

105TH CONGRESS  
1ST SESSION

# H. R. 2616

To amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1997

Mr. RIGGS introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Charter Schools  
5        Amendments Act of 1997”.

6        **SEC 2. INNOVATIVE CHARTER SCHOOLS.**

7        (a) Title VI of the Elementary and Secondary Edu-  
8        cation Act of 1965 (20 U.S.C. 7301 et seq.) is amended—

9                (1) in section 6201(a)—

1 (A) in paragraph (1)(C), by striking “and”  
2 after the semicolon;

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

5 (C) by inserting after paragraph (1) the  
6 following:

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

10 (2) in section 6301(b)—

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

13 (B) by redesignating paragraph (8) as  
14 paragraph (9); and

15 (C) by inserting after paragraph (7) the  
16 following:

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

20 **SEC. 3. CHARTER SCHOOLS.**

21 Part C of title X of the Elementary and Secondary  
22 Education Act of 1965 is amended to read as follows:

23 **“PART C—PUBLIC CHARTER SCHOOLS**

24 **“SEC. 10301. FINDINGS AND PURPOSE.**

25 “(a) FINDINGS.—The Congress finds that—

1           “(1) enhancement of parent and student choices  
2           among public schools can assist in promoting com-  
3           prehensive educational reform and give more stu-  
4           dents the opportunity to learn to challenging State  
5           content standards and challenging State student  
6           performance standards, if sufficiently diverse and  
7           high-quality choices, and genuine opportunities to  
8           take advantage of such choices, are available to all  
9           students;

10           “(2) useful examples of such choices can come  
11           from States and communities that experiment with  
12           methods of offering teachers and other educators,  
13           parents, and other members of the public the oppor-  
14           tunity to design and implement new public schools  
15           and to transform existing public schools;

16           “(3) charter schools are a mechanism for test-  
17           ing a variety of educational approaches and should,  
18           therefore, be exempted from restrictive rules and  
19           regulations if the leadership of such schools commits  
20           to attaining specific and ambitious educational re-  
21           sults for educationally disadvantaged students con-  
22           sistent with challenging State content standards and  
23           challenging State student performance standards for  
24           all students;

1           “(4) charter schools, as such schools have been  
2 implemented in a few States, can embody the nec-  
3 essary mixture of enhanced choice, exemption from  
4 restrictive regulations, and a focus on learning  
5 gains;

6           “(5) charter schools, including charter schools  
7 that are schools-within-schools, can help reduce  
8 school size, which reduction can have a significant  
9 effect on student achievement;

10           “(6) the Federal Government should test, evalu-  
11 ate, and disseminate information on a variety of  
12 charter school models in order to help demonstrate  
13 the benefits of this promising educational reform;  
14 and

15           “(7) there is a strong documented need for  
16 cash-flow assistance to charter schools that are  
17 starting up, because State and local operating reve-  
18 nue streams are not immediately available.

19           “(b) PURPOSES.—The purposes of this part are—

20           “(1) to provide financial assistance for the plan-  
21 ning, design, initial implementation of charter  
22 schools; and

23           “(2) to facilitate the ability of States and local-  
24 ities to increase the number of charter schools in the  
25 Nation to not less than 3,000 by the year 2000.

1 **“SEC. 10302. PROGRAM AUTHORIZED.**

2       “(a) IN GENERAL.—The Secretary may award grants  
3 to State educational agencies having applications approved  
4 pursuant to section 10303 to enable such agencies to con-  
5 duct a charter school grant program in accordance with  
6 this part.

7       “(b) SPECIAL RULE.—If a State educational agency  
8 elects not to participate in the program authorized by this  
9 part or does not have an application approved under sec-  
10 tion 10303, the Secretary may award a grant to an eligible  
11 applicant that serves such State and has an application  
12 approved pursuant to section 10303.

13       “(c) PROGRAM PERIODS.—

14               “(1) GRANTS TO STATES.—

15                       “(A) INITIAL GRANTS.—Grants awarded to  
16 State educational agencies under this part for  
17 planning, design, or initial implementation of  
18 charter schools, shall be awarded for a period of  
19 not more than 5 years.

20                       “(B) EXTENSION.—Any eligible applicant  
21 that has received a grant or subgrant under  
22 this part prior to October 1, 1997, shall be eli-  
23 gible to receive an additional grant for a period  
24 not to exceed 2 years in accordance with this  
25 section.

26               “(2) GRANTS TO ELIGIBLE APPLICANTS.—

1           “(A) INITIAL GRANTS.—Grants awarded  
2           by the Secretary to eligible applicants or sub-  
3           grants awarded by State educational agencies  
4           to eligible applicants under this part shall be  
5           awarded for planning, design, or initial imple-  
6           mentation of charter schools, for a period of not  
7           to exceed more than 5 years, of which the eligi-  
8           ble applicant may use—

9                   “(i) not more than 2.5 years for plan-  
10                   ning and program design; and

11                   “(ii) not more than 4 years for the  
12                   initial implementation of a charter school.

13           “(B) EXTENSION.—Any eligible applicant  
14           that has received a grant of subgrant under this  
15           part prior to October 1, 1997, shall be eligible  
16           to receive an additional grant for a period not  
17           to exceed 2 years in accordance with this sec-  
18           tion.

19           “(d) LIMITATION.—The Secretary shall not award  
20           more than one grant and State educational agencies shall  
21           not award more than one subgrant under this part to sup-  
22           port a particular charter school.

23           “(e) PRIORITY AND REQUIREMENTS.—

24                   “(1) PRIORITY.—

1           “(A) FISCAL YEARS 1998, 1999, AND 2000.—  
2           In awarding grants under this part for any of  
3           the fiscal years 1998, 1999, and 2000 from  
4           funds appropriated under section 10310 that  
5           are in excess of \$51,000,000 for the fiscal year,  
6           the Secretary shall give priority to State edu-  
7           cational agencies in accordance with subpara-  
8           graph (C).

9           “(B) SUCCEEDING FISCAL YEARS.—In  
10          awarding grants under this part for fiscal year  
11          2001 or any succeeding fiscal year from any  
12          funds appropriated under section 10310, the  
13          Secretary shall consider the number of charter  
14          schools in such State and shall give priority to  
15          State educational agencies in accordance with  
16          subparagraph (C).

17          “(C) PRIORITY ORDER.—In awarding  
18          grants under subparagraphs A and B, the Sec-  
19          retary shall, in the order listed, give priority to  
20          a State that—

21                 “(i) meets all requirements of para-  
22                 graph (2);

23                 “(ii) meets 2 requirements of para-  
24                 graph (2); and

1                   “(iii) meets 1 requirement of para-  
2                   graph (2).

3                   “(2) REQUIREMENTS.—The requirements re-  
4                   ferred to in paragraph (1)(C) are as follows:

5                   “(A) The State law regarding charter  
6                   schools provides that for the purposes of allot-  
7                   ting funds by formula for Federal education  
8                   programs each charter school is treated in a fis-  
9                   cally autonomous manner;

10                  “(B) The State law regarding charter  
11                  schools provides that not less than 1 chartering  
12                  authority in the State allows for an increase in  
13                  the number of charter schools from 1 year to  
14                  the next year; and

15                  “(C) The State law regarding charter  
16                  schools provides for periodic review and evalua-  
17                  tion by the authorized public chartering agency  
18                  of each charter school to determine whether the  
19                  school is meeting or exceeding the academic  
20                  performance requirements and goals for charter  
21                  schools as set forth under State law or the  
22                  school’s charter.

23 **“SEC. 10303. APPLICATIONS.**

24                  “(a) APPLICATIONS FROM STATE AGENCIES.—Each  
25                  State educational agency desiring a grant from the Sec-



1 retary under this part shall submit to the Secretary an  
2 application at such time, in such manner, and containing  
3 or accompanied by such information as the Secretary may  
4 require.

5 “(b) CONTENTS OF A STATE EDUCATIONAL AGENCY  
6 APPLICATION.—Each application submitted pursuant to  
7 subsection (a) shall—

8 “(1) describe the objectives of the State edu-  
9 cational agency’s charter school grant program and  
10 a description of how such objectives will be fulfilled,  
11 including steps taken by the State educational agen-  
12 cy to inform teachers, parents, and communities of  
13 the State educational agency’s charter school grant  
14 program;

15 “(2) describe how the State educational agency  
16 will inform each charter school of available Federal  
17 programs and funds that each such school is eligible  
18 to receive and ensure that each such school receives  
19 its commensurate share of Federal education funds  
20 allocated by formula; and

21 “(3) contain assurances that the State edu-  
22 cational agency will require each eligible applicant  
23 desiring to receive a subgrant to submit an applica-  
24 tion to the State educational agency containing—

1           “(A) a description of the educational pro-  
2           gram to be implemented by the proposed char-  
3           ter school, including—

4                   “(i) how the program will enable all  
5                   students to meet challenging State student  
6                   performance standards;

7                   “(ii) the grade levels or ages of chil-  
8                   dren to be served; and

9                   “(iii) the curriculum and instructional  
10                  practices to be used;

11           “(B) a description of how the charter  
12           school will be managed;

13           “(C) a description of—

14                   “(i) the objectives of the charter  
15                   school; and

16                   “(ii) the methods by which the charter  
17                   school will determine its progress toward  
18                   achieving those objectives;

19           “(D) a description of the administrative re-  
20           lationship between the charter school and the  
21           authorized public chartering agency;

22           “(E) a description of how parents and  
23           other members of the community will be in-  
24           volved in the design and implementation of the  
25           charter school;

1           “(F) a description of how the authorized  
2 public chartering agency will provide for contin-  
3 ued operation of the school once the Federal  
4 grant has expired, if such agency determines  
5 that the school has met the objectives described  
6 in subparagraph (C)(i);

7           “(G) a request and justification for waivers  
8 of any Federal statutory or regulatory provi-  
9 sions that the applicant believes are necessary  
10 for the successful operation of the charter  
11 school, and a description of any State or local  
12 rules, generally applicable to public schools,  
13 that will be waived for, or otherwise not apply  
14 to, the school;

15           “(H) a description of how the subgrant  
16 funds or grant funds, as appropriate, will be  
17 used, including a description of how such funds  
18 will be used in conjunction with other Federal  
19 programs administered by the Secretary;

20           “(I) a description of how students in the  
21 community will be—

22                   “(i) informed about the charter  
23 school; and

24                   “(ii) given an equal opportunity to at-  
25 tend the charter school;

1           “(J) an assurance that the eligible appli-  
2           cant will annually provide the Secretary and the  
3           State educational agency such information as  
4           may be required to determine if the charter  
5           school is making satisfactory progress toward  
6           achieving the objectives described in subpara-  
7           graph (C)(i);

8           “(K) an assurance that the applicant will  
9           cooperate with the Secretary and the State edu-  
10          cational agency in evaluating the program as-  
11          sisted under this part; and

12          “(L) such other information and assur-  
13          ances as the Secretary and the State edu-  
14          cational agency may require.

15          “(c) CONTENTS OF ELIGIBLE APPLICANT APPLICA-  
16          TION.—Each eligible applicant desiring a grant pursuant  
17          to section 10302 shall submit an application to the State  
18          educational agency or Secretary, respectively, at such  
19          time, in such manner, and accompanied by such informa-  
20          tion as the State educational agency or Secretary, respec-  
21          tively, may reasonably require.

22          “(d) CONTENTS OF APPLICATION.—Each application  
23          submitted pursuant to subsection (c) shall contain—

24                  “(1) the information and assurances described  
25                  in subparagraphs (A) through (L) of subsection

1 (b)(4), except that for purposes of this subsection  
2 subparagraphs (J), (K), and (L) of such subsection  
3 shall be applied by striking “and the State edu-  
4 cational agency” each place such term appears; and

5 “(2) assurances that the State educational  
6 agency—

7 “(A) will grant, or will obtain, waivers of  
8 State statutory or regulatory requirements; and

9 “(B) will assist each subgrantee in the  
10 State in receiving a waiver under section  
11 10304(e).

12 **“SEC. 10304. ADMINISTRATION.**

13 “(a) SELECTION CRITERIA FOR STATE EDU-  
14 CATIONAL AGENCIES.—The Secretary shall award grants  
15 to State educational agencies under this part on the basis  
16 of the quality of the applications submitted under section  
17 10303(b), after taking into consideration such factors  
18 as—

19 “(1) the contribution that the charter schools  
20 grant program will make to assisting educationally  
21 disadvantaged and other students to achieving State  
22 content standards and State student performance  
23 standards and, in general, a State’s education im-  
24 provement plan;

1           “(2) the degree of flexibility afforded by the  
2 State educational agency to charter schools under  
3 the State’s charter schools law;

4           “(3) the ambitiousness of the objectives for the  
5 State charter school grant program;

6           “(4) the quality of the strategy for assessing  
7 achievement of those objectives;

8           “(5) the likelihood that the charter school grant  
9 program will meet those objectives and improve edu-  
10 cational results for students; and

11           “(6) the number of charter schools created  
12 under this part in the State.

13           “(b) SELECTION CRITERIA FOR ELIGIBLE APPLI-  
14 CANTS.—The Secretary shall award grants to eligible ap-  
15 plicants under this part on the basis of the quality of the  
16 applications submitted under section 10303(c), after tak-  
17 ing into consideration such factors as—

18           (1) the quality of the proposed curriculum and  
19 instructional practices;

20           “(2) the degree of flexibility afforded by the  
21 State educational agency and, if applicable, the local  
22 educational agency to the charter school;

23           “(3) the extent of community support for the  
24 application;

1           “(4) the ambitiousness of the objectives for the  
2 charter school;

3           “(5) the quality of the strategy for assessing  
4 achievement of those objectives; and

5           “(6) the likelihood that the charter school will  
6 meet those objectives and improve educational re-  
7 sults for students.

8           “(c) PEER REVIEW.—The Secretary, and each State  
9 educational agency receiving a grant under this part, shall  
10 use a peer review process to review applications for assist-  
11 ance under this part.

12           “(d) DIVERSITY OF PROJECTS.—The Secretary and  
13 each State educational agency receiving a grant under this  
14 part, shall award subgrants under this part in a manner  
15 that, to the extent possible, ensures that such grants and  
16 subgrants—

17           “(1) are distributed throughout different areas  
18 of the Nation and each State, including urban and  
19 rural areas; and

20           “(2) will assist charter schools representing a  
21 variety of educational approaches, such as ap-  
22 proaches designed to reduce school size.

23           “(e) WAIVERS.—The Secretary may waive any statu-  
24 tory or regulatory requirement over which the Secretary  
25 exercises administrative authority except any such require-

1 ment relating to the elements of a charter school described  
2 in section 10306(1), if—

3 “(1) the waiver is requested in an approved ap-  
4 plication under this part; and

5 “(2) the Secretary determines that granting  
6 such a waiver will promote the purpose of this part.

7 “(f) USE OF FUNDS.—

8 “(1) STATE EDUCATIONAL AGENCIES.—Each  
9 State educational agency receiving a grant under  
10 this part shall use such grant funds to award sub-  
11 grants to one or more eligible applicants in the State  
12 to enable such applicant to plan and implement a  
13 charter school in accordance with this part.

14 “(2) ELIGIBLE APPLICANTS.—Each eligible ap-  
15 plicant receiving funds from the Secretary or a State  
16 educational agency shall use such funds to plan and  
17 implement a charter school in accordance with this  
18 part.

19 “(3) ALLOWABLE ACTIVITIES FOR INITIAL  
20 GRANTS.—An eligible applicant receiving an initial  
21 grant or subgrant under section 10302(c)(2)(A) may  
22 use the grant or subgrant funds only for—

23 “(A) post-award planning and design of  
24 the educational program, which may include—



1           “(i) refinement of the desired edu-  
2           cational results and of the methods for  
3           measuring progress toward achieving those  
4           results; and

5           “(ii) professional development of  
6           teachers and other staff who will work in  
7           the charter school; and

8           “(B) initial implementation of the charter  
9           school, which may include—

10           “(i) informing the community about  
11           the school;

12           “(ii) acquiring necessary equipment  
13           and educational materials and supplies;

14           “(iii) acquiring or developing curricu-  
15           lum materials; and

16           “(iv) other initial operational costs  
17           that cannot be met from State or local  
18           sources.

19           “(4) ADMINISTRATIVE EXPENSES.—Each State  
20           educational agency receiving a grant pursuant to  
21           this part may reserve not more than 5 percent of  
22           such grant funds for administrative expenses associ-  
23           ated with the charter school grant program assisted  
24           under this part.

1 **“SEC. 10305. NATIONAL ACTIVITIES.**

2 “The Secretary shall reserve for each fiscal year the  
3 lesser of 5 percent of the amount appropriated to carry  
4 out this part for the fiscal year or \$5,000,000, to carry  
5 out, giving highest priority to carrying paragraph (2), the  
6 following:

7 “(1) To provide charter schools, either directly  
8 or through the State educational agency, with infor-  
9 mation regarding available education funds that  
10 such school is eligible to receive, and assistance in  
11 applying for Federal education funds which are allo-  
12 cated by formula, including filing deadlines and sub-  
13 mission of applications; and

14 “(2) To provide, through 1 or more contracts  
15 using a competitive bidding process—

16 “(i) charter schools with assistance in  
17 accessing private capital;

18 “(ii) pilot projects in a variety of States to  
19 better understand and improve access to private  
20 capital by charter schools; and

21 “(iii) collection on a nationwide basis, of  
22 information regarding successful programs that  
23 access private capital for charter schools and  
24 disseminate any such relevant information and  
25 model descriptions to all charter schools.

1           “(3) To provide for the completion of the 4-year  
2           national study (which began in 1995) of charter  
3           schools and any related evaluations or studies.

4           “(4)(A) To provide information to applicants  
5           for assistance under this part;

6           “(B) assistance to applicants for assistance  
7           under this part with the preparation of applications  
8           under section 10303;

9           “(C) assistance in the planning and startup of  
10          charter schools;

11          “(D) ongoing training and technical assistance  
12          to existing charter schools; and

13          “(E) for the dissemination of best practices in  
14          charter schools to other public schools.

15 **“SEC. 10306. PART A, TITLE I ALLOCATION DURING FIRST**  
16 **YEAR AND FOR SUCCESSIVE ENROLLMENT**  
17 **EXPANSIONS.**

18          “For purposes of the allocation to schools by the  
19          states or their agencies of funds under part A of title I,  
20          or of any other Federal educational assistance funds, the  
21          Secretary shall take such measures not later than 6  
22          months after the date of the enactment of this part as  
23          are necessary to ensure that every charter school receives  
24          its full share of funding in the calendar year in which it  
25          first opens, notwithstanding the fact that the identity and

1 characteristics of the students enrolling in that school are  
2 not fully and completely determined until that school actu-  
3 ally opens. These measures shall similarly ensure that  
4 every charter school expanding its enrollment in any sub-  
5 sequent year of operation receives its full share of funding  
6 during the calendar year of such expansion.

7 **“SEC. 10307. RECORDS TRANSFER.**

8 “State and local educational agencies, to the extent  
9 practicable, shall ensure that a student’s records and if  
10 applicable a student’s individualized education program as  
11 defined in section 602(11) of the Individuals with Disabil-  
12 ities Education Act (20 U.S.C. 1401(11)), are transferred  
13 to the charter school upon transfer of a student to a char-  
14 ter school in accordance with applicable State law.

15 **“SEC. 10308. PAPERWORK REDUCTION.**

16 “To the extent practicable, the Secretary and each  
17 authorized public chartering agency, shall ensure that im-  
18 plementation of this part results in a minimum of paper-  
19 work for any eligible applicant or charter school.

20 **“SEC. 10309. DEFINITIONS.**

21 “As used in this part:

22 “(1) The term ‘charter school’ means a public  
23 school that—

24 “(A) in accordance with a specific State  
25 charter school statute, is exempted from signifi-

1           cant State or local rules that inhibit the flexible  
2           operation and management of public schools,  
3           but not from any rules relating to the other re-  
4           quirements of this paragraph;

5           “(B) is created by a developer as a public  
6           school, or is adapted by a developer from an ex-  
7           isting public school, and is operated under pub-  
8           lic supervision and direction;

9           “(C) operates in pursuit of a specific set of  
10          educational objectives determined by the  
11          school’s developer and agreed to by the author-  
12          ized public chartering agency;

13          “(D) provides a program of elementary or  
14          secondary education, or both;

15          “(E) is nonsectarian in its programs, ad-  
16          missions policies, employment practices, and all  
17          other operations, and is not affiliated with a  
18          sectarian school or religious institution;

19          “(F) does not charge tuition;

20          “(G) complies with the Age Discrimination  
21          Act of 1975, title VI of the Civil Rights Act of  
22          1964, title IX of the Education Amendments of  
23          1972, section 504 of the Rehabilitation Act of  
24          1973, and part B of the Individuals with Dis-  
25          abilities Education Act;

1           “(H) is a school to which parents choose to  
2           send their children, and that admits students  
3           on the basis of a lottery, if more students apply  
4           for admission than can be accommodated;

5           “(I) agrees to comply with the same Fed-  
6           eral and State audit requirements as do other  
7           elementary and secondary schools in the State,  
8           unless such requirements are specifically waived  
9           for the purpose of this program;

10           “(J) meets all applicable Federal, State,  
11           and local health and safety requirements;

12           “(K) operates in accordance with State  
13           law; and

14           “(L) has a written performance contract  
15           with the authorized public chartering agency in  
16           the State.

17           “(2) The term ‘developer’ means an individual  
18           or group of individuals (including a public or private  
19           nonprofit organization), which may include teachers,  
20           administrators and other school staff, parents, or  
21           other members of the local community in which a  
22           charter school project will be carried out.

23           “(3) The term ‘eligible applicant’ means an au-  
24           thorized public chartering agency participating in a

1 partnership with a developer to establish a charter  
2 school in accordance with this part.

3 “(4) The term ‘authorized public chartering  
4 agency’ means a State educational agency, local edu-  
5 cational agency, or other public entity that has the  
6 authority pursuant to State law and approved by the  
7 Secretary to authorize or approve a charter school.

8 **“SEC. 10310. AUTHORIZATION OF APPROPRIATIONS.**

9 “For the purpose of carrying out this part, there are  
10 authorized to be appropriated \$100,000,000 for fiscal year  
11 1998 and such sums as may be necessary for each of the  
12 four succeeding fiscal years.”.

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