To amend the Elementary and Secondary Education Act of 1965 to invest in innovation for education.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Investing in Innovation for Education Act of 2011”.

SEC. 2. INVESTING IN INNOVATION.

(a) In General.—Title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.) is amended by adding at the end the following:
“PART D—INVESTING IN INNOVATION

“SEC. 4401. PURPOSES.

“The purposes of this part are to—

“(1) fund the identification, development, evaluation, and expansion of innovative, evidence-based practices, programs, and strategies in order to significantly—

“(A) increase student academic achievement and decrease achievement gaps;

“(B) increase high school graduation rates;

“(C) increase college enrollment rates and rates of college persistence;

“(D) improve teacher and school leader effectiveness; and

“(E) increase the identification of innovative educational strategies in rural areas; and

“(2) support the rapid development, expansion, and adoption of tools and resources that improve the efficiency, effectiveness, or pace of adoption of such educational practices, programs, and strategies.

“SEC. 4402. NATIONAL ACTIVITIES.

“The Secretary may reserve not more than 10 percent of the funds appropriated under section 4408 for each fiscal year to carry out activities of national significance, which activities may include—

“(1) capacity building;
“(2) technical assistance, including to applicants from rural areas;

“(3) pre-application workshops and web-based seminars for potential applicants, including applicants from rural areas;

“(4) the recruitment of peer-reviewers, including individuals with a background in rural education, to participate in the review of applications submitted under section 4404;

“(5) dissemination of best practices developed with grant funds provided under this part, including best practices developed with grant funds in rural areas;

“(6) carrying out prize awards consistent with section 24 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3719); and

“(7) entering into partnerships with other agencies, nonprofits, and the private sector to carry out advanced research and development activities, including research and activities in rural areas.

“SEC. 4403. PROGRAM AUTHORIZED; LENGTH OF GRANTS; PRIORITIES.

“(a) Program Authorization.—The Secretary shall use funds made available to carry out this part to award grants, on a competitive basis, to local educational
agencies, educational service agencies, and nonprofit organizations that propose to provide support to 1 or more public schools or local educational agencies, or both, consistent with section 4405.

“(b) DURATION OF GRANTS.—The Secretary shall award grants under this part for a period of not more than 3 years, and may extend such grants for an additional 2-year period if the grantee demonstrates to the Secretary that it is making significant progress on the program performance measures identified in section 4406.

“(c) RURAL AREAS.—The Secretary shall ensure that not less than 25 percent of the funds awarded under subsection (a) for any fiscal year are for projects that meet both of the following requirements:

“(1) The grantee is—

“(A) a local educational agency with an urban-centric district locale code of 32, 33, 41, 42, or 43, as determined by the Secretary;

“(B) a consortium of such local educational agencies; or

“(C) an educational service agency or a nonprofit organization with demonstrated expertise in serving students from rural areas.

“(2) A majority of the schools to be served by the project are designated with a school locale code
of 41, 42, or 43, or a combination of such codes, as
determined by the Secretary.

“(d) PRIORITIES.—In awarding grants under this
part, the Secretary may give priority to an eligible entity
that includes, in its application under section 4404, a plan
to—

“(1) improve early learning outcomes;
“(2) support college access and success;
“(3) support family and community engage-
ment;
“(4) address the unique learning needs of stu-
dents with disabilities or English language learners;
“(5) support the effective use of education tech-
nology to improve teaching and learning;
“(6) improve the teaching and learning of
science, technology, engineering, or mathematics; or
“(7) serve schools in rural local educational
agencies.

“(e) STANDARDS OF EVIDENCE.—The Secretary
shall set standards for the quality of evidence that an ap-
plicant shall provide in order to demonstrate that the ac-
tivities the applicant proposes to carry out with funds
under this part are likely to succeed in improving student
outcomes or outcomes on other performance measures.
These standards may include any of the following:
“(1) Strong evidence that the activities proposed by the applicant will have a statistically significant effect on student academic achievement, student growth, or outcomes on other performance measures.

“(2) Moderate evidence that the activities proposed by the applicant will improve student academic achievement, student growth, or outcomes on other performance measures.

“(3) A rationale based on research findings or a reasonable hypothesis that the activities proposed by the applicant will improve student academic achievement, student growth, or outcomes on other performance measures.

“SEC. 4404. APPLICATIONS.

“(a) APPLICATIONS.—

“(1) IN GENERAL.—Each local educational agency, educational service agency, or nonprofit organization that desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(2) REASONABLE PERIOD OF TIME.—The Secretary shall ensure that prospective applicants are
provided a reasonable period of time in which to pre-
pare and submit their applications.

“(b) CONTENTS.—At a minimum, each application
shall—

“(1) describe the project for which the appli-
cant is seeking a grant and how the evidence sup-
porting that project meets the standards of evidence
established by the Secretary under section 4403(e);

“(2) describe how the applicant will address at
least 1 of the areas described in section 4405(a)(1);

“(3) provide an estimate of the number of stu-
dents that the applicant plans to serve under the
proposed project, including the percentage of those
students who are from low-income families, and the
number of students to be served through additional
expansion after the grant ends;

“(4) demonstrate that the applicant has estab-
lished 1 or more partnerships with private organiza-
tions, nonprofit organizations, or community-based
organizations, and that the partner or partners will
provide matching funds, except that the Secretary
may waive the matching funds requirement, on a
case-by-case, upon a showing of exceptional cir-
cumstances, such as the difficulty of raising match-
ing funds for a project to serve a rural area;
“(5) describe the applicant’s plan for continuing
the proposed project after funding under this part
ends;
“(6) if the applicant is a local educational agen-

cy—
“(A) document the local educational agen-
cy’s record during the previous 3 years in—
“(i) increasing student achievement,
including achievement for each subgroup
described in section 1111(b)(2)(C)(v); and
“(ii) decreasing achievement gaps;
and
“(B) demonstrate how the local edu-
cational agency has made significant improve-
ments in other outcomes, as applicable, on the
performance measures described in section
4406;
“(7) if the applicant is a nonprofit organiza-
tion—
“(A) provide evidence that the nonprofit
organization has helped at least 1 school or
local educational agency, during the previous 3
years, significantly—
“(i) increase student achievement, including achievement for each subgroup described in section 1111(b)(2)(C)(v); and

“(ii) reduce achievement gaps; and

“(B) describe how the nonprofit organization has helped at least 1 school or local educational agency make a significant improvement, as applicable, in other outcomes on the performance measures described in section 4406;

“(8) if the applicant is an educational service agency—

“(A) provide evidence that the agency has helped at least 1 school or local educational agency, during the previous 3 years, significantly—

“(i) increase student achievement, including achievement for each subgroup described in section 1111(b)(2)(C)(v); and

“(ii) reduce achievement gaps; and

“(B) describe how the agency has helped at least 1 school or local educational agency make a significant improvement, as applicable, in other outcomes on the performance measures described in section 4406;
“(9) provide a description of the applicant’s plan for independently evaluating the effectiveness of activities carried out with funds under this part; “

“(10) provide an assurance that the applicant will—

“(A) cooperate with cross-cutting evaluations;

“(B) make evaluation data available to third parties for validation and further study; and

“(C) participate in communities of practice; and

“(11) if the applicant is a nonprofit organization that intends to make subgrants, consistent with section 4405(b), provide an assurance that the applicant will apply paragraphs (1) through (10), as appropriate, in the applicant’s selection of subgrantees and in its oversight of those subgrants.

“(c) CRITERIA FOR EVALUATING APPLICATIONS.—The Secretary shall award grants under this part on a competitive basis, based on the quality of the applications submitted and, consistent with the standards established under section 4403(e), each applicant’s likelihood of achieving success in improving student outcomes or outcomes on other performance measures.
SEC. 4405. USES OF FUNDS.

“(a) USES OF FUNDS.—Each local educational agency, educational service agency, or nonprofit organization that receives a grant under this part—

“(1) shall use the grant funds to address, at a minimum, 1 of the following areas of school innovations:

“(A) Improving the effectiveness of teachers and school leaders and promoting equity in the distribution of effective teachers and school leaders.

“(B) Strengthening the use of data to improve teaching and learning.

“(C) Providing high-quality instruction based on rigorous standards that build toward college and career readiness and measuring students’ mastery using high-quality assessments aligned to those standards.

“(D) Turning around the lowest-performing schools.

“(E) Any other area of school innovation, as determined by the Secretary;

“(2) shall use those funds to develop or expand strategies to improve the performance of high-need students on the performance measures described in section 4406; and
“(3) may use the grant funds for an independent evaluation, as required by section 4404(b)(9), of the innovative practices carried out with the grant.

“(b) Authority to Subgrant.—A nonprofit organization that receives a grant under this part may use the grant funds to make subgrants to other entities to provide support to 1 or more schools or local educational agencies. Any such entity shall comply with the requirements of this part relating to grantees, as appropriate.

“SEC. 4406. PERFORMANCE MEASURES.

“The Secretary shall establish performance measures for the programs and activities carried out under this part. These measures, at a minimum, shall track the grantee’s progress in—

“(1) improving outcomes for each subgroup described in section 1111(b)(2)(C)(v) that is served by the grantee on measures, including, as applicable, by—

“(A) increasing student achievement and decreasing achievement gaps;

“(B) increasing high school graduation rates;

“(C) increasing college enrollment rates and rates of college persistence;
“(D) improving teacher and school leader
effectiveness;
“(E) improving school readiness; and
“(F) any other indicator as the Secretary
or grantee may determine; and
“(2) implementing its project in rural schools,
as applicable.

“SEC. 4407. REPORTING; ANNUAL REPORT.
“A local educational agency, educational service agen-
cy, or nonprofit organization that receives a grant under
this part shall submit to the Secretary, at such time and
in such manner as the Secretary may require, an annual
report that includes, among other things, information on
the applicant’s progress on the performance measures es-
tablished under section 4406, and the data supporting
that progress.

“SEC. 4408. AUTHORIZATION OF APPROPRIATIONS.
“There are authorized to be appropriated to carry out
this part $500,000,000 for fiscal year 2012 and such sums
as may be necessary for each of the 5 succeeding fiscal
years.”.

(b) TABLE OF CONTENTS.—The table of contents in
section 2 of the Elementary and Secondary Education Act
of 1965 is amended by inserting after the item relating
to section 4304 the following:

“PART D—INVESTING IN INNOVATION
Sec. 4401. Purposes.
Sec. 4402. National activities.
Sec. 4403. Program authorized; length of grants; priorities.
Sec. 4404. Applications.
Sec. 4405. Uses of funds.
Sec. 4406. Performance measures.
Sec. 4407. Reporting; annual report.
Sec. 4408. Authorization of appropriations.”.