

GILLMOR, Mr. SHERMAN, Mr. PAPPAS, Mr. BLUNT, Mr. DUNCAN, Mr. FRANKS of New Jersey, Ms. VELAZQUEZ, Mr. CLYBURN, Mr. THORNBERRY, Mr. RILEY, and Mr. KIND of Wisconsin.

H.R. 2541: Mr. SESSIONS and Ms. NORTON.

H.R. 2545: Mr. FORD, Mr. FALEOMAVAEGA, Mr. KUCINICH, Mr. GREEN, Mr. MCHALE, Mrs. THURMAN, Mr. TIERNEY, Mr. BERRY, Mr. ROTHMAN, and Mrs. MYRICK.

H.R. 2547: Mr. MARTINEZ, Mr. OBERSTAR, Ms. WOOLSEY, Mr. EVANS, Mr. NEAL of Massachusetts, and Mr. BLUMENAUER.

H.R. 2579: Mr. BOEHNER, Mr. COBURN, and Mr. NORWOOD.

H.R. 2588: Mr. GOODLATTE.

H.R. 2602: Mr. ACKERMAN.

H.R. 2608: Mr. ISTOOK and Mr. GOODLING.

H.R. 2568: Mr. SUNUNU, Mr. PAPPAS, Mr. MENENDEZ, Mr. SAXTON, and Mr. ADERHOLT.

H.R. 2671: Mrs. MINK of Hawaii.

H.R. 2699: Mr. FILNER and Mr. MORAN of Virginia.

H.R. 2713: Mr. FORD.

H.R. 2752: Mr. FRELINGHUYSEN and Mr. HANSEN.

H.R. 2757: Mr. DOYLE, Mr. FRANK of Massachusetts, and Mr. OBERSTAR.

H.R. 2760: Mr. HILL and Mr. CLAY.

H.R. 2774: Mr. FORD, Mr. JACKSON, Mr. KLECZKA, Mr. MANTON, Mr. WYNN, Mr. TOWNS, Mr. VENTO, Mr. WAXMAN, Mr. FILNER, Mr. MORAN of Virginia, Mr. LANTOS, Mr. STARK, Mr. SENSENBRENNER, Mr. FRANK of Massachusetts, Mr. LAFALCE, Mr. McDERMOTT, Mr. MILLER of California, and Mr. PAYNE.

H.R. 2820: Mrs. MEEK of Florida, Mr. MANTON, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Ms. KILPATRICK, Mr. NEY, Mr. FILNER, Mr. DAVIS of Illinois, and Mr. BACHUS.

H.R. 2850: Mrs. LOWEY, Mr. BARRETT of Wisconsin, Mr. SANDLIN, Mr. GUTIERREZ, Ms. ROS-LEHTINEN, Mr. FORD, Mr. PALLONE, Mr. UNDERWOOD, Mr. MARKEY, Mr. WEXLER, Mr. KLECZKA, Mr. DAVIS of Florida, Mr. ETHERIDGE, Mr. SESSIONS, and Ms. MILLENDER-MCDONALD.

H.R. 2854: Mr. KUCINICH, Mr. SANDLIN, Mr. SANDERS, Mr. RUSH, Mr. FORD, Mr. McDERMOTT, Mr. McNULTY, Mr. KLECZKA, Mr. BROWN of California, Mr. DOOLEY of California, and Mr. NEY.

H.R. 2912: Mr. LEWIS of Kentucky, Mr. ENGLISH of Pennsylvania, Mr. SKELTON, Mr. BERRY, Mr. GONZALEZ, Mr. FALEOMAVAEGA, Mr. BOYD, Mr. DUNCAN, Mr. YATES, Mr. CLYBURN, Mr. OBERSTAR, Mr. LATOURETTE, and Mr. BUNNING of Kentucky.

H.R. 2916: Mr. DAN SCHAEFER of Colorado.

H.R. 2951: Mr. HOUGHTON and Ms. STABENOW.

H.R. 2955: Mr. BONILLA and Mr. LATOURETTE.

H.R. 2960: Mr. STARK, Mr. FROST, and Mr. LAMPSON.

H.R. 2990: Mr. SKAGGS, Mr. OBERSTAR, Mr. PETERSON of Minnesota, Mr. GEJDENSON, Mr. DELAHUNT, Mr. MATSUI, Mr. OWENS, Mr. McDERMOTT, Mr. VENTO, Mr. BARRETT of Nebraska, Mr. WAMP, Mr. TAYLOR of North Carolina, Mr. POMEROY, Ms. KAPTUR, Mr. COYNE, Mr. KANJORSKI, and Mr. GOODE.

H.R. 3008: Mr. TAYLOR of North Carolina, Mr. GOODE, Mr. HALL of Texas, Mr. LIPINSKI, and Mr. PETERSON of Minnesota.

H.R. 3027: Mr. PAYNE and Mr. FALEOMAVAEGA.

H.R. 3028: Mr. PAYNE and Mr. FALEOMAVAEGA.

H.R. 3043: Mr. SANDLIN, Mr. WEXLER, and Mr. PASCRELL.

H.R. 3062: Mr. HOLDEN and Mr. COYNE.

H.R. 3070: Mr. HINCHEY and Ms. CARSON.

H.R. 3097: Mr. GIBBONS, Mr. SALMON, Mr. COOK, Mr. KLUG, Mr. BALLENGER, Mr. GOSS, Mr. DAN SCHAEFER of Colorado, Mr. HILL, Mr. COMBEST, Mr. CHAMBLISS, Mr. GOODE, Mr.

GOODLATTE, Mr. CHRISTENSEN, Mr. WATKINS, Mr. ROYCE, Mr. SOUDER, Mr. GRAHAM, and Mr. COBURN.

H.R. 3107: Mr. ANDREWS.

H.R. 3116: Mr. LAZIO of New York.

H.R. 3126: Ms. DELAURO, Mr. FALEOMAVAEGA, Mr. DAVIS of Illinois, and Mr. DINGELL.

H.R. 3128: Mr. SANDLIN, Mr. GOODLING, Mrs. THURMAN, and Mr. MANTON.

H.R. 3134: Ms. SLAUGHTER, Mr. MANTON, Ms. HOOLEY of Oregon, Mr. BONIOR, Mr. OBERSTAR, Mr. SANDLIN, Mr. MCGOVERN, Ms. NORTON, Mr. McDERMOTT, Mr. FROST, Mr. PASCRELL, Mr. LIPINSKI, and Mr. DEFAZIO.

H.R. 3135: Mr. TORRES.

H.J. Res. 71: Mrs. EMERSON and Mr. LATOURETTE.

H.J. Res. 100: Mr. BARRETT of Nebraska, Mr. FILNER, Mr. BATEMAN, Mr. WELDON of Florida, Mr. TAYLOR of North Carolina, Mrs. CLAYTON, Mr. NEY, Mr. SISISKY, Mr. SABO, Mr. CALVERT, Mr. BLILEY, Mr. WAMP, Mr. KNOLLENBERG, Mr. SANDERS, Mr. ROHR-ABACHER, Mr. CUNNINGHAM, Mr. BERMAN, Mr. CONDIT, Mr. CAMP, Mr. HALL of Texas, Mr. BURTON of Indiana, Mr. GREEN, Mr. STUMP, Ms. LOFGREN, Mr. METCALF, Mrs. TAUSCHER, Mrs. MINK of Hawaii, Ms. WOOLSEY, Mr. ETHERIDGE, Mr. LAMPSON, Mr. MORAN of Kansas, Mr. HILLEARY, Mr. BOYD, Mr. COYNE, Mr. HANSEN, and Mr. CANADY of Florida.

H. Con. Res. 15: Mr. SHERMAN.

H. Con. Res. 55: Ms. LOFGREN, Mr. WAXMAN, Ms. DELAURO, Mr. OBEY, and Mr. PAXON.

H. Con. Res. 126: Ms. JACKSON-LEE.

H. Con. Res. 141: Mr. MCCRERY.

H. Con. Res. 152: Mr. KUCINICH, Ms. DELAURO, and Mr. TRAFICANT.

H. Con. Res. 175: Mr. BOEHLERT.

H. Con. Res. 195: Mr. FRANK of Massachusetts, Mr. LAFALCE, Mr. UPTON, Ms. WOOLSEY, and Mrs. THURMAN.

H. Res. 37: Mr. BROWN of Ohio.

H. Res. 267: Mr. HOEKSTRA and Mr. HILLEARY.

H. Res. 310: Mr. BURTON of Indiana, Mr. CONDIT, and Mr. BACHUS.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1415: Mr. BUNNING of Kentucky.

H.R. 2552: Mr. BACHUS.

## AMENDMENTS

Under clause 6 of rule XIII, proposed amendments were submitted as follows:

H.R. 2846

OFFERED BY: Mr. CLAY

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

### SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Although the majority of our Nation's elementary and secondary public schools provide high quality education for our children, many schools need additional resources to implement immediate assistance and reform to enable them to provide a basic and safe education for their students.

(2) The Government Accounting Office recently found that 1/3 of all elementary and secondary schools in the United States, serving 14,000,000 students, need extensive repair and renovation.

(3) Recent reform of under-achieving schools in a number of States and school dis-

tricts demonstrates that parents, teachers, school administrators, other educators, and local officials, given adequate resources and expertise, can succeed in dramatically improving public education and creating high performance schools.

(4) Such reform efforts show that parental and community involvement in those reforms is indispensable to the objective of high quality, safe, and accountable schools.

(5) Despite the successes of such reforms, public schools are facing tremendous challenges in educating children for the 21st century. The elementary and secondary school population will grow by 10 percent by the year 2005, and over the next 10 years, schools will need more than 2,000,000 additional teachers to meet the demands of such expected enrollments.

(6) Almost 7 of 10 Americans support increased Federal assistance to our Nation's public schools, and that support crosses all boundaries, including cities, towns, and rural areas.

(7) When Federal investment in public schools and children has increased, test scores have improved, and high school graduation rates and college enrollments have increased.

(8) The Federal Government should encourage communities that demonstrate a strong commitment to restore and reform their public schools.

(b) PURPOSE.—It is the purpose of this Act to assist local communities that are taking the initiative—

(1) to overcome adverse conditions in their public schools;

(2) to revitalize their public schools in accordance with local plans to achieve higher academic standards and safer and improved learning environments; and

(3) to ensure that every community public school provides a quality education for all students.

### SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) CONSORTIUM.—The term "consortium" means a local schools consortium as defined in paragraph (2).

(2) LOCAL SCHOOLS CONSORTIUM.—The term "local schools consortium" means the local educational agency in collaboration with a group composed of affected parents, students, and representatives of teachers, school employees and administrators, local business and community leaders and representative of local higher education group working or residing within the boundary of a local educational agency.

(3) PARENT.—The term "parent" includes any of the following:

(A) A grandparent.

(B) A legal guardian.

(C) Any other person standing in loco parentis.

(3) PLAN.—The term "plan" means a 3-year public schools renewal and improvement plan described in section 4.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

(5) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the American Virgin Islands, Guam, and American Samoa.

### SEC. 3. PROCEDURE FOR DECLARATION.

(a) IN GENERAL.—A request for a declaration by the President that a "public schools renewal effort is underway" shall be made by a local schools consortium.

(b) REQUEST.—The local education agency shall submit the request to the Governor of the State who shall, with or without comment, forward such request to the President not more than 30 days after the Governor's receipt of such request. Such request shall—

(1) include the plan;

(2) describe the nature and amount of State and local resources which have been or will be committed to the renewal and improvement of the public schools; and

(3) certify that State or local government obligations and expenditures will comply with all applicable matching requirements established pursuant to this Act.

(c) **DECLARATION.**—Based on a request made under this Act, the President, in consultation with the Secretary, may declare that a "public schools renewal effort is underway" in such community and authorize the Department of Education and other Federal agencies to provide assistance under this Act.

(d) **PROGRESS REPORTS.**—The consortium shall—

(1) amend such request annually to include additional initiatives and approaches undertaken by the local educational agency to improve the academic effectiveness and safety of its public school system.

(2) submit annual performance reports to the Secretary which shall describe progress in achieving the goals of the plan.

#### **SEC. 4. ELEMENTS OF RENEWAL AND IMPROVEMENT PLAN.**

(a) **IN GENERAL.**—As part of its request to the President, and in order to receive assistance under this section, a consortium shall submit a plan that includes the elements described in subsections (b) and (c).

(b) **ADVERSE CONDITIONS.**—The plan shall specify the existence of any of the following factors:

(1)(A) A substantial percentage of students in the affected public schools have been performing well below the national average, or below other benchmarks, including State developed benchmarks in such basic skills as reading, math, and science, consistent with Goals 2000 and title I of the Elementary and Secondary Education Act of 1965; or

(B) a substantial percentage of such students are failing to complete high school.

(2) Some or all of such schools are overcrowded or have physical plant conditions that threaten the health, safety, and learning environment of the schools' populations.

(3) There is a substantial shortage of certified teachers, teaching materials, and technology training.

(4) Some or all of the schools are located where crime and safety problems interfere with the schools' ability to educate students to high academic standards.

(c) **ASSURANCES.**—The plan shall also include assurances from the local educational agency that—

(1) the plan was developed by the local schools consortium after extensive public discussion with State education officials, affected parents, students, teachers and representatives of teachers and school employees, administrators, higher education officials, other educators, and business and community leaders;

(2) describe how the consortium will use resources to meet the types of reforms described in section 6;

(3) provide effective opportunities for professional development of public school teachers, school staff, principals, and school administrators;

(4) provide for greater parental involvement in school affairs;

(5) focus substantially on successful and continuous improvement in the basic academic performance of the students in the public schools;

(6) address the unique responsibilities of all stake holders in the public school system, including students, parents, teachers, school administrators, other educators, governmental officials, and business and community leaders, for the effectiveness of the pub-

lic school system especially with respect to the schools targeted for greatest assistance;

(7) provide for regular objective evaluation of the effectiveness of the plan;

(8) the agency will give priority to public schools that need the most assistance in improving overcrowding, physical problems and other health and safety concerns, readiness for telecommunications equipment, and teacher training and the pool of certified teachers;

(9) ensure that funds received under this Act shall be used to supplement, not supplant other non-Federal funds;

(10) certify that the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the request for a declaration is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the request for a declaration is made; and

(11) will address other major issues which the local schools consortium determines are critical to renewal of its public schools.

#### **SEC. 5. ALLOWABLE FEDERAL ASSISTANCE.**

(a) **IN GENERAL.**—To provide assistance under this Act, the President may—

(1) direct the Department of Education, with or without reimbursement, to use the authority and the resources granted to it under Federal law (including personnel, educational equipment and supplies, facilities, and managerial, technical, and advisory services) in support of State and local assistance efforts;

(2) direct any other Federal agency to provide assistance as described in paragraph (1);

(3) coordinate such assistance provided by Federal agencies; and

(4) provide technical assistance and advisory assistance to the affected local educational agency.

(b) **DISTRIBUTION OF ASSISTANCE FUNDS.**—

(1) **IN GENERAL.**—At the direction of the President, the Secretary shall distribute funds and resources provided pursuant to a declaration under this Act to local educational agencies selected for assistance under this Act.

(2) **EXISTING PROCEDURES.**—The Secretary shall determine the best method of distributing funds under this Act through personnel and existing procedures that are used to distribute funds under other elementary and secondary education programs.

(c) **PROHIBITION.**—No provision of this Act shall be construed to authorize any action or conduct prohibited under the General Education Provisions Act.

#### **SEC. 6. USE OF ASSISTANCE.**

Assistance provided pursuant to this Act may be used only to carry out a plan, and to effectuate the following and similar types of public school reforms:

(1) **STUDENT-TARGETED RESOURCES.**—

(A) Increasing and improving high-quality early childhood educational opportunities.

(B) Providing comprehensive parent training so that parents better prepare children before they reach school age.

(C) Establishing intensive truancy prevention and dropout prevention programs.

(D) Establishing alternative public schools and programs for troubled students and dropouts, and establishing other public school learning "safety nets".

(E) Enhancing assistance for students with special needs (including limited English proficient students, English as a second language, and students with disabilities).

(2) **CLASSROOM FOCUSED SCHOOL DEVELOPMENT.**—

(A) Establishing teacher and principal academies to assist in training and professional development.

(B) Establishing effective training links for students with area colleges and universities.

(C) Establishing career ladders for teachers and school employees.

(D) Establishing teacher mentor programs.

(E) Establishing recruitment programs at area colleges and universities to recruit and train college students for the teaching profession.

(F) Establishing stronger links between schools and law enforcement and juvenile justice authority.

(G) Establishing stronger links between schools and parents concerning safe classrooms and effective classroom activities and learning.

(H) Establishing parent and community patrols in and around schools to assist safe schools and passage to schools.

(I) Implementing research-based promising educational practices and promoting exemplary school recognition programs.

(J) Expanding the time students spend on school-based learning activities and in extra-curricular activities.

(3) **ACCOUNTABILITY REFORMS.**—

(A) Establishing high learning standards and meaningful assessments of whether standards are being met.

(B) Monitoring school progress and determining how to more effectively use school system resources.

(C) Establishing performance criteria for teachers and principals through such entities as joint school board and union staff improvement committees.

(D) Establishing promotion and graduation requirements for students, including requirements for reading, mathematics, and science performance.

(E) Providing for strong accountability and corrective action from a continuum of options, consistent with State law and title I of the Elementary and Secondary Education Act of 1965.

#### **SEC. 7. DURATION OF ASSISTANCE.**

Assistance under this Act may be provided for each of fiscal years 1998 through 2000.

#### **SEC. 8. REPORT.**

Not later than March 31, 2000, the Secretary shall submit a report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate assessing the effectiveness of this Act in assisting recipient local schools consortia in carrying out their plans submitted under this Act.

#### **SEC. 9. AUTHORIZATION OF APPROPRIATIONS; MATCHING REQUIREMENT.**

(a) **AUTHORIZATION.**—There are authorized to be appropriated to carry out this Act—

(1) for fiscal year 1998, \$250,000,000; and

(2) for fiscal year 1999, \$500,000,000; and

(3) for fiscal year 2000, such sums as may be necessary.

(b) **MATCHING REQUIREMENT.**—

(1) **IN GENERAL.**—Federal funds expended or obligated under this Act shall be matched (in an amount equal to such amount so expended or obligated) from State or local funds.

(2) **OTHER FEDERAL RESOURCES.**—The Secretary shall, by regulation and in consultation with the heads of other Federal agencies, establish matching requirements for other Federal resources provided under this Act.

(3) **WAIVER.**—Based upon the recommendation of the Secretary, the President may waive paragraph (1) or (2).

H.R. 2846

OFFERED BY: MR. MARTINEZ

*(Amendment in the Nature of a Substitute)*

AMENDMENT NO. 2: Strike all after the enacting clause and insert the following:

**SECTION 1. FINDINGS AND PURPOSE.**

(a) FINDINGS.—The Congress finds the following:

(1) According to the General Accounting Office, one-third of all elementary and secondary schools in the United States, serving 14,000,000 students, need extensive repair or renovation.

(2) 7,000,000 children attend schools with life safety code problems.

(3) School infrastructure problems exist across the country in urban and nonurban schools; at least 1 building is in need of extensive repair or replacement in 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools.

(4) Many States and school districts will need to build new schools in order to accommodate increasing student enrollments; the Department of Education has predicted that the Nation will need 6,000 more schools by the year 2006.

(5) Many schools do not have the physical infrastructure to take advantage of computers and other technology needed to meet the challenges of the next century.

(6) While school construction and maintenance are primarily a State and local concern, States and communities have not, on their own, met the increasing burden of providing acceptable school facilities for all students, and low-income communities have had the greatest difficulty meeting this need.

(7) The Federal Government, by providing interest subsidies and similar types of support, can lower the costs of State and local school infrastructure investment, creating an incentive for States and localities to increase their own infrastructure improvement efforts and helping ensure that all students are able to attend schools that are equipped for the 21st century.

(b) PURPOSE.—The purpose of this Act is to provide Federal interest subsidies, or similar assistance, to States and localities to help them bring all public school facilities up to an acceptable standard and build the additional public schools needed to educate the additional numbers of students who will enroll in the next decade.

**SEC. 2. DEFINITIONS.**

Except as otherwise provided, as used in this Act, the following terms have the following meanings:

(1) COMMUNITY SCHOOL.—The term "community school" means a school facility, or part of a school facility, that serves as a center for after-school and summer programs and delivery of education, tutoring, cultural, and recreational services, and as a safe haven for all members of the community by—

(A) collaborating with other public and private nonprofit agencies (including libraries and other educational, human-service, cultural, and recreational entities) and private businesses in the provision of services;

(B) providing services such as literacy and reading programs, senior citizen programs, children's day care services; nutrition services, services for individuals with disabilities, employment counseling, training, and placement, and other educational, health, cultural, and recreational services; and

(C) providing those services outside the normal school day and school year, such as through safe and drug-free safe havens for learning.

(2) CONSTRUCTION.—(A) The term "construction" means—

(i) the preparation of drawings and specifications for school facilities;

(ii) erecting, building, acquiring, remodeling, renovating, improving, repairing, or extending school facilities;

(iii) demolition in preparation for rebuilding school facilities; and

(iv) the inspection and supervision of the construction of school facilities.

(B) The term "construction" does not include the acquisition of any interest in real property.

(3) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given that term in section 14101(18) (A) and (B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18) (A) and (B)).

(4) SCHOOL FACILITY.—(A) The term "school facility" means—

(i) a public structure suitable for use as a classroom, laboratory, library, media center, or related facility, whose primary purpose is the instruction of public elementary or secondary students; and

(ii) initial equipment, machinery, and utilities necessary or appropriate for school purposes.

(B) The term "school facility" does not include an athletic stadium, or any other structure or facility intended primarily for athletic exhibitions, contests, games, or events for which admission is charged to the general public.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

(6) STATE.—The term "State" means each of the 50 States and the Commonwealth of Puerto Rico.

(7) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given that term in section 14101(28) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(28)).

**SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to carry out this Act \$5,000,000,000 for fiscal year 1998 and such sums as may be necessary for each succeeding fiscal year.

**SEC. 4. ALLOCATION OF FUNDS.**

(a) ALLOCATION OF FUNDS.—Of the amounts appropriated to carry out this Act, the Secretary shall make available—

(1) 49 percent of such amounts for formula grants to States under section 111;

(2) 34 percent of such amounts for direct formula grants to local educational agencies under section 206;

(3) 15 percent of such amounts for competitive grants to local educational agencies under section 127; and

(4) 2 percent of such amounts to provide assistance to the Secretary of the Interior as provided in subsection (b).

(b) RESERVATION FOR THE SECRETARY OF THE INTERIOR AND THE OUTLYING AREAS.—

(1) Funds allocated under subsection (a)(4) to provide assistance to the Secretary of the Interior shall be used—

(A) for the school construction priorities described in section 1125(c) of the Education Amendments of 1978 (25 U.S.C. 2005(c)); and

(B) to make grants to American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, in accordance with their respective needs, as determined by the Secretary.

(2) Grants provided under subsection (b)(1)(B) shall be used for activities that the Secretary determines best meet the school infrastructure needs of the areas identified in that paragraph, subject to the terms and conditions, consistent with the purpose of this Act, that the Secretary may establish.

**TITLE I—GRANTS TO STATES****SEC. 111. ALLOCATION OF FUNDS.**

(a) FORMULA GRANTS TO STATES.—Subject to subsection (b), the Secretary shall allocate the funds available under section 4(a)(1)

among the States in proportion to the relative amounts each State would have received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year if the Secretary had disregarded the numbers of children counted under that subpart who were enrolled in schools of local educational agencies that are eligible to receive direct grants under section 206 of this Act.

(b) ADJUSTMENTS TO ALLOCATIONS.—The Secretary shall adjust the allocations under subsection (a), as necessary, to ensure that, of the total amount allocated to States under subsection (a) and to local educational agencies under section 206, the percentage allocated to a State under this section and to localities in the State under section 206 is at least the minimum percentage for the State described in section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for the previous fiscal year.

(c) REALLOCATIONS.—If a State does not apply for its allocation, applies for less than its full allocation, or fails to submit an approvable application, the Secretary may reallocate all or a portion of the State's allocation, as the case may be, to the remaining States in the same proportions as the original allocations were made to those States under subsections (a) and (b).

**SEC. 112. STATE ADMINISTRATION.**

The Secretary shall award each State's grant to the State educational agency to administer the State grant, or to another public agency in the State designated by the State educational agency if the State educational agency determines that the other agency is better able to administer the State grant.

**SEC. 113. ALLOWABLE USES OF FUNDS.**

Each State shall use its grant under this title only for 1 or more of the following activities to subsidize the cost of eligible school construction projects described in section 114:

(1) Providing a portion of the interest cost (or of another financing cost approved by the Secretary) on bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a State or its instrumentality for the purpose of financing eligible projects.

(2) State-level expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in paragraph (1).

(3) Making subgrants, or making loans through a State revolving fund, to local educational agencies or (with the agreement of the affected local educational agency) to other qualified public agencies to subsidize—

(A) the interest cost (or another financing cost approved by the Secretary) of bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a local educational agency or other agency or unit of local government for the purpose of financing eligible projects; or

(B) local expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in subparagraph (A).

(4) Other State and local expenditures approved by the Secretary that leverage funds for additional school construction.

**SEC. 114. ELIGIBLE CONSTRUCTION PROJECTS; PERIOD FOR INITIATION**

(a) ELIGIBLE PROJECTS.—States and their subgrantees may use funds under this title, in accordance with section 113, to subsidize the cost of—

(1) construction of elementary and secondary school facilities in order to ensure the health and safety of all students, which may

include the removal of environmental hazards, improvements in air quality, plumbing, lighting, heating, and air conditioning, electrical systems, or basic school infrastructure, and building improvements that increase school safety;

(2) construction activities needed to meet the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) or of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(3) construction activities that increase the energy efficiency of school facilities;

(4) construction that facilitates the use of modern educational technologies;

(5) construction of new school facilities that are needed to accommodate growth in school enrollments; or

(6) construction projects needed to facilitate the establishment of community schools.

(b) **PERIOD FOR INITIATION OF PROJECT.**—(1) Each State shall use its grant under this title only to subsidize construction projects described in subsection (a) that the State or its localities have chosen to initiate, through the vote of a school board, passage of a bond issue, or similar public decision, made between July 11, 1996 and September 30, 2001.

(2) If a State determines, after September 30, 2001, that an eligible project for which it has obligated funds under this title will not be carried out, the State may use those funds (or any available portion of those funds) for other eligible projects selected in accordance with this title.

(c) **REALLOCATION.**—If the Secretary determines, by a date before September 30, 2001, selected by the Secretary, that a State is not making satisfactory progress in carrying out its plan for the use of the funds allocated to it under this title, the Secretary may reallocate all or part of those funds, including any interest earned by the State on those funds, to 1 or more other States that are making satisfactory progress.

#### **SEC. 115. SELECTION OF LOCALITIES AND PROJECTS.**

(a) **PRIORITIES.**—In determining which localities and activities to support with grant funds, each State shall give the highest priority to localities with the greatest needs, as demonstrated by inadequate educational facilities (particularly facilities that pose a threat to the health and safety of students), coupled with a low level of resources available to meet school construction needs.

(b) **ADDITIONAL CRITERIA.**—In addition to the priorities required by subsection (a), each State shall consider each of the following in determining the use of its grant funds under this title:

(1) The age and condition of the school facilities in different communities in the State.

(2) The energy efficiency and the effect on the environment of projects proposed by communities, and the extent to which these projects use cost-efficient architectural design.

(3) The commitment of communities to finance school construction and renovation projects with assistance from the State's grant, as demonstrated by their incurring indebtedness or by similar public or private commitments for the purposes described in section 114(a).

(4) The ability of communities to repay bonds or other forms of indebtedness supported with grant funds.

(5) The particular needs, if any, of rural communities in the State for assistance under this title.

(c) **INELIGIBILITY FOR TITLE 2 SUBGRANTS.**—Local educational agencies in the State that receive direct grants under section 206 shall be ineligible for a subgrant under this title.

#### **SEC. 116. STATE APPLICATIONS.**

(a) **APPLICATION REQUIRED.**—A State that wishes to receive a grant under this title shall submit through its State educational agency, or through an alternative agency described in section 112, an application to the Secretary, in the manner the Secretary may require, not later than 2 years after the date of enactment of this Act.

(b) **DEVELOPMENT OF APPLICATION.**—The State educational agency or alternative agency described in section 112, shall develop the State's application under this title only after broadly consulting with the State board of education, and representatives of local school boards, school administrators, and business community, parents, and teachers in the State about the best means of carrying out this title.

(c) **STATE SURVEY.**—(1) Before submitting the State's application, the State educational agency or alternative agency described in section 112, with the involvement of local school officials and experts in building construction and management, shall survey the needs throughout the State (including in localities receiving grants under title II) for construction and renovation of school facilities, including, at a minimum—

(A) the overall condition of school facilities in the State, including health and safety problems;

(B) the capacity of the schools in the State to house projected enrollments; and

(C) the extent to which the schools in the State offer the physical infrastructure needed to provide a high-quality education to all students.

(2) A State need not conduct a new survey under paragraph (1) if it has previously completed a survey that meets the requirements of that paragraph and that the Secretary finds is sufficiently recent for the purpose of carrying out this title.

(d) **APPLICATION CONTENTS.**—Each State application under this title shall include—

(1) a summary of the results of the State's survey of its school facility needs, as described in subsection (c);

(2) a description of how the State will implement its program under this title;

(3) a description of how the State will allocate its grant funds, including a description of how the State will implement the priorities and criteria described in section 115;

(4)(A) a description of the mechanisms that will be used to finance construction projects supported by grant funds; and

(B) a statement of how the State will determine the amount of the Federal subsidy to be applied, in accordance with section 517(a), to each local project that the State will support;

(5) a description of how the State will ensure that the requirements of this title are met by subgrantees under this title;

(6) a description of the steps the State will take to ensure that local educational agencies will adequately maintain the facilities that are constructed or improved with funds under this title;

(7) an assurance that the State will use its grant only to supplement the funds that the State, and the localities receiving subgrants, would spend on school construction and renovation in the absence of a grant under this title, and not to supplant those funds;

(8) an assurance that, during the 4-year period beginning with the year the State receives its grant, the average annual combined expenditures for school construction by the State and the localities that benefit from the State's program under this title (which, at the State's option, may include private contributions) will be at least 125 percent of the average of those annual combined expenditures for that purpose during the 8 preceding years; and

(9) other information and assurances that the Secretary may require.

(e) **WAIVER OF REQUIREMENT TO INCREASE EXPENDITURES.**—The Secretary may waive or modify the requirement of subsection (d)(8) for a particular State if the State demonstrates to the Secretary's satisfaction that that requirement is unduly burdensome because the State or its localities have incurred particularly high level of school construction expenditures during the previous 8 years.

#### **SEC. 117. AMOUNT OF FEDERAL SUBSIDY.**

(a) **PROJECTS FUNDED WITH SUBGRANTS.**—For each construction project assisted by a State through a subgrant to a locality, the State shall determine the amount of the Federal subsidy under this title, taking into account the number or percentage of children from low-income families residing in the locality, subject to the following limits:

(1) If the locality will use the subgrant to help meet the costs of repaying bonds issued for a school construction project, the Federal subsidy shall be not more than one-half of the total interest cost of those bonds, determined in accordance with paragraph (4).

(2) If the bonds to be subsidized are general obligation bonds issued to finance more than 1 type of activity (including school construction), the Federal subsidy shall be not more than one-half of the interest cost for that portion of the bonds that will be used for school construction purposes, determined in accordance with paragraph (4).

(3) If the locality elects to use its subgrant for an allowable activity not described in paragraph (1) or (2), such as for certificates of participation, purchase or lease arrangements, reduction of the amount of principal to be borrowed, or credit enhancements for individual construction projects, the Federal subsidy shall be not more than one-half of the interest cost, as determined by the State in accordance with paragraph (4), that would have been incurred if bonds had been used to finance the project.

(4) The interest cost referred to in paragraphs (1), (2), and (3) shall be—

(A) calculated on the basis of net present value; and

(B) determined in accordance with an amortization schedule and any other criteria and conditions the Secretary considers necessary, including provisions to ensure comparable treatment of different financing mechanisms.

(b) **STATE-FUNDED PROJECTS.**—For a construction project under this title funded directly by the State through the use of State-issued bonds or other financial instruments, the Secretary shall determine the Federal subsidy in accordance with subsection (a).

(c) **NON-FEDERAL SHARE.**—A State, and localities in the State, receiving subgrants under this title, may use any non-Federal funds, including State, local, and private-sector funds, for the financing costs that are not covered by the Federal subsidy under subsection (a).

#### **SEC. 118. SEPARATE FUNDS OR ACCOUNTS; PRUDENT INVESTMENT**

(a) **SEPARATE FUNDS OR ACCOUNTS REQUIRED.**—Each State that receives a grant, and each recipient of a subgrant under this title, shall deposit the grant or subgrant proceeds in a separate fund or account, from which it shall make bond repayments and pay other expenses allowable under this title.

(b) **PRUDENT INVESTMENT REQUIRED.**—Each State that receives a grant, and each recipient of a subgrant under this title, shall—

(1) invest the grant or subgrant in a fiscally prudent manner, in order to generate amounts needed to make repayments on bonds and other forms of indebtedness described in section 113; and

(2) notwithstanding section 6503 of title 31, United States Code, or any other law, use the proceeds of that investment to carry out this title.

#### SEC. 119. STATE REPORTS.

(a) **REPORTS REQUIRED.**—Each State receiving a grant under this title shall report to the Secretary on its activities under this title, in the form and manner the Secretary may prescribe.

(b) **CONTENTS.**—Each report shall—

(1) describe the State's implementation of this title, including how the State has met the requirements of this title;

(2) identify the specific school facilities constructed, renovated, or modernized with support from the grant, and the mechanisms used to finance those activities;

(3) identify the level of Federal subsidy provided to each construction project carried out with support from the State's grant; and

(4) include any other information the Secretary may require.

(c) **FREQUENCY.**—(1) Each State shall submit its first report under this section not later than 24 months after it receives its grants under this title.

(2) Each State shall submit an annual report for each of the 3 years after submitting its first report, and subsequently shall submit periodic reports as long as the State or localities in the State are using grant funds.

### TITLE II—DIRECT GRANTS TO LOCAL EDUCATIONAL AGENCIES

#### SEC. 201. ELIGIBLE LOCAL EDUCATIONAL AGENCIES

(a) **ELIGIBLE AGENCIES.**—Except as provided in subsection (b), the local educational agencies that are eligible to receive formula grants under section 126 are the 100 local educational agencies with the largest numbers of children aged 5 through 17 from families living below the poverty level, as determined by the Secretary using the most recent data available from the Department of Commerce that are satisfactory to the Secretary.

(b) **CERTAIN JURISDICTIONS INELIGIBLE.**—For the purpose of this title, the local educational agencies for Hawaii and the Commonwealth of Puerto Rico are not eligible local educational agencies.

#### SEC. 202. GRANTEES.

For each local educational agency for which an approvable application is submitted, the Secretary shall make any grant under this title to the local educational agency or to another public agency, on behalf of the local educational agency, if the Secretary determines, on the basis of the local educational agency's recommendation, that the other agency is better able to carry out activities under this title.

#### SEC. 203. ALLOWABLE USES OF FUNDS.

Each grantee under this title shall use its grant only for 1 or more of the following activities to reduce the cost of financing eligible school construction projects described in section 204:

(1) Providing a portion of the interest cost (or of any other financing cost approved by the Secretary) on bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a local educational agency or other unit or agency of local government for the purpose of financing eligible school construction projects.

(2) Local expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in paragraph (1).

(3) Other local expenditures approved by the Secretary that leverage funds for additional school construction.

#### SEC. 204. ELIGIBLE CONSTRUCTION PROJECTS; REDISTRIBUTION

(a) **ELIGIBLE PROJECTS.**—A grantee under this title may use its grant, in accordance with section 203, to subsidize the cost of the activities described in section 114(a) for projects that the local educational agency has chosen to initiate, through the vote of the school board, passage of a bond issue, or similar public decision, made between July 11, 1996 and September 30, 2001.

(b) **REDISTRIBUTION.**—If the Secretary determines, by a date before September 30, 2001 selected by the Secretary, that a local educational agency is not making satisfactory progress in carrying out its plan for the use of funds awarded to it under this title, the Secretary may redistribute all or part of those funds, and any interest earned by that agency on those funds, to 1 or more other local educational agencies that are making satisfactory progress.

#### SEC. 205. LOCAL APPLICATIONS.

(a) **APPLICATION REQUIRED.**—A local educational agency, or an alternative agency described in section 122 (both referred to in this title as the "local agency"), that wishes to receive a grant under this title shall submit an application to the Secretary, in the manner the Secretary may require, not later than 2 years after the date of enactment of this Act.

(b) **DEVELOPMENT OF APPLICATION.**—(1) The local agency shall develop the local application under this title only after broadly consulting with the State educational agency, parents, administrators, teachers, the business community, and other members of the local community about the best means of carrying out this title.

(2) If the local educational agency is not the applicant, the applicant shall consult with the local educational agency, and shall obtain its approval before submitting its application to the Secretary.

(c) **LOCAL SURVEY.**—(1) Before submitting its application, the local agency, with the involvement of local school officials and experts in building construction and management, shall survey the local need for construction and renovation of school facilities, including, at a minimum—

(A) the overall condition of school facilities in the local educational agency, including health and safety problems;

(B) the capacity of the local educational agency's schools to house projected enrollments; and

(C) the extent to which the local educational agency's schools offer the physical infrastructure needed to provide a high-quality education to all students.

(2) A local educational agency need not conduct a new survey under paragraph (1) if it has previously completed a survey that meets the requirements of that paragraph and that the Secretary finds is sufficiently recent for the purpose of carrying out this title.

(d) **APPLICABLE CONTENTS.**—Each local application under this title shall include—

(1) an identification of the local agency to receive the grant under this title;

(2) a summary of the results of the survey of school facility needs, as described in subsection (c);

(3) a description of how the local agency will implement its program under this title;

(4) a description of the criteria the local agency has used to determine which construction projects to support with grant funds;

(5) a description of the construction projects that will be supported with grant funds;

(6) a description of the mechanisms that will be used to finance construction projects supported by grant funds;

(7) a requested level of Federal subsidy, with a justification for that level, for each construction project to be supported by the grant, in accordance with section 208(a), including the financial and demographic information the Secretary may require;

(8) a description of the steps the agency will take to ensure that facilities constructed or improved with funds under this title will be adequately maintained;

(9) an assurance that the agency will use its grant only to supplement the funds that the locality would spend on school construction and renovation in the absence of a grant under this title, and not to supplant those funds;

(10) an assurance that, during the 4-year period beginning with the year the local educational agency receives its grant, its average annual expenditures for school construction (which, at that agency's option, may include private contributions) will be at least 125 percent of its average annual expenditures for that purpose during the 8 preceding years; and

(11) other information and assurances that the Secretary may require.

(e) **WAIVER OF REQUIREMENT TO INCREASE EXPENDITURES.**—The Secretary may waive or modify the requirement of subsection (d)(10) for a local educational agency that demonstrates to the Secretary's satisfaction that that requirement is unduly burdensome because that agency has incurred a particularly high level of school construction expenditures during the previous 8 years.

#### SEC. 206. DIRECT FORMULA GRANTS.

(a) **ALLOCATIONS.**—The Secretary shall allocate the funds available under section 4(a)(2) to the local educational agencies identified under section 201(a) on the basis of their relative allocations under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) in the most recent year for which that information is available to the Secretary.

(b) **REALLOCATIONS.**—If a local educational agency does not apply for its allocation, applies for less than its full allocation, or fails to submit an approvable application, the Secretary may reallocate all or a portion of its allocation, as the case may be, to the remaining local educational agencies in the same proportions as the original allocations were made to those agencies under subsection (a).

#### SEC. 207. DIRECT COMPETITIVE GRANTS.

(a) **GRANTS AUTHORIZED.**—The Secretary shall use funds available under section 4(a)(3) to make additional grants, on a competitive basis to local educational agencies, or alternative agencies described in section 202.

(b) **ADDITIONAL APPLICATION MATERIALS.**—Any local educational agency, or an alternative agency described in section 202, that wishes to receive funds under this section shall submit an application to the Secretary that meets the requirements under section 205 and includes the following additional information:

(1) The amount of funds requested under this section, in accordance with ranges or limits that the Secretary may establish based on factors such as relative size of the eligible applicants.

(2) A description of the additional construction activities that the applicant would carry out with those funds.

(3) A description of the extent to which the proposed construction activities would enhance the health and safety of students.

(4) A description of the extent to which the proposed construction activities address compliance with Federal mandates, including providing accessibility for the disabled and removal of hazardous materials.

(5) Information on the current financial effort the applicant is making for elementary

and secondary education, including support from private sources, relative to its resources.

(6) Information on the extent to which the applicant will increase its own (or other public or private) spending for school construction in the year in which it receives a grant under this section, above the average annual amount for construction activity during the preceding 8 years.

(7) A description of the energy efficiency and the effect on the environment of the projects that the applicant will undertake and of the extent to which those projects will use cost-efficient architectural design.

(8) Other information that the Secretary may require.

(c) **SELECTION OF GRANTEES.**—In determining which local educational agencies shall receive direct grants under this title, the Secretary shall give the highest priority to local educational agencies that—

(1) have a need to repair, remodel, renovate, or otherwise improve school facilities posing a threat to the health and physical safety of students, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources;

(2) have a need to repair, remodel, renovate, or construct school facilities in order to comply with Federal mandates, including providing for accessibility for the disabled and removal of hazardous materials, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources; and

(3) demonstrate a need for emergency assistance for to repair, remodel, renovate, or construct school facilities, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources.

(d) **MINIMUM ALLOCATIONS.**—Of the amount available for competitive awards under section 4(a)(3), the Secretary shall ensure that, in making awards under subsection (a), no less than 40 percent of such amount is available to the local educational agencies described in section 121(a) and no less than 40 percent of such amount is available to the local educational agencies eligible for subgrants under title I.

(e) **ADDITIONAL CRITERIA.**—The Secretary may establish additional criteria, consistent with subsections (c) and (d), and with purposes of this title, for the purpose of electing grantees under this title.

#### **SEC. 208. AMOUNT OF FEDERAL SUBSIDY.**

(a) **AMOUNT OF FEDERAL SUBSIDY.**—For each construction project assisted under this title, the Secretary shall determine the amount of the Federal subsidy in accordance with section 117(a).

(b) **NON-FEDERAL SHARE.**—A grantee under this title may use any non-Federal funds, including State, local, and private-sector funds, for the financing costs that are not covered by the Federal subsidy under subsection (a).

#### **SEC. 209. SEPARATE FUNDS OR ACCOUNTS; PRUDENT INVESTMENT**

(a) **SEPARATE FUNDS OR ACCOUNTS REQUIRED.**—Each grantee under this title shall deposit the grant proceeds in a separate fund or account, from which it shall make bond repayments and pay other expenses allowable under this title.

(b) **PRUDENT INVESTMENT REQUIRED.**—Each grantee under this title shall—

(1) invest the grant funds in a fiscally prudent manner, in order to generate amounts needed to make repayments on bonds and other forms of indebtedness; and

(2) notwithstanding section 6503 of title 31, United States Code, or any other law, use the proceeds of that investment to carry out this title.

#### **SEC. 210. LOCAL REPORTS.**

(a) **REPORTS REQUIRED.**—(1) Each grantee under this title shall report to the Secretary on its activities under this title, in the form and manner the Secretary may prescribe.

(2) If the local educational agency is not the grantee under this title, the grantee's report shall include the approval of the local educational agency or its comments on the report.

(b) **CONTENTS.**—Each report shall—

(1) describe the grantee's implementation of this title, including how it has met the requirements of this title;

(2) identify the specific school facilities constructed, renovated, or modernized with support from the grant, and the mechanisms used to finance those activities; and

(3) other information the Secretary may require.

(c) **FREQUENCY.**—(1) Each grantee shall submit its first report under this section not later than 24 months after it receives its grant under this title.

(2) Each grantee shall submit an annual report for each of the 3 years after submitting its first report, and subsequently shall submit periodic reports as long as it is using grant funds.

### **TITLE III—MISCELLANEOUS PROVISIONS**

#### **SEC. 301. TECHNICAL EMPLOYEES.**

For purposes of carrying out this Act, the Secretary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, may appoint not more than 10 technical employees who may be paid without regard to the provisions of chapter 51 and subchapter IV of chapter 5 of that title relating to classification and General Schedule pay rates.

#### **SEC. 302. WAGE RATES**

(a) **PREVAILING WAGE.**—The Secretary shall ensure that all laborers and mechanics employed by contractors and subcontractors on

any project assisted under this Act are paid wages at rates not less than those prevailing as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, as amended (40 U.S.C. 276a et seq.). The Secretary of Labor has, with respect to this section, the authority and functions established in Reorganization Plan Numbered 14 of 1950 (effective May 24, 1950, 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

(b) **WAIVER FOR VOLUNTEERS.**—Section 7305 of the Federal Acquisition Streamlining Act of 1994 (40 U.S.C. 276d-3) is amended—

(1) in paragraph (5), by striking out the "and" at the end thereof;

(2) in paragraph (6), by striking out the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(7) title V of the Reading Excellence Act,".

#### **SEC. 303. NO LIABILITY OF FEDERAL GOVERNMENT.**

(a) **NO FEDERAL LIABILITY.**—Any financial instruments, including but not limited to contracts, bonds, bills, notes, certificates of participation, or purchase or lease arrangements, issued by States, localities, or instrumentalities thereof in connection with any assistance provided by the Secretary under this Act are obligations of such States, localities or instrumentalities and are not obligations of the United States and are not guaranteed by the full faith and credit of the United States.

(b) **NOTICE REQUIREMENT.**—Documents relating to any financial instruments, including but not limited to contracts, bonds, bills, notes, offering statements, certificates of participation, or purchase or lease arrangements, issued by States, localities or instrumentalities thereof in connection with any assistance provided under this Act, shall include a prominent statement providing notice that the financial instruments are not obligations of the United States and are not guaranteed by the full faith and credit of the United States.

#### **SEC. 304. REPORT TO CONGRESS.**

The Secretary shall report on the activities conducted by States and local educational agencies with assistance provided under this Act, and shall assess State and local educational agency compliance with the requirements of this Act. Such report shall be submitted to Congress not later than 3 years after the date of enactment of this Act and annually thereafter as long as States or local educational agencies are using grant funds.

#### **SEC. 305. CONSULTATION WITH SECRETARY OF THE TREASURY.**

The Secretary shall consult with the Secretary of the Treasury in carrying out this Act.