to return to school, and to assist high school students in developing basic skills.

While the enactment of this legislation may not rid our Nation of its prevalent dropout rate, it is definitely a positive step in the right direction. One that will work to protect our future by strengthening our educational foundation.

Mr. LOWERY of California, Mr. Chairman, I rise in support of H.R. 5 and would like to comment on one important, but little understood, program in this omnibus bill. Specifically, I refer to the Impact Aid Program which is vital to educational needs of my district in San Diego.

Many of my colleagues may not know that impact aid was established in Public Law 81-874 to provide reimbursement to districts whose tax base is adversely affected by a Federal presence. The degree of Federal presence is broken down into "A" and "B" categories and payments to districts are based on A and B impact. An A student is one whose parent(s) both work and live on Federal property, quite often a military base. These children are seen as a heavy burden on districts and are paid between 40 and 100 percent of their entitlement under Public Law 81-874. B children are those whose parent(s) either live or work on Federal property—less of a burden to districts—and are paid between 10 and 60 percent of their entitlement.

The scenario is further complicated when the super category is considered. If districts have a 20-percent impact of either A or B students—that is, if A's or B's comprise 20 percent or more of a district's average daily attendance—then the district is seen as very seriously burdened and are classified as "super" districts. Thus, super A districts receive 100 percent of entitlement for each of their A students, roughly \$1,500. In contrast, payments to nonsuper districts for A students can and often does drop to \$500. Similarly, super B students are entitled to \$250 while regular B's receive as little as \$25.

While personally believing that regular B students are dramatically underfunded, I would like to discuss the overall funding schedule for the Impact Aid Program. For example, it is difficult to understand the logic which supports a \$1,500 payment for an A child in a 20-percent ADA district but only a \$500 payment for a similar child in the neighboring district which only has 19 percent of its kids in this category. These deficiencies are largely the result of political fighting by legislators who are seeking to provide their school districts with the greatest Federal assistance. While acknowledging that their actions are in the interests of their schools, I also assert that these endeavors are jeopardizing support for the overall impact aid program.

The national impact aid association has been working diligently to unite behind a

single, fair, and equitable funding formula for all 2,661 impacted school districts. Payments to my district will not alter significantly if the national association's plan is enacted; nevertheless, I do believe it is a sound policy worthy of support from all impacted districts. Accordingly, I would urge my colleagues to carefully review and resist amendments to the impact aid section of this legislation. Most of these efforts are of parochial concern and will only hinder efforts for the impact aid community to unite behind a single, more workable payment schedule.

Thank you, Mr. Chairman. I urge my colleagues to support H.R. 5 and the impact aid program in particular.

Mr. RAHALL. Mr. Chairman, it is with pleasure that I rise today in support of H.R. 5, the School Improvement Act. As the reauthorization measure for nearly all Federal programs providing aid to elementary and secondary education—including chapter 1 compensatory education and chapter 2 education block grant—H.R. 5 is an extremely important bill to my fellow West Virginians and indeed to all Americans.

Under the chapter 1 compensatory education program, H.R. 5 authorizes additional funding for school districts with high concentrations of poor children, while continuing the present formula for distributing funds up to current appropriation levels. Funds for school districts—up to the current appropriation level—would continue to be allocated under the existing formula. However, the first \$400 million of additional appropriations above the fiscal year 1987 appropriation level would be distributed according to a different formula that focuses funding on districts with high concentrations of poor children.

H.R. 5 authorizes new preschool and high school programs to encourage the expansion of compensatory education services beyond the elementary level. The Even Start Program, authorized by the bill at \$50 million in fiscal year 1988, combines basic adult literacy education for parents with preschool education for their children. The measure also authorizes \$100 million in fiscal year 1988 for a program to prevent high school students from dropping out of school, and to develop basic skills among high school students.

As an original cosponsor of H.R. 738, the School Dropout Prevention Assistance Act, I am especially pleased with the incorporation of its provisions into H.R. 5. There are a number of dropout prevention programs in West Virginia which I have had the pleasure of working with to coordinate my efforts at the Federal level to coincide with local school districts and community efforts. In particular, the Cabell County Public Schools Dropout Prevention Program, under the direction of Dewey Parr of Huntington, WV, has been a model effort in the dropout prevention battle. Dewey's firsthand experience and diligent efforts have been of great assistance to me in directing my efforts at the Federal level to promote dropout prevention effectively. I am pleased with H.R. 5's provisions in this regard and encouraged by the national recognition of the devastating effects of this problem on our entire society—and most importantly on the students who give up, for whatever reason, the future that a high school diploma can provide.

H.R. 5 authorizes \$30 million in fiscal year 1988 to help school districts purchase equip-

ment, such as vans, buses, or mobile classrooms, so they can provide compensatory education to children in private religious schools. This provision was necessitated by the 1985 Supreme Court decision which prohibits public school teachers from going into religious schools to provide compensatory education services.

The bill makes a number of changes designed to improve the chapter 1 program, reward successful programs, provide greater flexibility to school districts, and increase parental involvement.

A section of the bill which is of great concern to West Virginia's education network is the treatment of the chapter 2 education block grant. The bill authorizes \$580 million in fiscal year 1988 and such sums as may be necessary in fiscal year 1989 and through fiscal year 1993 for the education block grant. This program, which was created in 1981, consolidated over 40 separately authorized programs into a single block grant to States. Funds are allocated to States on the basis of their school-age population, and the States are required to pass on at least 80 percent of their allocations to local school districts. States and school districts are permitted to use these funds for over 30 approved activities.

H.R. 5 continues the current formula for allocating chapter 2 funds among States and the requirement that States pass through 80 percent of their allotment to local school districts. Of the 20 percent of funds retained at the State level, the bill requires that one-quarter be used for "effective schools" programs, which use schools with high-performing students as models for others. The measure also provides that no more than one-quarter of the funds retained by the State can be used for administration of the block grant.

Under the bill, States would continue to allocate funds to local school districts in a way similar to current law. The bill does, however, clarify the provision of current law under which States adjust allocations to local school districts on the basis of the number of high-cost students—defined as children from low-income families and children living in sparsely populated areas. The bill's provisions are designed to insure that the higher per pupil allocations for such high-cost children actually get to the school such children attend. The measure also specifies that States should make such adjustments only for school districts with the largest numbers of such high-cost children.

In place of the more than 30 kinds of activities for which current law permits chapter 2 funding, the bill substitutes 5 broader categories: programs for "at risk and high-cost children," such as the economically disadvantaged, potential dropouts, drug and alcohol abusers, and children with limited English proficiency; effective schools programs; instructional and educational materials improvement; personnel training; and special projects including gifted and talented, youth suicide, and technology education.

One important restriction on the program as a result of H.R. 5 would be the elimination of drug abuse education as one of the permitted uses of these funds. This elimination follows the inclusion of drug abuse prevention programs in the omnibus drug bill which became law last year making these discretionary funds in the chapter 2 program unnecessary. The

bill does, however, authorize \$250 million in fiscal year 1988 and such sums as may be necessary in succeeding years for drug education programs.

Other provisions of special interest to West Virginia are the provisions relating to adult literacy, mathematics and science education and gifted and talented education.

The measure authorizes \$200 million for adult education in fiscal year 1988, and such sums as may be necessary for fiscal year 1989 through fiscal year 1993. This program aids States in providing programs to teach school and benefit from employment-related training. Adult education programs are implemented by local school districts, or by public or private agencies. The fiscal year 1987 appropriation for this program is \$106 million.

This measure requires States to pay a larger share of the program's costs by raising the State matching requirement from its present level of 10 percent, to 13 percent in fiscal year 1989, 17 percent in fiscal year 1990, and 20 percent in fiscal year 1991 and thereafter.

H.R. 5 authorizes \$400 million in fiscal year 1988 and such sums as may be necessary for the next 5 fiscal years for the critical skills improvement program, commonly known as the mathematics and science education programs. This program, originally enacted in 1984, provides funds to States and local school districts and colleges and universities to improve the quality of teaching and instruction in mathematics, science, computer learning, and foreign languages. The program is currently authorized at \$350 million, but actual appropriations have been far below the authorized level. The fiscal year 1987 appropriation, for example, is \$80 million.

In order to focus funds on mathematics and science, the bill eliminates foreign languages and computer learning from the list of activities that may be supported under this program.

The bill makes a number of changes in the allocation formula so that a larger share of the funds go to the local school district level. Under the bill, nearly 75 percent of the funds would go to the school districts, 6 percent is reserved for territories, Indian programs, and other national activities, and the remainder will be distributed to States on the basis of a formula based 50 percent on enrollment and 50 percent on the chapter 1 poverty formula.

H.R. 5 authorizes \$25 million in fiscal year 1988 and such sums as may be necessary in the next 5 years for grants to States, school districts, institutions of higher education, and other private and public agencies to support programs that identify and meet the needs of gifted and talented students. As an original cosponsor of H.R. 543, the Jacob K. Javits Gifted and Talented Children and Youth Education Act, I am pleased with these provisions of H.R. 5 which incorporate the provisions of H.R. 543. During the 99th Congress, I sponsored as well as cosponsored legislation in this regard. I also had the opportunity to testify before the Subcommittee on Elementary, Secondary and Vocational Education on the need for Federal funding in this regard. As an original cosponsor of H.R. 543, I continued my efforts during this Congress and find the provisions of H.R. 5 encouraging.

The education of our youth must be a national priority. All the Federal dollars to en-

hance defense, technology, medical training, disease control, and even higher education, are useless without the basic education provided at the elementary and secondary level. Our children are the key to this Nation's future. Our children are the enlisted personnel and officers of tomorrow's Armed Forces. Our children are the computer operators and the high-tech developers of tomorrow. Our children are the health care givers and administrators of tomorrow. Our children are the scientists of tomorrow. Our children are tomorrow's educators, Federal employees, diplomats, corporate executives, and Members of Congress. Today, we are voting on the future of this Nation. The Federal dollars in this bill contribute to that future. The Federal, State and local levels of government and community must work together to provide a future of hope and promise for our children. I will cast my vote for a promising tomorrow by supporting passage of this authorization bill.

Mr. BRENNAN. Mr. Chairman, I rise in support of H.R. 5, the School Improvement Act. This measure revises and extends 14 important elementary and secondary education programs through 1993.

At a time when the word often heard here in Congress is competitiveness, education is one sound and important step toward restoring our Nation's competitiveness. Without the fundamentals provided by education, we cannot expect to effectively compete in this increasingly complex world economy. A first step toward resolving our trade deficit and employment problems is ensuring an adequate education is available to our students.

As the Governor of Maine, I made education reform an important part of my administration. While education funding is largely a State and local government concern, the leadership of the Federal Government is of paramount importance. Federal funding provides a beacon which guides the States in their education system. I urge this body to continue the Federal Government's commitment toward achieving educational excellence for all students—whatever racial, economic, or geographical composition.

An important provision contained in this legislation relates to dropout prevention programs. Throughout my years in public life, I have heard testimony and personally witnessed the tragedy that befalls hundreds of thousands of our young people. It has been estimated that some 1 million students per year drop out. This national tragedy requires a national commitment to achieving a solution. All of us know the difficulties individuals face without the proper foundation education gives a youngster. The problem no longer exists solely in large urban centers, but also in rural America.

The fundings in this measure will allow us to focus on the dropout problem and seek to prevent dropping out or encourage them to return to the classroom. The societal costs associated with school dropout is truly a national disgrace. This provision will allow for a directed and efficient approach to resolving this serious problem.

The future of our Nation is dependent upon the quality of today's young students. The Federal Government's commitment to education must continue and H.R. 5 tries to address the needs of our Nation's school systems.

I urge my colleagues to join me in providing strong support for this vital legislation.

Mr. DURBIN. Mr. Chairman, I would like to commend the chairman, Mr. HAWKINS, and the other members of the House Education and Labor Committee for their efforts to address what I believe is our Nation's most critical need, to strengthen our educational system. H.R. 5 includes significant changes to enhance the educational opportunities provided to disadvantaged children and to strengthen the quality of education.

I am particularly interested in the provisions to expand and strengthen compensatory education programs for disadvantaged children. Over the last several years I have had the opportunity to visit a number of chapter 1 programs in central Illinois. I have been impressed with the dedication and commitment of these teachers. However, it is the sparkle in the eyes of the children participating in these programs, their enthusiasm for learning and the hope for the future, which makes the strongest impression.

Unfortunately these programs have not been given a high priority in the President's budget over the last several years. Chapter 1 programs have experienced a 17-percent cut in real dollars, adjusted for inflation, since 1980.

As a result, although the percentage of children living in poverty has increased, the number of children served by chapter 1 has actually declined from 5.4 to 4.9 million children. Only 55 percent of the children living in poverty are participating in chapter 1 programs. The Chapter 1 Program is reaching only 43 percent of the children achieving below the 25 percentile.

Our national security and our future economic competitiveness demands that we do more. H.R. 5 includes important initiatives to expand the services provided to preschool and secondary children. I am particularly pleased that the committee has included the legislation proposed by my colleague from Illinois, Congressman HAYES to expand the chapter 1 service to secondary schools and to establish effective dropout prevention programs.

While passage of H.R. 5 is an important first step in meeting these needs, adequate funds must be appropriated to fulfill the promise of this legislation. The House has again identified the Chapter 1 Program as high priority initiative in the fiscal year 1988 budget. I urge my colleagues to support the efforts of the Budget and Appropriations Committees to provide increased funding for these programs.

Mr. SAWYER. Mr. Chairman, I rise in enthusiastic support of H.R. 5, the School Improvement Act, and to express my high regard for Chairman HAWKINS in particular, and for the members of the Education and Labor Committee on both sides, who have worked in a strong bipartisan spirit to produce this landmark reauthorization.

This legislation, which reauthorizes 14 elementary and secondary education programs, contains the renewal of the Federal Government's commitment to what is, in my mind, the most important privilege Americans enjoy; a universal, quality education.

The School Improvement Act is comprehensive in scope, and integrated in its approach. This legislation offers encouragement to teachers, parents, and school districts implementing innovative programs in their schools, and it mobilizes and coordinates Federal, State, and local efforts to assist those stu-

dents who are on the margins of our system of education or are at risk of falling out of the system altogether.

Chapter 1, the centerpiece of H.R. 5, provides increased Federal support and guidance for communities working to improve the achievement of educationally disadvantaged children living in poor areas. This new chapter 1 legislation, which is already the most successful Federal education program, contains new provisions upgrading the basic skills of preschool and secondary students, enlarges the role of parents—making them partners in their children's education—and authorizes a new dropout prevention program. The beauty of this proposal is in its harmony, it makes the program responsive to the vast array of problems faced by educationally disadvantaged students. It avoids the mistake of making a one-time intervention and then losing track of that same student who may face new risks further along in the system. I commend the chairman and the gentleman from Pennsylvania, BILL GOODLING for their landmark efforts.

I would also like to thank the chairman for working with me on the Title II Math and Science Program. Our legislation, the Critical Skills Improvement Act, will address a severe problem in our Nation's schools; a serious shortage of qualified math and science teachers, which is having a disastrous effect on our school systems' ability to teach the basic principles of math and science, not to mention computational and higher order, thinking skills. If we want to talk about the absolute raw material of our ability to compete economically, this is it. I just want to point out to the Members that:

The mathematics achievement of the top 5 percent of 12th grade students—almost all of whom are enrolled in similar college-bound curricula in all countries—is lower in the United States than in other industrialized nations. The average 12th grade mathematics student in Japan out perform 95 percent of comparable United States 12th graders.

In science, there are similar problems. Only one-third of the students in grades 10 through 12 take any science course at all.

The Critical Skills Improvement Act doubles the authorization to \$400 million and drives most of the funding down to the local education agency, and encourages innovative teacher training programs that will help existing teachers upgrade their skills and encourage promising students to choose math and science teaching as a career. Funds are also reserved at the State level to conduct model programs on a statewide basis. These funds are to be divided equally between the State agencies for higher education and the State education agencies, who are to coordinate the planning and implementation of programs. What we have done is to facilitate an alliance between colleges and universities, who train teachers, and the States, who need their services.

In closing, I urge every Member of the House to vote for H.R. 5, it will probably have the most profound and far-reaching impact as any piece of legislation we will consider in this Congress.

Mr. MFUME. Mr. Chairman, after spending the last 2 weeks debating a Defense authorization bill authorizing over \$288 billion for various weapons systems and defense programs, I welcome the opportunity to get back to

basics as we consider a \$13 billion bill for the education of this Nation's most precious resource—our children.

I suggest that H.R. 5, the School Improvement Act, which I wholeheartedly support, is one of the most important pieces of legislation yet to be considered by this Congress and that the teachers, parents, and children of this Nation are looking to us now for vigorous, bipartisan leadership on this critical issue. Anything less than that kind of support would be a signal, not only to our youth, but to the entire Nation, that we are not really serious when we say that education is the key to both individual and national progress.

Let me just take a moment to emphasize my support for the continuation and expansion of funding for the chapter 1 program, which is dedicated to providing programs to help educationally disadvantaged students throughout the Nation, and is the cornerstone provision of H.R. 5. We must stop the tragic waste of thousands of young minds due to the disillusionment and obstacles resulting from poverty, particularly in our inner cities. For over 20 years now the chapter 1 program has helped millions of educationally disadvantaged children by providing them with specially designed compensatory educational services.

The current bill would strengthen that commitment by authorizing new preschool and high school programs and through the authorization of \$100 million in fiscal year 1988 for a program to prevent high school students from dropping out of school, as well as assisting dropouts to reenter school and complete their education.

Also, Mr. Chairman, I don't have to recite to you or my colleagues the litany of social ills—crime, drug abuse to unemployment to family disintegration—that can be directly attributed to the problem of school dropouts. We must commit the resources to deal with this problem and I applaud the efforts of my distinguished colleague from Illinois for introducing the School Dropout Demonstration Assistance Act as a part of the chapter 1 provision of H.R. 5.

On behalf of the children of this Nation, I offer my strong support of H.R. 5, and urge my colleagues to join with me today in passing this most important legislation.

Mr. HOPKINS. Mr. Chairman, as a friend of public education, I am pleased and proud to be in support of H.R. 5, the School Improvement Act of 1987, and urge its passage as a plan of the determination of this 100th Congress that the Federal Government continue to fulfill its responsibilities in the quest for quality education throughout America.

H.R. 5 confronts head on the most critical issues facing education today: The need for excellence for all students in such vital subjects as math and science; the growing number of disadvantaged students; the dropout crisis; and adult illiteracy.

This bill comes before us at a time when America's ability to compete in the world is being questioned here at home and challenged abroad. With the strong support of Congress and the continued leadership and dedication of America's educators, I believe H.R. 5 can help prepare today's students for the immense challenges that await them in adulthood.

The cornerstone of this legislation is the reauthorization of chapter 1 programs for disadvantaged children. Funding in this bill recog-

nizes the expanding need to improve basic education skills at the determinative preschool, elementary, and secondary levels. This measure also targets continued support to inspire the gifted and talented to fulfill their fullest potential, as well as addressing the urgent problem of dropout prevention.

Education is one of the crucial building blocks of freedom and an essential element in securing for ourselves and our posterity the blessings of our liberty. No measure which comes before this body is irrelevant. None, however, is more important than this and I urge my colleagues to give it their overwhelming support.

Mr. GALLO. Mr. Chairman, I rise today in strong support of H.R. 5, the reauthorization of vital primary and secondary education programs. The School Improvement Act of 1987 deals both comprehensively and realistically with the most critical issues in education today. It addresses the growing number of disadvantaged students, the crises of drugs and teenage suicide, the importance of bilingual education, the necessity of impact aid and the special needs of gifted and talented children.

These Federal programs have been proven effective in my own district and throughout New Jersey. Specifically, students in the Chapter 1 Program in the 11th District of New Jersey have shown up to a 20 percent improvement in their reading and math skills. This is success. This is progress. With the help of the Chapter 1 Program today, these students will be able to face and meet the challenges of tomorrow.

These statistics prove that chapter 1 deals effectively with educationally disadvantaged children, allowing them to get an even start. I am especially pleased that the reauthorization of the Chapter 1 Program does not include the proposed voucher plan, which I oppose. Local school districts need to concentrate chapter 1 resources so they can serve the maximum number of students. Vouchers would only serve to dilute these funds and cripple the program which has proved successful in its present form.

The bill will also provide some aid to help schools comply with the recent Supreme Court ruling which makes it difficult for students in parochial schools to receive assistance under the Chapter 1 Program.

I also support the Chapter 2 Block Grant Program. By allocating moneys in this way, the Chapter 2 Program allows local school districts the flexibility to meet their students' individual needs. Programs such as those promoted by chapter 2 funding will encourage excellence in education and help to ensure our Nation's future.

Impact aid is another important element of this bill. For those areas which have Federal military bases, impact aid is a necessary supplement to their local education funding. It is my hope that the committee will take impact aid one step further by considering the legislation introduced by my colleague, Representative SAXTON, that makes impact aid an entitlement. Impact aid is clearly the responsibility of the Federal Government. Local school districts should not have to worry about the level of this funding from one year to the next.

With this bill, we affirm education as the key to our children's future and our No. 1 priority. We must carry this commitment through to the appropriations process and see to it that stable funding for these programs is provided

while simultaneously remaining consistent with our goal of deficit reduction.

The success of these programs and the bipartisan support they receive year after year in the Congress is proof that we have employed the right people for the challenge of educating the next generation. Our teachers, our school administrators, our Federal program administrators, our local school boards, our PTA's, and many others are working hard to make all of these programs work for our children. They deserve this reauthorization because they are meeting the challenge of excellence in education.

Mr. SCHUETTE. Mr. Chairman, I am pleased to rise in support of H.R. 5, the School Improvement Act of 1987, a measure which I also was proud to cosponsor. H.R. 5 enjoys broad, bipartisan support because it is an excellent and much-needed piece of legislation. I urge my colleagues to support this bill.

H.R. 5 is the most important piece of education legislation we will address in this session of the Congress. The act tackles many of the most nagging problems in education today, including adult illiteracy, increasing dropout rates, and the critical need to promote excellence in math and the sciences. Because it attacks these critical needs head on, I believe that the passage of H.R. 5 will be an important step in both improving our competitive standing in an increasingly global economy and in assuring that our Nation is adequately defended.

The nuts and bolts of this bill includes both the reauthorization and improvement of 14 of the Federal Government's most important elementary and secondary education programs through 1993. The extension of the Chapter 1 Program for disadvantaged children and the Chapter 2 Educational Block Grant Program are perhaps the most notable of these programs. At the same time, however, H.R. 5 also contains important new initiatives—such as the Even Start Program and grants to States and localities for programs which serve the gifted and talented—which are designed to meet urgent needs.

In closing, I would like to commend my colleagues on the Education and Labor Committee from both sides of the aisle for their hard work on this bipartisan and important legislation. I urge all my colleagues to give H.R. 5 the bipartisan support it deserves when the bill is voted on later today. Thank you very much.

The CHAIRMAN pro tempore. Are there any amendments to title X?

Are there further amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. FAZIO] having assumed the chair, Mr. GRAY of Illinois, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R.

5) to improve elementary and secondary education, and for other purposes, pursuant to House Resolution 172, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HAWKINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 401, nays 1, not voting 30, as follows:

[Roll No. 143] YEAS—401

- Ackerman, Akaka, Anderson, Andrews, Anthony, Applegate, Archer, Arney, Aspin, Atkins, AuCoin, Badham, Ballenger, Barnard, Bartlett, Barton, Bateman, Bates, Bellenson, Bennett, Bentley, Berenter, Bertram, Bevil, Bilbray, Billakis, Billey, Boehlert, Boggs, Boland, Bonior (MI), Boraki, Bosco, Boucher, Boulter, Brennan, Brooks, Broomefield, Brown (CA), Brown (CO), Bruce, Bryant, Buechner, Bunning, Burton, Bustamante, Byron, Callahan, Campbell, Cardin, Carper, Carr, Chandler, Chapman, Chappell, Cheney, Clarke, Clay, Clinger, Coats, Coble, Coelho, Coleman (MO), Coleman (TX), Collins, Combest, Conte, Conyers, Coughlin, Courter, Coyne, Craig, Crockett, Daniel, Dammeyer, Darden, Daub, Davis (IL), Davis (MI), de la Garza, DeFazio, DeLay, Dellums, Derrick, DeWine, Dickinson, Dicks, Dingell, DiGuardi, Dixon, Dornelly, Dorgan (ND), Dornan (CA), Dowdy, Downey, Dreier, Durbler, Dwyer, Dymally, Dyson, Eckart, Edwards (CA), Edwards (OK), Emerson, English, Erdreich, Espy, Evans, Pascell, Fawell, Fazio, Felghan, Fields, Fish, Flake, Filippo, Fiorio, Foglietta, Foley, Ford (MI), Frank, Frenzel, Frost, Gallegly, Gallo, Garcia, Gekjenson, Gekke, Gibbons, Gilman, Gingrich, Glickman, Gonzales, Goodling, Gordon, Gradison, Grandy, Grant, Gray (IL), Gray (PA), Green, Gregg, Guarini, Gunderson, Hall (OH), Hall (TX), Hamilton, Hammerschmidt, Hansen, Harris, Hastert, Hawkins, Hayes (IL), Heffley, Hefner, Henry, Henger, Hertel, Hiller, Hochbrueckner, Holloway, Horton, Houghton, Howard, Hoyer, Hubbard, Huckaby, Hughes, Hunter, Hutto, Hyde, Inhofe, Ireland, Jacobs, Jeffords, Jenkins, Johnson (CT), Johnson (SD), Jones (TN), Jontz, Kanjoraki, Kaptur, Kasich, Kastenmeier, Kennedy, Kennelly, Kildee, Kleczka, Kolbe, Kolter, Kostmayer, Kyl, LaPaice, Lagomarino, Lancaster, Lantos, Latta, Leach (IA), Leath (TX), Lehman (CA), Lehman (FL), Leland, Lent, Levin (MI), Levine (CA), Lewis (FL), Lewis (GA), Lightfoot, Lott, Lowery (CA), Lowry (WA), Lujan, Luken, Thomas, Lukens, Donald, Lungren, Mack, MacKay, Madigan, Manton, Marlenee, Martin (IL), Martin (NY), Martinez, Matsui, Mavroules, Mazzoli, McCandless, McCloskey, McCollum, McDade, McEwen, McGrath, McHugh, McMillan (NC), McMillen (MD), Meyers, Mfume, Mica, Michel, Miller (CA), Miller (OH), Miller (WA), Mineta, Moakley, Molinari, Mollohan, Montgomery, Moody, Moorhead, Morella, Morrison (CT), Morrison (WA), Mrasek, Murphy, Murtha, Myers, Nagle, Natcher, Neal, Nelson, Nichols, Nielson, Nowak, Oakar, Oberstar, Obey, Olin, Owens (NY), Owens (UT), Oxley, Packard, Panetta, Parris, Pashayan, Patterson, Pease, Penny, Pepper, Perkins, Petri, Pickett, Porter, Price (IL), Price (NC), Purcell, Quillen, Rahall, Rangel, Ravenel, Regula, Rhoades, Richardson, Ridge, Rinaldo, Ritter, Roberts, Robinson, Rodino, Rogers, Rose, Roth, Roukema, Rowland (CT), Rowland (GA), Roybal, Russo, Sabo, Sald, Savage, Sawyer, Saxton, Schaefer, Scheuer, Schneider, Schroeder, Schuette, Schube, Schumer, Senaenbrenner, Sharp, Shaw, Shumway, Shuster, Sikorski, Siskis, Skaggs, Skeen, Skelton, Slattery, Slaughter (NY), Slaughter (VA), Smith (FL), Smith (IA), Smith (NE), Smith (NJ), Smith (TX), Smith, Denny (OR), Smith, Robert (NH), Smith, Robert (OR), Snowe, Solars, Solomon, Spence, Spratt, St Germain, Staggers, Stallings, Stangeland, Stark, Stenholm, Stokes, Stratton, Studds, Stump, Sundquist, Sweeney, Swift, Swindall, Synar, Tallon, Tauke, Tausin, Taylor, Thomas (CA), Thomas (GA), Torres, Torricelli, Towns, Traflet, Traxler, Udall, Upton, Valentine, Vento, Visclosky, Volkmer, Vucanovich, Walgren, Walker, Watkins, Waxman, Weber, Weiss, Weldon, Wheat, Whittaker, Whitten, Williams, Wilson, Wise, Wolf, Wolpe, Wortley, Wyden, Wythe, Yates, Yatron, Young (AK), Young (FL)

- Horton, Houghton, Howard, Hoyer, Hubbard, Huckaby, Hughes, Hunter, Hutto, Hyde, Inhofe, Ireland, Jacobs, Jeffords, Jenkins, Johnson (CT), Johnson (SD), Jones (TN), Jontz, Kanjoraki, Kaptur, Kasich, Kastenmeier, Kennedy, Kennelly, Kildee, Kleczka, Kolbe, Kolter, Kostmayer, Kyl, LaPaice, Lagomarino, Lancaster, Lantos, Latta, Leach (IA), Leath (TX), Lehman (CA), Lehman (FL), Leland, Lent, Levin (MI), Levine (CA), Lewis (FL), Lewis (GA), Lightfoot, Lott, Lowery (CA), Lowry (WA), Lujan, Luken, Thomas, Lukens, Donald, Lungren, Mack, MacKay, Madigan, Manton, Marlenee, Martin (IL), Martin (NY), Martinez, Matsui, Mavroules, Mazzoli, McCandless, McCloskey, McCollum, McDade, McEwen, McGrath, McHugh, McMillan (NC), McMillen (MD), Meyers, Mfume, Mica, Michel, Miller (CA), Miller (OH), Miller (WA), Mineta, Moakley, Molinari, Mollohan, Montgomery, Moody, Moorhead, Morella, Morrison (CT), Morrison (WA), Mrasek, Murphy, Murtha, Myers, Nagle, Natcher, Neal, Nelson, Nichols, Nielson, Nowak, Oakar, Oberstar, Obey, Olin, Owens (NY), Owens (UT), Oxley, Packard, Panetta, Parris, Pashayan, Patterson, Pease, Penny, Pepper, Perkins, Petri, Pickett, Porter, Price (IL), Price (NC), Purcell, Quillen, Rahall, Rangel, Ravenel, Regula, Rhoades, Richardson, Ridge, Rinaldo, Ritter, Roberts, Robinson, Rodino, Rogers, Rose, Roth, Roukema, Rowland (CT), Rowland (GA), Roybal, Russo, Sabo, Sald, Savage, Sawyer, Saxton, Schaefer, Scheuer, Schneider, Schroeder, Schuette, Schube, Schumer, Senaenbrenner, Sharp, Shaw, Shumway, Shuster, Sikorski, Siskis, Skaggs, Skeen, Skelton, Slattery, Slaughter (NY), Slaughter (VA), Smith (FL), Smith (IA), Smith (NE), Smith (NJ), Smith (TX), Smith, Denny (OR), Smith, Robert (NH), Smith, Robert (OR), Snowe, Solars, Solomon, Spence, Spratt, St Germain, Staggers, Stallings, Stangeland, Stark, Stenholm, Stokes, Stratton, Studds, Stump, Sundquist, Sweeney, Swift, Swindall, Synar, Tallon, Tauke, Tausin, Taylor, Thomas (CA), Thomas (GA), Torres, Torricelli, Towns, Traflet, Traxler, Udall, Upton, Valentine, Vento, Visclosky, Volkmer, Vucanovich, Walgren, Walker, Watkins, Waxman, Weber, Weiss, Weldon, Wheat, Whittaker, Whitten, Williams, Wilson, Wise, Wolf, Wolpe, Wortley, Wyden, Wythe, Yates, Yatron, Young (AK), Young (FL)

NAYS—1 Crane

NOT VOTING—30 Alexander, Annunzio, Baker, Biaggi, Boner (TN), Bonker, Boxer, Cooper, Duncan, Ford (TN), Gaydos, Gephardt, Hatcher, Hayes (LA), Hopkins, Jones (NC), Kemp, Konnyu, Lewis (CA), Lipinski, Livingston, Lloyd, Markey, McCurdy, Ortis, Ray, Roe, Roemer, Rostenkowski, Vander Jagt

□ 1330 So the bill was passed.

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BONKER. Mr. Speaker, due to a long-standing commitment in my district, I was unavoidably absent for the vote on final passage of H.R. 5, the School Improvement Act. I strongly support this legislation and had I been present, I would have voted "aye."

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN EN-GROSSMENT OF H.R. 5, SCHOOL IMPROVEMENT ACT OF 1987

Mr. HAWKINS, Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill just passed, H.R. 5, the School Improvement Act of 1987.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HAWKINS, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

OBSERVING 300TH COMMENCEMENT EXERCISE AT OHIO STATE UNIVERSITY

Mr. DYMALLY, Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 280) to observe the 300th commencement exercise at the Ohio State University on June 12, 1987, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA, Mr. Speaker, reserving the right to object, I have no objection, and would like to inform the House the minority has no objections to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. WYLLIE] who is the chief cosponsor of House Joint Resolution 280 to observe the 300th