

In the Senate of the United States,

October 8 (legislative day, October 2), 1998.

Resolved, That the bill from the House of Representatives (H.R. 2616) entitled “An Act to amend title VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Charter School Expan-*
3 *sion Act of 1998”.*

4 ***SEC. 2. INNOVATIVE CHARTER SCHOOLS.***

5 *Title VI of the Elementary and Secondary Education*
6 *Act of 1965 (20 U.S.C. 7301 et seq.) is amended—*

7 *(1) in section 6201(a) (20 U.S.C. 7331(a))—*

8 *(A) in paragraph (1)(C), by striking “and”*

9 *after the semicolon;*

1 (B) by redesignating paragraph (2) as
2 paragraph (3); and

3 (C) by inserting after paragraph (1) the fol-
4 lowing:

5 “(2) support for planning, designing, and initial
6 implementation of charter schools as described in part
7 C of title X; and”;

8 (2) in section 6301(b) (20 U.S.C. 7351(b))—

9 (A) in paragraph (7), by striking “and”
10 after the semicolon;

11 (B) by redesignating paragraph (8) as
12 paragraph (9); and

13 (C) by inserting after paragraph (7) the fol-
14 lowing:

15 “(8) planning, designing, and initial implemen-
16 tation of charter schools as described in part C of title
17 X; and”.

18 **SEC. 3. CHARTER SCHOOLS.**

19 (a) *PURPOSE.*—Section 10301(b) of the Elementary
20 and Secondary Education Act of 1965 (20 U.S.C. 8061(b))
21 is amended—

22 (1) in paragraph (1)—

23 (A) by inserting “planning, program” be-
24 fore “design”; and

25 (B) by striking “and” after the semicolon;

1 (2) *in paragraph (2), by striking the period and*
2 *inserting “; and”; and*

3 (3) *by adding at the end the following:*

4 “(3) *expanding the number of high-quality char-*
5 *ter schools available to students across the Nation.”.*

6 (b) *CRITERIA FOR PRIORITY TREATMENT.—Section*
7 *10302 of such Act of 1965 (20 U.S.C. 8062) is amended—*

8 (1) *in subsection (c)(2)—*

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

11 (B) *in subparagraph (B), by striking the*
12 *period and inserting “; and”; and*

13 (C) *by adding at the end the following:*

14 “(C) *not more than 2 years to carry out*
15 *dissemination activities described in section*
16 *10304(f)(6)(B).”;*

17 (2) *by amending subsection (d) to read as fol-*
18 *lows:*

19 “(d) *LIMITATION.—A charter school may not receive—*

20 (1) *more than 1 grant for activities described in*
21 *subparagraphs (A) and (B) of subsection (c)(2); or*

22 (2) *more than 1 grant for activities under sub-*
23 *paragraph (C) of subsection (c)(2).”;* and

24 (3) *by adding at the end the following:*

25 “(e) *PRIORITY TREATMENT.—*

1 “(1) *IN GENERAL.*—

2 “(A) *FISCAL YEARS 1999, 2000, AND 2001.*—
3 *In awarding grants under this part for any of*
4 *the fiscal years 1999, 2000, and 2001 from funds*
5 *appropriated under section 10311 that are in ex-*
6 *cess of \$51,000,000 for the fiscal year, the Sec-*
7 *retary shall give priority to States to the extent*
8 *that the States meet the criteria described in*
9 *paragraph (2) and 1 or more of the criteria de-*
10 *scribed in subparagraph (A), (B), or (C) of*
11 *paragraph (3).*

12 “(B) *SUCCEEDING FISCAL YEARS.*—*In*
13 *awarding grants under this part for fiscal year*
14 *2002 or any succeeding fiscal year from any*
15 *funds appropriated under section 10311, the Sec-*
16 *retary shall give priority to States to the extent*
17 *that the States meet the criteria described in*
18 *paragraph (2) and 1 or more of the criteria de-*
19 *scribed in subparagraph (A), (B), or (C) of*
20 *paragraph (3).*

21 “(2) *REVIEW AND EVALUATION PRIORITY CRI-*
22 *TERIA.*—*The criteria referred to in paragraph (1) is*
23 *that the State provides for periodic review and eval-*
24 *uation by the authorized public chartering agency of*
25 *each charter school, at least once every 5 years unless*

1 *required more frequently by State law, to determine*
2 *whether the charter school is meeting the terms of the*
3 *school’s charter, and is meeting or exceeding the aca-*
4 *ademic performance requirements and goals for charter*
5 *schools as set forth under State law or the school’s*
6 *charter.*

7 *“(3) PRIORITY CRITERIA.—The criteria referred*
8 *to in paragraph (1) are the following:*

9 *“(A) The State has demonstrated progress,*
10 *in increasing the number of high quality charter*
11 *schools that are held accountable in the terms of*
12 *the schools’ charters for meeting clear and meas-*
13 *urable objectives for the educational progress of*
14 *the students attending the schools, in the period*
15 *prior to the period for which a State educational*
16 *agency or eligible applicant applies for a grant*
17 *under this part.*

18 *“(B) The State—*

19 *“(i) provides for 1 authorized public*
20 *chartering agency that is not a local edu-*
21 *cational agency, such as a State chartering*
22 *board, for each individual or entity seeking*
23 *to operate a charter school pursuant to such*
24 *State law; or*

1 “(ii) *in the case of a State in which*
2 *local educational agencies are the only au-*
3 *thorized public chartering agencies, allows*
4 *for an appeals process for the denial of an*
5 *application for a charter school.*

6 “(C) *The State ensures that each charter*
7 *school has a high degree of autonomy over the*
8 *charter school’s budgets and expenditures.*

9 “(f) *AMOUNT CRITERIA.—In determining the amount*
10 *of a grant to be awarded under this part to a State edu-*
11 *cational agency, the Secretary shall take into consideration*
12 *the number of charter schools that are operating, or are ap-*
13 *proved to open, in the State.”.*

14 “(c) *APPLICATIONS.—Section 10303 of such Act (20*
15 *U.S.C. 8063) is amended—*

16 (1) *in subsection (b)—*

17 (A) *in paragraph (1), by inserting “and”*
18 *after the semicolon;*

19 (B) *by redesignating paragraph (2) as*
20 *paragraph (3);*

21 (C) *by inserting after paragraph (1) the fol-*
22 *lowing:*

23 “(2) *describe how the State educational agency—*

24 (A) *will inform each charter school in the*
25 *State regarding—*

1 “(i) Federal funds that the charter
2 school is eligible to receive; and

3 “(ii) Federal programs in which the
4 charter school may participate;

5 “(B) will ensure that each charter school in
6 the State receives the charter school’s commensu-
7 rate share of Federal education funds that are
8 allocated by formula each year, including during
9 the first year of operation of the charter school;
10 and

11 “(C) will disseminate best or promising
12 practices of charter schools to each local edu-
13 cational agency in the State; and”;

14 (D) in paragraph (3) (as redesignated by
15 subparagraph (B))—

16 (i) in subparagraph (E), insert “plan-
17 ning, program” before “design”;

18 (ii) in subparagraph (K), by striking
19 “and” after the semicolon;

20 (iii) by redesignating subparagraph
21 (L) as subparagraph (N); and

22 (iv) by inserting after subparagraph
23 (K) the following:

24 “(L) a description of how a charter school
25 that is considered a local educational agency

1 *under State law, or a local educational agency*
2 *in which a charter school is located, will comply*
3 *with sections 613(a)(5) and 613(e)(1)(B) of the*
4 *Individuals with Disabilities Education Act;*

5 *“(M) if the eligible applicant desires to use*
6 *subgrant funds for dissemination activities*
7 *under section 10302(c)(2)(C), a description of*
8 *those activities and how those activities will in-*
9 *volve charter schools and other public schools,*
10 *local educational agencies, developers, and poten-*
11 *tial developers; and”;* and

12 *(2) in subsection (c), by striking “10302(e)(1)*
13 *or”;* and

14 *(3) in subsection (d)(1)—*

15 *(A) by striking “subparagraphs (A) through*
16 *(L)” and inserting “subparagraphs (A) through*
17 *(N)”;* and

18 *(B) by striking “subparagraphs (I), (J),*
19 *and (K)” and inserting “subparagraphs (J),*
20 *(K), and (N)”.*

21 *(d) ADMINISTRATION.—Section 10304 of such Act (20*
22 *U.S.C. 8064) is amended—*

23 *(1) in subsection (a)—*

24 *(A) in paragraph (4), by striking “and”*
25 *after the semicolon;*

1 (B) in paragraph (5), by striking the period
2 and inserting a semicolon; and

3 (C) by adding at the end the following:

4 “(6) the number of high quality charter schools
5 created under this part in the State; and

6 “(7) in the case of State educational agencies
7 that propose to use grant funds to support dissemina-
8 tion activities under section 10302(c)(2)(C), the qual-
9 ity of those activities and the likelihood that those ac-
10 tivities will improve student achievement.”;

11 (2) in subsection (b)—

12 (A) in paragraph (5), by striking “and”
13 after the semicolon;

14 (B) in paragraph (6), by striking the period
15 and inserting “; and”; and

16 (C) by adding at the end the following:

17 “(7) in the case of an eligible applicant that pro-
18 poses to use grant funds to support dissemination ac-
19 tivities under section 10302(c)(2)(C), the quality of
20 those activities and the likelihood that those activities
21 will improve student achievement.”;

22 (3) in subsection (f)—

23 (A) in paragraph (1), by inserting before
24 the period the following: “, except that the State
25 educational agency may reserve not more than

1 10 percent of the grant funds to support dissemi-
2 nation activities described in paragraph (6)”;

3 (B) in paragraph (2), by inserting “, or to
4 disseminate information about the charter school
5 and successful practices in the charter school,”
6 after “charter school”;

7 (C) in paragraph (5), by striking “20 per-
8 cent” and inserting “10 percent”; and

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

10 “(6) *DISSEMINATION.*—

11 “(A) *IN GENERAL.*—A charter school may
12 apply for funds under this part, whether or not
13 the charter school has applied for or received
14 funds under this part for planning, program de-
15 sign, or implementation, to carry out the activi-
16 ties described in subparagraph (B) if the charter
17 school has been in operation for at least 3 con-
18 secutive years and has demonstrated overall suc-
19 cess, including—

20 “(i) substantial progress in improving
21 student achievement;

22 “(ii) high levels of parent satisfaction;
23 and

24 “(iii) the management and leadership
25 necessary to overcome initial start-up prob-

1 *lems and establish a thriving, financially*
2 *viable charter school.*

3 *“(B) ACTIVITIES.—A charter school de-*
4 *scribed in subparagraph (A) may use funds re-*
5 *served under paragraph (1) to assist other*
6 *schools in adapting the charter school’s program*
7 *(or certain aspects of the charter school’s pro-*
8 *gram), or to disseminate information about the*
9 *charter school, through such activities as—*

10 *“(i) assisting other individuals with*
11 *the planning and start-up of 1 or more new*
12 *public schools, including charter schools,*
13 *that are independent of the assisting charter*
14 *school and the assisting charter school’s de-*
15 *velopers, and that agree to be held to at*
16 *least as high a level of accountability as the*
17 *assisting charter school;*

18 *“(ii) developing partnerships with*
19 *other public schools, including charter*
20 *schools, designed to improve student per-*
21 *formance in each of the schools participat-*
22 *ing in the partnership;*

23 *“(iii) developing curriculum materials,*
24 *assessments, and other materials that pro-*
25 *mote increased student achievement and are*

1 *based on successful practices within the as-*
2 *isting charter school; and*

3 “*(iv) conducting evaluations and devel-*
4 *oping materials that document the success-*
5 *ful practices of the assisting charter school*
6 *and that are designed to improve student*
7 *performance in other schools.”.*

8 (f) *NATIONAL ACTIVITIES.*—*Section 10305 of such Act*
9 *(20 U.S.C. 8065) is amended to read as follows:*

10 **“SEC. 10305. NATIONAL ACTIVITIES.**

11 “*(a) IN GENERAL.*—*The Secretary shall reserve for*
12 *each fiscal year the greater of 5 percent or \$5,000,000 of*
13 *the amount appropriated to carry out this part, except that*
14 *in no fiscal year shall the total amount so reserved exceed*
15 *\$8,000,000, to carry out the following activities:*

16 “*(1) To provide charter schools, either directly or*
17 *through State educational agencies, with—*

18 “*(A) information regarding—*

19 “*(i) Federal funds that charter schools*
20 *are eligible to receive; and*

21 “*(ii) other Federal programs in which*
22 *charter schools may participate; and*

23 “*(B) assistance in applying for Federal*
24 *education funds that are allocated by formula,*

1 *including assistance with filing deadlines and*
2 *submission of applications.*

3 “(2) *To provide for the completion of the 4-year*
4 *national study (which began in 1995) of charter*
5 *schools.*

6 “(3) *To provide for other evaluations or studies*
7 *that include the evaluation of the impact of charter*
8 *schools on student achievement, including information*
9 *regarding—*

10 “(A) *students attending charter schools re-*
11 *ported on the basis of race, age, disability, gen-*
12 *der, limited English proficiency, and previous*
13 *enrollment in public school; and*

14 “(B) *the professional qualifications of teach-*
15 *ers within a charter school and the turnover of*
16 *the teaching force.*

17 “(4) *To provide—*

18 “(A) *information to applicants for assist-*
19 *ance under this part;*

20 “(B) *assistance to applicants for assistance*
21 *under this part with the preparation of applica-*
22 *tions under section 10303;*

23 “(C) *assistance in the planning and startup*
24 *of charter schools;*

1 “(D) training and technical assistance to
2 existing charter schools; and

3 “(E) for the dissemination to other public
4 schools of best or promising practices in charter
5 schools.

6 “(5) To provide (including through the use of 1
7 or more contracts that use a competitive bidding
8 process) for the collection of information regarding the
9 financial resources available to charter schools, in-
10 cluding access to private capital, and to widely dis-
11 seminate to charter schools any such relevant infor-
12 mation and model descriptions of successful pro-
13 grams.

14 “(b) CONSTRUCTION.—Nothing in this section shall be
15 construed to require charter schools to collect any data de-
16 scribed in subsection (a).”.

17 (g) COMMENSURATE TREATMENT; RECORDS TRANS-
18 FER; PAPERWORK REDUCTION.—Part C of title X of such
19 Act (20 U.S.C. 8061 et seq.) is amended—

20 (1) by redesignating sections 10306 and 10307
21 as sections 10310 and 10311, respectively; and

22 (2) by inserting after section 10305 the follow-
23 ing:

1 **“SEC. 10306. FEDERAL FORMULA ALLOCATION DURING**
2 **FIRST YEAR AND FOR SUCCESSIVE ENROLL-**
3 **MENT EXPANSIONS.**

4 “(a) *IN GENERAL.*—For purposes of the allocation to
5 schools by the States or their agencies of funds under part
6 A of title I, and any other Federal funds which the Sec-
7 retary allocates to States on a formula basis, the Secretary
8 and each State educational agency shall take such measures
9 not later than 6 months after the date of enactment of the
10 Charter School Expansion Act of 1998 as are necessary to
11 ensure that every charter school receives the Federal funding
12 for which the charter school is eligible not later than 5
13 months after the charter school first opens, notwithstanding
14 the fact that the identity and characteristics of the students
15 enrolling in that charter school are not fully and completely
16 determined until that charter school actually opens. The
17 measures similarly shall ensure that every charter school
18 expanding its enrollment in any subsequent year of oper-
19 ation receives the Federal funding for which the charter
20 school is eligible not later than 5 months after such expan-
21 sion.

22 “(b) *ADJUSTMENT AND LATE OPENINGS.*—

23 “(1) *IN GENERAL.*—The measures described in
24 subsection (a) shall include provision for appropriate
25 adjustments, through recovery of funds or reduction of
26 payments for the succeeding year, in cases where pay-

1 *provides education funds to charter schools or regulates the*
2 *activities of charter schools.*

3 **“SEC. 10308. RECORDS TRANSFER.**

4 *“State educational agencies and local educational*
5 *agencies, to the extent practicable, shall ensure that a stu-*
6 *dent’s records and, if applicable, a student’s individualized*
7 *education program as defined in section 602(11) of the In-*
8 *dividuals with Disabilities Education Act (20 U.S.C.*
9 *1401(11)), are transferred to a charter school upon the*
10 *transfer of the student to the charter school, and to another*
11 *public school upon the transfer of the student from a charter*
12 *school to another public school, in accordance with applica-*
13 *ble State law.*

14 **“SEC. 10309. PAPERWORK REDUCTION.**

15 *“To the extent practicable, the Secretary and each au-*
16 *thorized public chartering agency shall ensure that imple-*
17 *mentation of this part results in a minimum of paperwork*
18 *for any eligible applicant or charter school.”.*

19 *(h) PART C DEFINITIONS.—Section 10310(1) of such*
20 *Act (as redesignated by subsection (e)(1)) (20 U.S.C.*
21 *8066(1)) is amended—*

22 *(1) in subparagraph (A), by striking “an ena-*
23 *bling statute” and inserting “a specific State statute*
24 *authorizing the granting of charters to schools”;*

1 (2) in subparagraph (H), by inserting “is a
2 school to which parents choose to send their children,
3 and that” before “admits”;

4 (3) in subparagraph (J), by striking “and” after
5 the semicolon;

6 (4) in subparagraph (K), by striking the period
7 and inserting “; and”; and

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

9 “(L) has a written performance contract
10 with the authorized public chartering agency in
11 the State that includes a description of how stu-
12 dent performance will be measured in charter
13 schools pursuant to State assessments that are
14 required of other schools and pursuant to any
15 other assessments mutually agreeable to the au-
16 thorized public chartering agency and the char-
17 ter school.”.

18 (i) *AUTHORIZATION OF APPROPRIATIONS.*—Section
19 10311 of such Act (as redesignated by subsection (e)(1)) (20
20 U.S.C. 8067) is amended by striking “\$15,000,000 for fiscal
21 year 1995” and inserting “\$100,000,000 for fiscal year
22 1999”.

23 (j) *TITLE XIV DEFINITIONS.*—Section 14101 of such
24 Act (20 U.S.C. 8801) is amended—

1 (1) in paragraph (14), by inserting “, including
2 a public elementary charter school,” after “residential
3 school”; and

4 (2) in paragraph (25), by inserting “, including
5 a public secondary charter school,” after “residential
6 school”.

7 (k) *CONFORMING AMENDMENT.*—*The matter preceding*
8 *paragraph (1) of section 10304(e) of such Act (20 U.S.C.*
9 *8064(e)) is amended by striking “10306(1)” and inserting*
10 *“10310(1)”.*

Attest:

Secretary.

105TH CONGRESS
2^D SESSION

H. R. 2616

AMENDMENT

HR 2616 EAS—2

HR 2616 EAS—3

HR 2616 EAS—4

HR 2616 EAS—5