

United States, which I think is a horrible thing to do. I am sorry that he objected. He will have to answer for his objection.

Mr. OBEY. Mr. Speaker, I ask unanimous consent—

Mr. SMITH of Oregon. I object.

The SPEAKER pro tempore. Objection is heard.

Mr. OBEY. Mr. Speaker, that is fine. The gentleman can live with the objection. I was trying to do him a favor. Forget it. No, I do not want to speak now. If the gentleman does not want to work it out, then I object.

REQUEST TO ADDRESS THE HOUSE

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. For 1 minute?

Ms. KAPTUR. I hope for at least 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio to address the House for 1 minute?

Mr. SMITH of Oregon. Mr. Speaker, I reserve the right to object. I would like to ask the gentleman what subject she would like to discuss.

Ms. KAPTUR. Mr. Speaker, if the gentleman will yield, I would like to ask the chairman a question or two.

Mr. SMITH of Oregon. I suppose that that is in order, Mr. Speaker, but since the issue is no longer before us, there was an objection made, then we cannot go forward, so this issue is dead. So I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO SPEAK OUT OF ORDER

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to speak out of order for 1½ minutes.

The SPEAKER pro tempore. Objection has just been heard to that request.

Ms. KAPTUR. Who objected to that?

Mr. SMITH of Oregon. I did.

Ms. KAPTUR. Mr. Speaker, it is obvious to the membership that something is going on here. Something is going on here that should trouble the membership.

REQUEST TO SPEAK OUT OF ORDER

Mr. STENHOLM. Mr. Speaker, I ask unanimous consent to speak out of order for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Ms. KAPTUR. I object.

The SPEAKER pro tempore. Objection is heard.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, an-

nounced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2264) "An Act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes."

READING EXCELLENCE ACT

Mr. GOODLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2614) to improve the reading and literacy skills of children and families by improving in-service instructional practices for teachers who teach reading, to stimulate the development of more high-quality family literacy programs, to support extended learning-time opportunities for children, to ensure that children can read well and independently not later than third grade, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2614

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 "Reading Excellence Act".

TITLE I—READING GRANTS

SEC. 101. AMENDMENT TO ESEA FOR READING GRANTS.

The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended by adding at the end the following:

"TITLE XV—READING GRANTS

"SEC. 15101. PURPOSE.

"The purposes of this title are as follows:
 "(1) To teach every child to read in their early childhood years—

"(A) as soon as they are ready to read; or
 "(B) as soon as possible once they enter school, but not later than 3d grade.

"(2) To improve the reading skills of students, and the in-service instructional practices for teachers who teach reading, through the use of findings from reliable, replicable research on reading, including phonics.

"(3) To expand the number of high-quality family literacy programs.

"(4) To reduce the number of children who are inappropriately referred to special education due to reading difficulties.

"SEC. 15102. DEFINITIONS.

"For purposes of this title:

"(1) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term 'eligible professional development provider' means a provider of professional development in reading instruction to teachers that is based on reliable, replicable research on reading.

"(2) ELIGIBLE RESEARCH INSTITUTION.—The term 'eligible research institution' means an institution of higher education at which reliable, replicable research on reading has been conducted.

"(3) FAMILY LITERACY SERVICES.—The term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing welfare dependency) and that integrate all of the following activities:

"(A) Interactive literacy activities between parents and their children.

"(B) Equipping parents to partner with their children in learning.

"(C) Parent literacy training, including training that contributes to economic self-sufficiency.

"(D) Appropriate instruction for children of parents receiving parent literacy services.

"(4) READING.—The term 'reading' means the process of comprehending the meaning of written text by depending on—

"(A) the ability to use phonics skills, that is, knowledge of letters and sounds, to decode printed words quickly and effortlessly, both silently and aloud;

"(B) the ability to use previously learned strategies for reading comprehension; and

"(C) the ability to think critically about the meaning, message, and aesthetic value of the text.

"(5) READING READINESS.—The term 'reading readiness' means activities that—

"(A) provide experience and opportunity for language development;

"(B) create appreciation of the written word;

"(C) develop an awareness of printed language, the alphabet, and phonemic awareness; and

"(D) develop an understanding that spoken and written language is made up of phonemes, syllables, and words.

"(6) RELIABLE, REPLICABLE RESEARCH.—The term 'reliable, replicable research' means objective, valid, scientific studies that—

"(A) include rigorously defined samples of subjects that are sufficiently large and representative to support the general conclusions drawn;

"(B) rely on measurements that meet established standards of reliability and validity;

"(C) test competing theories, where multiple theories exist;

"(D) are subjected to peer review before their results are published; and

"(E) discover effective strategies for improving reading skills.

"SEC. 15103. GRANTS TO READING AND LITERACY PARTNERSHIPS.

"(a) PROGRAM AUTHORIZED.—The Secretary may make grants on a competitive basis to reading and literacy partnerships for the purpose of permitting such partnerships to make subgrants under sections 15104 and 15105.

"(b) READING AND LITERACY PARTNERSHIPS.—

"(1) COMPOSITION.—

"(A) REQUIRED PARTICIPANTS.—In order to receive a grant under this section, a State shall establish a reading and literacy partnership consisting of at least the following participants:

"(i) The Governor of the State.

"(ii) The chief State school officer.

"(iii) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

"(iv) A representative, selected jointly by the Governor and the chief State school officer, of at least 1 local educational agency that has at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

"(v) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using volunteers.

"(B) OPTIONAL PARTICIPANTS.—A reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, which may include—

“(i) State directors of appropriate Federal or State programs with a strong reading component;

“(ii) a parent of a public or private school student or a parent who educates their child or children in their home;

“(iii) a teacher who teaches reading; or

“(iv) a representative of (I) an institution of higher education operating a program of teacher preparation in the State; (II) a local educational agency; (III) an eligible research institution; (IV) a private nonprofit or for-profit eligible professional development provider providing instruction based on reliable, replicable research on reading; (V) a family literacy service provider; (VI) an adult education provider; (VII) a volunteer organization that is involved in reading programs; or (VIII) a school or a public library that offers reading or literacy programs for children or families.

“(2) AGREEMENT.—The contractual agreement that establishes a reading and literacy partnership—

“(A) shall specify—

“(i) the nature and extent of the association among the participants referred to in paragraph (1); and

“(ii) the roles and duties of each such participant; and

“(B) shall remain in effect during the entire grant period proposed in the partnership's grant application under subsection (e).

“(3) FUNCTIONS.—Each reading and literacy partnership for a State shall prepare and submit an application under subsection (e) and, if the partnership receives a grant under this section—

“(A) shall solicit applications for, and award, subgrants under sections 15104 and 15105;

“(B) shall oversee the performance of the subgrants and submit performance reports in accordance with subsection (h);

“(C) if sufficient grant funds are available under this title—

“(i) work to enhance the capacity of agencies in the State to disseminate reliable, replicable research on reading to schools, classrooms, and providers of early education and child care;

“(ii) facilitate the provision of technical assistance to subgrantees under sections 15104 and 15105 by providing them information about technical assistance providers; and

“(iii) build on, and promote coordination among, literacy programs in the State, in order to increase their effectiveness and to avoid duplication of their efforts; and

“(D) shall ensure that each local educational agency to which the partnership makes a subgrant under section 15104 makes available, upon request and in an understandable and uniform format, to any parent of a student attending any school selected under section 15104(a)(2) in the geographic area served by the agency, information regarding the qualifications of the student's classroom teacher to provide instruction in reading.

“(4) FISCAL AGENT.—The State educational agency shall act as the fiscal agent for the reading and literacy partnership for the purposes of receipt of funds from the Secretary, disbursement of funds to subgrantees under sections 15104 and 15105, and accounting for such funds.

“(c) PRE-EXISTING PARTNERSHIP.—If, before the date of the enactment of the Reading Excellence Act, a State established a consortium, partnership, or any other similar body, that includes the Governor and the chief State school officer and has, as a central part of its mission, the promotion of literacy for children in their early childhood years through the 3d grade, but that does not satisfy the requirements of subsection (b)(1),

the State may elect to treat that consortium, partnership, or body as the reading and literacy partnership for the State notwithstanding such subsection, and it shall be considered a reading and literacy partnership for purposes of the other provisions of this title.

“(d) MULTI-STATE PARTNERSHIP ARRANGEMENTS.—A reading and literacy partnership that satisfies the requirements of subsection (b) may join with other such partnerships in other States to develop a single application that satisfies the requirements of subsection (e) and identifies which State educational agency, from among the States joining, shall act as the fiscal agent for the multi-State arrangement. For purposes of the other provisions of this title, any such multi-State arrangement shall be considered to be a reading and literacy partnership.

(e) APPLICATIONS.—A reading and literacy partnership that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and including such information as the Secretary may require. The application—

“(1) shall describe how the partnership will ensure that 95 percent of the grant funds are used to make subgrants under sections 15104 and 15105;

“(2) shall be integrated, to the maximum extent possible, with State plans and programs under this Act, the Individuals with Disabilities Education Act, and, to the extent appropriate, the Adult Education Act;

“(3) shall describe how the partnership will ensure that professional development funds available at the State and local levels are used effectively to improve instructional practices for reading and are based on reliable, replicable research on reading;

“(4) shall describe—

“(A) the contractual agreement that establishes the partnership, including at least the elements of the agreement referred to in subsection (b)(2);

“(B) how the partnership will assess, on a regular basis, the extent to which the activities undertaken by the partnership and the partnership's subgrantees under this title have been effective in achieving the purposes of this title;

“(C) what evaluation instruments the partnership will use to determine the success of local educational agencies to whom subgrants under sections 15104 and 15105 are made in achieving the purposes of this title;

“(D) how subgrants made by the partnership under such sections will meet the requirements of this title, including how the partnership will ensure that subgrantees will use practices based on reliable, replicable research on reading; and

“(E) how the partnership will, to the extent practicable, make grants to subgrantees in both rural and urban areas;

“(5) shall include an assurance that each local educational agency to whom the partnership makes a subgrant under section 15104—

“(A) will carry out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child's first and most important teacher, and will make payments for the receipt of technical assistance for the development of such programs;

“(B) will carry out programs to assist those kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills;

“(C) will use supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading, to provide additional support, before school, after school, on weekends, during non-instructional periods of the school day,

or during the summer, for students in grades 1 through 3 who are experiencing difficulty reading; and

“(D) will carry out professional development for the classroom teacher and other appropriate teaching staff on the teaching of reading based on reliable, replicable research on reading; and

“(6) shall describe how the partnership—

“(A) will ensure that a portion of the grant funds that the partnership receives in each fiscal year will be used to make subgrants under section 15105; and

“(B) will make local educational agencies described in section 15105(a)(1) aware of the availability of such subgrants.

“(f) PEER REVIEW PANEL.—

“(1) COMPOSITION OF PEER REVIEW PANEL.—

“(A) IN GENERAL.—The National Institute for Literacy, in consultation with the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development, and the Secretary, shall convene a panel to evaluate applications under this section. At a minimum the panel shall include representatives of the National Institute for Literacy, the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development, and the Secretary.

“(B) EXPERTS.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, based on reliable, replicable research on reading.

“(C) LIMITATION.—Not more than 1/3 of the panel may be composed of individuals who are employees of the Federal Government.

“(2) PAYMENT OF FEES AND EXPENSES OF CERTAIN MEMBERS.—The Secretary shall use funds reserved under section 15109(b)(2) to pay the expenses and fees of panel members who are not employees of the Federal Government.

“(3) DUTIES OF PANEL.—

“(A) MODEL APPLICATION FORMS.—The peer review panel shall develop a model application form for reading and literacy partnerships desiring to apply for a grant under this section. The peer review panel shall submit the model application form to the Secretary for final approval.

“(B) SELECTION OF APPLICATIONS.—

“(i) RECOMMENDATIONS OF PANEL.—

“(I) IN GENERAL.—The Secretary shall receive grant applications from reading and literacy partnerships under this section and shall provide the applications to the peer review panel for evaluation. With respect to each application, the peer review panel shall initially recommend the application for funding or for disapproval.

“(II) PRIORITY.—In recommending applications to the Secretary, the panel shall give priority to applications from States that have modified, are modifying, or provide an assurance that not later than 1 year after receiving a grant under this section the State will modify, State teacher certification in the area of reading to reflect reliable, replicable research, except that nothing in this Act shall be construed to establish a national system of teacher certification.

“(III) RANKING OF APPLICATIONS.—With respect to each application recommended for funding, the panel shall assign the application a rank, relative to other recommended applications, based on the priority described in subclause (II), the extent to which the application furthers the purposes of this part, and the overall quality of the application.

“(IV) RECOMMENDATION OF AMOUNT.—With respect to each application recommended for

funding, the panel shall make a recommendation to the Secretary with respect to the amount of the grant that should be made.

“(ii) SECRETARIAL SELECTION.—

“(i) IN GENERAL.—Subject to clause (iii), the Secretary shall determine, based on the peer review panel’s recommendations, which applications from reading and literacy partnerships shall receive funding and the amounts of such grants. In determining grant amounts, the Secretary shall take into account the total amount of funds available for all grants under this section and the types of activities proposed to be carried out by the partnership.

“(ii) EFFECT OF RANKING BY PANEL.—In making grants under this section, the Secretary shall select applications according to the ranking of the applications by the peer review panel, except in cases where the Secretary determines, for good cause, that a variation from that order is appropriate.

“(iii) MINIMUM GRANT AMOUNTS.—Each reading and literacy partnership selected to receive a grant under this section shall receive an amount for each fiscal year that is not less than \$100,000.

“(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—A reading and literacy partnership that receives a grant under this section may use not more than 3 percent of the grant funds for administrative costs.

“(h) REPORTING.—

“(i) IN GENERAL.—A reading and literacy partnership that receives a grant under this section shall submit performance reports to the Secretary pursuant to a schedule to be determined by the Secretary, but not more frequently than annually. Such reports shall include—

“(A) the results of use of the evaluation instruments referred to in subsection (e)(4)(C);

“(B) the process used to select subgrantees;

“(C) a description of the subgrantees receiving funds under this title; and

“(D) with respect to subgrants under section 15104, the model or models of reading instruction, based on reliable, replicable research on reading, selected by subgrantees.

“(2) PROVISION TO PEER REVIEW PANEL.—The Secretary shall provide the reports submitted under paragraph (1) to the peer review panel convened under subsection (f). The panel shall use such reports in recommending applications for funding under this section.

“**SEC. 15104. LOCAL READING IMPROVEMENT SUBGRANTS.**

“(a) IN GENERAL.—

“(1) SUBGRANTS.—A reading and literacy partnership that receives a grant under section 15103 shall make subgrants, on a competitive basis, to local educational agencies that have at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

“(2) ROLE OF LOCAL EDUCATIONAL AGENCIES.—A local educational agency that receives a subgrant under this section shall use the subgrant in a manner consistent with this section to advance reform of reading instruction in any school selected by the agency that—

“(A) is identified for school improvement under section 1116(c) at the time the agency receives the subgrant; and

“(B) has a contractual association with 1 or more community-based organizations that have established a record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy.

“(b) GRANT PERIOD.—A subgrant under this section shall be for a period of 3 years and may not be revoked or terminated on the ground that a school ceases, during the grant

period, to be identified for school improvement under section 1116(c).

“(c) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the reading and literacy partnership at such time, in such manner, and including such information as the partnership may require. The application—

“(1) shall describe how the local educational agency will work with schools selected by the agency under subsection (a)(2) to select 1 or more models of reading instruction, developed using reliable, replicable research on reading, as a model for implementing and improving reading instruction by all teachers and for all children in each of the schools selected by the agency under such subsection and, where appropriate, their parents;

“(2) shall select 1 or more models described in paragraph (1), for the purpose described in such paragraph, and shall describe each such selected model;

“(3) shall demonstrate that a person responsible for the development of each such model, or a person with experience or expertise about such model and its implementation, has agreed to work with the applicant in connection with such implementation and improvement efforts;

“(4) shall describe—

“(A) how the applicant will ensure that funds available under this title, and funds available for reading for grades kindergarten through grade 6 from other appropriate sources, are effectively coordinated and, where appropriate, integrated, with funds under this Act in order to improve existing activities in the areas of reading instruction, professional development, program improvement, parental involvement, technical assistance, and other activities that can help meet the purposes of this title; and

“(B) the amount of funds available for reading for grades kindergarten through grade 6 from appropriate sources other than this title, including title I of this Act (except that such description shall not be required to include funds made available under part B of title I of this Act unless the applicant has established a contractual association in accordance with subsection (d)(2) with an eligible entity under such part B), the Individuals with Disabilities Education Act, and any other law providing Federal financial assistance for professional development for teachers of such grades who teach reading, which will be used to help achieve the purposes of this title;

“(5) shall describe the amount and nature of funds from any other public or private sources, including funds received under this Act and the Individuals with Disabilities Education Act, that will be combined with funds received under the subgrant;

“(6) shall include an assurance that the applicant—

“(A) will carry out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child’s first and most important teacher, will make payments for the receipt of technical assistance for the development of such programs;

“(B) will carry out programs to assist those kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills;

“(C) will use supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading, to provide additional support, before school, after school, on weekends, during non-instructional periods of the school day, or during the summer, for students in grades

1 through 3 who are experiencing difficulty reading; and

“(D) will carry out professional development for the classroom teacher and other teaching staff on the teaching of reading based on reliable, replicable research on reading;

“(7) shall describe how the local educational agency provides instruction in reading to children who have not been determined to be a child with a disability (as defined in section 602 of the Individuals with Disabilities Education Act), pursuant to section 614(b)(5) of such Act, because of a lack of instruction in reading; and

“(8) shall indicate the amount of the subgrant funds (if any) that the applicant will use to carry out the duties described in section 15105(b)(2).

“(d) PRIORITY.—In approving applications under this section, a reading and literacy partnership shall give priority to applications submitted by applicants who demonstrate that they have established—

“(1) a contractual association with 1 or more Head Start programs under the Head Start Act under which—

“(A) the Head Start programs agree to select the same model or models of reading instruction, as a model for implementing and improving the reading readiness of children participating in the program, as was selected by the applicant; and

“(B) the applicant agrees—

“(i) to share with the Head Start programs an appropriate amount of their information resources with respect to the model, such as curricula materials; and

“(ii) to train personnel from the Head Start programs;

“(2) a contractual association with 1 or more State- or federally-funded preschool programs, or family literacy programs, under which—

“(A) the programs agree to select the same model or models of reading instruction, as a model for implementing and improving reading instruction in the program’s programs, as was selected by the applicant; and

“(B) the applicant agrees to train personnel from the programs who work with children and parents in schools selected under subsection (a)(2); or

“(3) a contractual association with 1 or more public libraries providing reading or literacy services to preschool children, or preschool children and their families, under which—

“(A) the libraries agree to select the same model or models of reading instruction, as a model for implementing and improving reading instruction in the library’s reading or literacy programs, as was selected by the applicant; and

“(B) the applicant agrees to train personnel, including volunteers, from such programs who work with preschool children, or preschool children and their families, in schools selected under subsection (a)(2).

“(e) USE OF FUNDS.—

“(1) IN GENERAL.—Subject to paragraph (2), an applicant who receives a subgrant under this section may use the subgrant funds to carry out activities that are authorized by this title and described in the subgrant application, including the following:

“(A) Making reasonable payments for technical and other assistance to a person responsible for the development of a model of reading instruction, or a person with experience or expertise about such model and its implementation, who has agreed to work with the recipient in connection with the implementation of the model.

“(B) Carrying out a contractual agreement described in subsection (d).

“(C) Professional development (including training of volunteers), purchase of curricular and other supporting materials, and technical assistance.

“(D) Providing, on a voluntary basis, training to parents of children enrolled in a school selected under subsection (a)(2) on how to help their children with school work, particularly in the development of reading skills. Such training may be provided directly by the subgrant recipient, or through a grant or contract with another person. Such training shall be consistent with reading reforms taking place in the school setting.

“(E) Carrying out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child's first and most important teacher, and making payments for the receipt of technical assistance for the development of such programs.

“(F) Providing instruction for parents of children enrolled in a school selected under subsection (a)(2), and others who volunteer to be reading tutors for such children, in the instructional practices based on reliable, replicable research on reading used by the applicant.

“(G) Programs to assist those kindergarten students enrolled in a school selected under subsection (a)(2) who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills.

“(H) Providing additional support for students, enrolled in a school selected under subsection (a)(2), in grades 1 through 3, who are experiencing difficulty reading, before school, after school, on weekends, during non-instructional periods of the school day, or during the summer using supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading.

“(I) Carrying out the duties described in section 15105(b)(2) for children enrolled in a school selected under subsection (a)(2).

“(J) Providing reading assistance to children who have not been determined to be a child with a disability (as defined in section 602 of the Individuals with Disabilities Education Act), pursuant to section 614(b)(5) of such Act, because of a lack of instruction in reading.

“(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—A recipient of a subgrant under this section may use not more than 3 percent of the subgrant funds for administrative costs.

“(f) TRAINING NON-RECIPIENTS.—A recipient of a subgrant under this section may train, on a fee-for-service basis, personnel are from schools, or local educational agencies, that are not receiving such a subgrant in the instructional practices based on reliable, replicable research on reading used by the recipient. Such a non-recipient school may use funds received under title I of this Act, and other appropriate Federal funds used for reading instruction, to pay for such training, to the extent consistent with the law under which such funds were received.

“SEC. 15105. TUTORIAL ASSISTANCE SUBGRANTS.

“(a) IN GENERAL.—

“(1) SUBGRANTS.—A reading and literacy partnership that receives a grant under section 15103 shall make subgrants on a competitive basis to—

“(A) local educational agencies that have at least 1 school in the geographic area served by the agency that—

“(i) is located in an area designated as an empowerment zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

“(ii) is located in an area designated as an enterprise community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

“(B) in the case of local educational agencies that do not have any such empowerment zone or enterprise community in the State in which the agency is located, local educational agencies that have at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

“(2) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the reading and literacy partnership at such time, in such manner, and including such information as the partnership may require. The application shall include an assurance that the agency will use the subgrant funds to carry out the duties described in subsection (b) for children enrolled in 1 or more schools selected by the agency and described in paragraph (1).

“(b) USE OF FUNDS.—

“(1) IN GENERAL.—A local educational agency that receives a subgrant under this section shall carry out, using the funds provided under the subgrant, each of the duties described in paragraph (2).

“(2) DUTIES.—The duties described in this paragraph are the provision of tutorial assistance in reading to children who have difficulty reading, using instructional practices based on the principles of reliable, replicable research, through the following:

“(A) The promulgation of a set of objective criteria, pertaining to the ability of a tutorial assistance provider successfully to provide tutorial assistance in reading, that will be used to determine in a uniform manner, at the beginning of each school year, the eligibility of tutorial assistance providers, subject to the succeeding subparagraphs of this paragraph, to be included on the list described in subparagraph (B) (and thereby be eligible to enter into a contract pursuant to subparagraph (F)).

“(B) The promulgation, maintenance, and approval of a list of tutorial assistance providers eligible to enter into a contract pursuant to subparagraph (F) who—

“(i) have established a record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy;

“(ii) are located in a geographic area convenient to the school or schools attended by the children who will be receiving tutorial assistance from the providers; and

“(iii) are capable of providing tutoring in reading to children who have difficulty reading, using instructional practices based on the principles of reliable, replicable research and consistent with the instructional methods used by the school the child attends.

“(C) The development of procedures (I) for the receipt of applications for tutorial assistance, from parents who are seeking such assistance for their child or children, that select a tutorial assistance provider from the list described in subparagraph (B) with whom the child or children will enroll, for tutoring in reading; and (II) for considering children for tutorial assistance who are identified under subparagraph (D) and for whom no application has been submitted, provided that such procedures are in accordance with this paragraph and give such parents the right to select a tutorial assistance provider from the list referred to in subparagraph (B), and shall permit a local educational agency to recommend a tutorial assistance provider from the list under subparagraph (B) in a case where a parent asks for assistance in the making of such selection.

“(D) The development of a selection process for providing tutorial assistance in accordance with this paragraph that limits the provision of assistance to children identified, by the school the child attends, as having

difficulty reading, including difficulty mastering essential phonic, decoding, or vocabulary skills. In the case of a child included in the selection process for whom no application has been submitted by a parent of the child, the child's eligibility for receipt of tutorial assistance shall be determined under the same procedures, timeframe, and criteria for consideration as is used to determine the eligibility of a child whose parent has submitted such an application. Such local educational agency shall apply the provisions of subparagraphs (F) and (G) to a tutorial assistance provider selected for a child whose parent has not submitted an application pursuant to subparagraph (C)(I) in the same manner as the provisions are applied to a provider selected in an application submitted pursuant to subparagraph (C)(I).

“(E) The development of procedures for selecting children to receive tutorial assistance, to be used in cases where insufficient funds are available to provide assistance with respect to all children identified by a school under subparagraph (D) that—

“(i) gives priority to children who are determined, through State or local reading assessments, to be most in need of tutorial assistance; and

“(ii) gives priority, in cases where children are determined, through State or local reading assessments, to be equally in need of tutorial assistance, based on a random selection principle.

“(F) The development of a methodology by which payments are made directly to tutorial assistance providers who are identified and selected pursuant to subparagraphs (C) (D), and (E) that is selected for funding. Such methodology shall include the making of a contract, consistent with State and local law, between the tutorial assistance provider and the local educational agency carrying out this paragraph. Such contract—

“(i) shall contain specific goals and timetables with respect to the performance of the tutorial assistance provider;

“(ii) shall require the tutorial assistance provider to report to the parent and the local educational agency on the provider's performance in meeting such goals and timetables; and

“(iii) shall contain provisions with respect to the making of payments to the tutorial assistance provider by the local educational agency.

“(G) The development of procedures under which the local educational agency carrying out this paragraph—

“(i) will ensure oversight of the quality and effectiveness of the tutorial assistance provided by each tutorial assistance provider who is identified and selected by a parent in an application submitted pursuant to subparagraph (C) that is selected for funding;

“(ii) will remove from the list under subparagraph (B) ineffective and unsuccessful providers (as determined by the local educational agency based upon the performance of the provider with respect to the goals and timetables contained in the contract between the agency and the provider under subparagraph (F));

“(iii) will provide to each parent of a child identified under subparagraph (D) who requests such information for the purpose of selecting a tutorial assistance provider for the child, in a comprehensible format, information with respect to the quality and effectiveness of the tutorial assistance referred to in clause (i); and

“(iv) will ensure that each school identifying a child under subparagraph (D) will provide upon request, to a parent of the child, assistance in selecting, from among the tutorial assistance providers who are included on the list described in subparagraph (B), the

provider who is best able to meet the needs of the child.

“(c) DEFINITION. For the purposes of this section the term “parent” or “parents” includes a legal guardian or legal guardians of the child.

“SEC. 15106. PROGRAM EVALUATION.

“(a) IN GENERAL.—From funds reserved under section 15109(b)(1), the Secretary shall conduct a national assessment of the programs under this title. In developing the criteria for the assessment, the Secretary shall receive recommendations from the peer review panel convened under section 15103(f).

“(b) SUBMISSION TO PEER REVIEW PANEL.—The Secretary shall submit the findings from the assessment under subsection (a) to the peer review panel convened under section 15103(f).

“SEC. 15107. INFORMATION DISSEMINATION.

“(a) IN GENERAL.—From funds reserved under section 15109(b)(2), the National Institute for Literacy shall disseminate information on reliable, replicable research on reading and information on subgrantee projects under section 15104 or 15105 that have proven effective. At a minimum, the institute shall disseminate such information to all recipients of Federal financial assistance under titles I and VII of this Act, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education Act.

“(b) COORDINATION.—In carrying out this section, the National Institute for Literacy—

“(1) shall use, to the extent practicable, information networks developed and maintained through other public and private persons, including the Secretary, the National Center for Family Literacy, and the Readline Program;

“(2) shall work in conjunction with any panel convened by the National Institute of Child Health and Human Development and the Secretary and any panel convened by the Office of Educational Research and Improvement to assess the current status of research-based knowledge on reading development, including the effectiveness of various approaches to teaching children to read, with respect to determining the criteria by which the National Institute for Literacy judges reliable, replicable research and the design of strategies to disseminate such information; and

“(3) shall assist any reading and literacy partnership selected to receive a grant under section 15103, and that requests such assistance—

“(A) in determining whether applications for subgrants submitted to the partnership meet the requirements of this title relating to reliable, replicable research on reading; and

“(B) in the development of subgrant application forms.

“SEC. 15108. STATE EVALUATIONS.

“(a) IN GENERAL.—Each reading and literacy partnership that receives a grant under this title shall reserve not more than 2 percent of such grant funds for the purpose of evaluating the success of the partnership's subgrantees in meeting the purposes of this title. At a minimum, the evaluation shall measure the extent to which students who are the intended beneficiaries of the subgrants made by the partnership have improved their reading.

“(b) CONTRACT.—A reading and literacy partnership shall carry out the evaluation under this section by entering into a contract with an eligible research institution under which the institution will perform the evaluation.

“(c) SUBMISSION.—A reading and literacy partnership shall submit the findings from the evaluation under this section to the Secretary and the peer review panel convened

under section 15103(f). The Secretary and the peer review panel shall submit a summary of the findings from the evaluations under this subsection to the appropriate committees of the Congress, including the Education and the Workforce Committee of the House of Representatives.

“SEC. 15109. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS FROM APPROPRIATIONS; SUNSET.

“(a) AUTHORIZATION.—There are authorized to be appropriated to carry out this title \$260,000,000 for fiscal years 1998, 1999, and 2000.

“(b) RESERVATIONS.—From amount appropriated under subsection (a), the Secretary—

“(1) shall reserve 1.5 percent of the amount appropriated under subsection (a) for each fiscal year to carry out section 15106(a);

“(2) shall reserve \$5,075,000 to carry out sections 15103(f)(2) and 15107, of which \$5,000,000 shall be reserved for section 15107; and

“(3) shall reserve \$10,000,000 to carry out section 1202(c).

“(c) SUNSET.—Notwithstanding section 422(a) of the General Education Provisions Act, this title is repealed, effective September 30, 2000, and is not subject to extension under such section.”.

TITLE II—AMENDMENTS TO EVEN START FAMILY LITERACY PROGRAMS

SEC. 201. RESERVATION FOR GRANTS.

Section 1202(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)) is amended to read as follows:

“(c) RESERVATION FOR GRANTS.—

“(1) GRANTS AUTHORIZED.—From funds reserved under section 15109(b)(3), the Secretary shall award grants, on a competitive basis, to States to enable such States to plan and implement, statewide family literacy initiatives to coordinate and integrate existing Federal, State, and local literacy resources consistent with the purposes of this part. Such coordination and integration shall include funds available under the Adult Education Act, Head Start, this part, part A of this title, and part A of title IV of the Social Security Act.

“(2) CONSORTIA.—

“(A) ESTABLISHMENT.—To receive a grant under this subsection, a State shall establish a consortium of State-level programs under the following laws:

“(i) This title.

“(ii) The Head Start Act.

“(iii) The Adult Education Act.

“(iv) All other State-funded preschool programs and programs providing literacy services to adults.

“(B) PLAN.—To receive a grant under this subsection, the consortium established by a State shall create a plan to use a portion of the State's resources, derived from the programs referred to in subparagraph (A), to strengthen and expand family literacy services in such State.

“(C) COORDINATION WITH TITLE XV.—The consortium shall coordinate its activities with the activities of the reading and literacy partnership for the State established under section 15103, if the State receives a grant under such section.

“(3) READING INSTRUCTION.—Statewide family literacy initiatives implemented under this subsection shall base reading instruction on reliable, replicable research on reading (as such terms are defined in section 15102).

“(4) TECHNICAL ASSISTANCE.—The Secretary shall provide, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to States receiving a grant under this subsection.

“(5) MATCHING REQUIREMENT.—The Secretary shall not make a grant to a State under this subsection unless the State agrees that, with respect to the costs to be incurred by the eligible consortium in carrying out the activities for which the grant was awarded, the State will make available non-Federal contributions in an amount equal to not less than the Federal funds provided under the grant.”.

SEC. 202. DEFINITIONS.

Section 1202(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

“(3) the term ‘family literacy services’ means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing welfare dependency) and that integrate all of the following activities:

“(A) Interactive literacy activities between parents and their children.

“(B) Equipping parents to partner with their children in learning.

“(C) Parent literacy training, including training that contributes to economic self-sufficiency.

“(D) Appropriate instruction for children of parents receiving parent literacy services.”.

SEC. 203. EVALUATION.

Section 1209 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6369) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(3) to provide States and eligible entities receiving a subgrant under this part, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure local evaluations undertaken under section 1205(10) provide accurate information on the effectiveness of programs assisted under this part.”.

SEC. 204. INDICATORS OF PROGRAM QUALITY.

(a) IN GENERAL.—The Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating section 1210 as section 1212; and

(2) by inserting after section 1209 the following:

“SEC. 1210. INDICATORS OF PROGRAM QUALITY.

“Each State receiving funds under this part shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this part. Such indicators shall be used to monitor, evaluate, and improve such programs within the State. Such indicators shall include the following:

“(1) With respect to eligible participants in a program who are adults—

“(A) achievement in the areas of reading, writing, English language acquisition, problem solving, and numeracy;

“(B) receipt of a high school diploma or a general equivalency diploma;

“(C) entry into a postsecondary school, job retraining program, or employment or career advancement, including the military; and

“(D) such other indicators as the State may develop.

“(2) With respect to eligible participants in a program who are children—

“(A) improvement in ability to read on grade level or reading readiness;

“(B) school attendance;

“(C) grade retention and promotion; and

“(D) such other indicators as the State may develop.”.

(b) STATE LEVEL ACTIVITIES.—Section 1203(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6363(a)) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(3) carrying out section 1210.”.

(c) AWARD OF SUBGRANTS.—Paragraphs (3) and (4) of section 1208(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368) are amended to read as follows:

“(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part for the second, third, or fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the start-up period, if any.

“(4) INSUFFICIENT PROGRESS.—The State educational agency may refuse to award subgrant funds if such agency finds that the eligible entity has not sufficiently improved the performance of the program, as evaluated based on the indicators of program quality developed by the State under section 1210, after—

“(A) providing technical assistance to the eligible entity; and

“(B) affording the eligible entity notice and an opportunity for a hearing.”.

SEC. 205. RESEARCH.

The Elementary and Secondary Education Act of 1965, as amended by section 204 of this Act, is further amended by inserting after section 1210 the following:

“SEC. 1211. RESEARCH.

“(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components of successful family literacy services, to use—

“(1) to improve the quality of existing programs assisted under this part or other family literacy programs carried out under this Act or the Adult Education Act; and

“(2) to develop models for new programs to be carried out under this Act or the Adult Education Act.

“(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 15107, the results of the research described in subsection (a) to States and recipients of subgrants under this part.”.

TITLE III—FUNDS FOR FEDERAL WORK-STUDY PROGRAMS

SEC. 301. USE OF WORK-STUDY FUNDS FOR TUTORING AND LITERACY.

Section 443 of the Higher Education Act of 1965 (42 U.S.C. 2753) is amended—

(1) in subsection (b)(2)—

(A) by striking “and” at the end of subparagraph (A)

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

“(B) in academic year 1998 and succeeding academic years, an institution shall use at least 2 percent of the total amount of funds granted to such institution under this section for such academic year in accordance with subsection (d); and”; and

(2) by adding at the end the following new subsection:

“(d) TUTORING AND LITERACY ACTIVITIES.—

“(1) USE OF FUNDS.—In any academic year to which subsection (b)(2)(B) applies, an institution shall use the amount required to be used in accordance with this subsection to

compensate (including compensation for time spent in directly related training and travel) students—

“(A) employed as a reading tutor for children who are in preschool through elementary school; or

“(B) employed in family literacy projects.

“(2) PRIORITY FOR SCHOOLS.—An institution shall—

“(A) give priority, in using such funds, to the employment of students in the provision of tutoring services in schools that—

“(i) are identified for school improvement under section 1116(c) of the Elementary and Secondary Education Act of 1965; or

“(ii) are selected by a local educational agency under section 15104(a)(2) of such Act; and

“(B) ensure that any student compensated with such funds who is employed in a school selected under section 15104(a)(2) of the Elementary and Secondary Education Act of 1965 is trained in the instructional practices based on reliable, replicable research on reading used by the school pursuant to such section 15104.

“(3) FEDERAL SHARE.—The Federal share of the compensation of work study students compensated under this subsection may exceed 75 percent.

“(4) WAIVER.—The Secretary may waive the requirements of this subsection if the Secretary determines that enforcing such requirements would cause a hardship for students at the institution.

“(5) RETURN OF FUNDS.—Any institution that does not use the amount required under this subsection, and that does not request and receive a waiver from the Secretary under paragraph (4), shall return to the Secretary, at such time as the Secretary may require for reallocation under paragraph (6), any balance of such amount that is not used as so required.

“(6) REALLOCATION.—The Secretary shall reallocate any amounts returned pursuant to paragraph (5) among institutions that used at least 4 percent of the total amount of funds granted to such institution under this section to compensate students employed in tutoring and literacy activities in the preceding academic year. Such funds shall be reallocated among such institutions on the same basis as excess eligible amounts are allocated to institutions pursuant to section 442(c). Funds received by institutions pursuant to this paragraph shall be used in the same manner as amounts required to be used in accordance with this subsection.”.

TITLE IV—REPEALS

SEC. 401. REPEAL OF CERTAIN UNFUNDED EDUCATION PROGRAMS.

(a) ADULT EDUCATION ACT.—The following provisions are repealed:

(1) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371 of the Adult Education Act (20 U.S.C. 1211).

(2) ENGLISH LITERACY GRANTS.—Section 372 of the Adult Education Act (20 U.S.C. 1211a).

(3) EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.—Section 373 of the Adult Education Act (20 U.S.C. 1211b).

(4) ADULT LITERACY VOLUNTEER TRAINING.—Section 382 of the Adult Education Act (20 U.S.C. 1213a).

(b) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—The following provisions are repealed:

(1) BUSINESS-LABOR-EDUCATION PARTNERSHIP FOR TRAINING.—Part D of title III of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2391 et seq.).

(2) SUPPLEMENTARY STATE GRANTS FOR FACILITIES AND EQUIPMENT AND OTHER PROGRAM IMPROVEMENT ACTIVITIES.—Part F of title III

of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2395 et seq.).

(3) COMMUNITY EDUCATION EMPLOYMENT CENTERS AND VOCATIONAL EDUCATION LIGHTHOUSE SCHOOLS.—Part G of title III of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2396 et seq.).

(4) DEMONSTRATION PROGRAMS.—Part B of title IV of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2411 et seq.).

(5) CERTAIN BILINGUAL PROGRAMS.—Subsections (b) and (c) of section 441 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2441).

(c) COMMUNITY SCHOOL PARTNERSHIPS.—The Community School Partnership Act (contained in part B of title V of the Improving America's Schools Act of 1994 (20 U.S.C. 1070 note)) is repealed.

(d) EDUCATIONAL RESEARCH, DEVELOPMENT, DISSEMINATION, AND IMPROVEMENT ACT OF 1994.—Section 941(j) of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (20 U.S.C. 6041(j)) is repealed.

(e) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The following provisions are repealed:

(1) INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.—Section 1503 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6493).

(2) SCHOOL DROPOUT ASSISTANCE.—Part C of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7261 et seq.).

(3) IMPACT AID PROGRAM.—Section 8006 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7706) is repealed.

(4) SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.—Subpart 2 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7831 et seq.).

(5) SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS.—Subpart 3 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7851 et seq.).

(6) FEDERAL ADMINISTRATION.—Subpart 5 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7871 et seq.).

(7) AUTHORIZATION OF APPROPRIATIONS.—Section 9162(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7882(c)).

(8) DE LUGO TERRITORIAL EDUCATION IMPROVEMENT PROGRAM.—Part H of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8221 et seq.).

(9) EXTENDED TIME FOR LEARNING AND LONGER SCHOOL YEAR.—Part L of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8351).

(10) TERRITORIAL ASSISTANCE.—Part M of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8371).

(f) FAMILY AND COMMUNITY ENDEAVOR SCHOOLS.—The Family and Community Endeavor Schools Act (42 U.S.C. 13792) is repealed.

(g) GOALS 2000: EDUCATE AMERICA ACT.—Subsections (b) and (d)(1) of section 601 of the Goals 2000: Educate America Act (20 U.S.C. 5951) are repealed.

(h) HIGHER EDUCATION ACT OF 1965.—The following provisions are repealed:

(1) STATE AND LOCAL PROGRAMS FOR TEACHER EXCELLENCE.—Part A of title V of the Higher Education Act of 1965 (20 U.S.C. 1102 et seq.).

(2) NATIONAL TEACHER ACADEMIES.—Part B of title V of the Higher Education Act of 1965 (20 U.S.C. 1103 et seq.).

(3) CLASS SIZE DEMONSTRATION GRANT.—Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.).

(4) MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS.—Subpart 4 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1110 et seq.).

(5) SMALL STATE TEACHING INITIATIVE.—Subpart 3 of part F of title V of the Higher Education Act of 1965 (20 U.S.C. 1115).

(6) EARLY CHILDHOOD EDUCATION TRAINING.—Subpart 5 of part F of title V of the Higher Education Act of 1965 (20 U.S.C. 1117 et seq.).

(7) GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.—Part E of title X of the Higher Education Act of 1965 (20 U.S.C. 1135g).

(i) HIGHER EDUCATION AMENDMENTS OF 1992.—Part E of title XV of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is repealed.

(j) REHABILITATION ACT OF 1973.—The following provisions are repealed:

(1) CAREER ADVANCEMENT TRAINING CONSORTIA.—Subsection (e) of section 302 of such Act (29 U.S.C. 771a(e)).

(2) VOCATIONAL REHABILITATION SERVICES FOR INDIVIDUALS WITH DISABILITIES.—Section 303 of such Act (29 U.S.C. 772).

(3) LOAN GUARANTEES FOR COMMUNITY REHABILITATION PROGRAMS.—Section 304 of such Act (29 U.S.C. 773).

(4) COMPREHENSIVE REHABILITATION CENTERS.—Section 305 of such Act (29 U.S.C. 775).

(5) SPECIAL DEMONSTRATION PROGRAMS.—Subsections (b) and (e) of section 311 of such Act (29 U.S.C. 777a(b) and (e)).

(6) READER SERVICES FOR INDIVIDUALS WHO ARE BLIND.—Section 314 of such Act (29 U.S.C. 777d).

(7) INTERPRETER SERVICES FOR INDIVIDUALS WHO ARE DEAF.—Section 315 of such Act (29 U.S.C. 777e).

(8) COMMUNITY SERVICE EMPLOYMENT PILOT PROGRAMS FOR INDIVIDUALS WITH DISABILITIES.—Section 611 of such Act (29 U.S.C. 795).

(9) BUSINESS OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.—Part D of title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795r).

(10) CERTAIN DEMONSTRATION ACTIVITIES.—

(A) TRANSPORTATION SERVICES GRANTS.—Subsection (a) of section 802 of such Act (29 U.S.C. 797a(a)).

(B) PROJECTS TO ACHIEVE HIGH QUALITY PLACEMENTS.—Subsection (b) of section 802 of such Act (29 U.S.C. 797a(b)).

(C) EARLY INTERVENTION DEMONSTRATION PROJECTS.—Subsection (c) of section 802 of such Act (29 U.S.C. 797a(c)).

(D) TRANSITION DEMONSTRATION PROJECTS.—Subsection (d) of section 802 of such Act (29 U.S.C. 797a(d)).

(E) BARRIERS TO SUCCESSFUL REHABILITATION OUTCOMES FOR MINORITIES.—Subsection (e) of section 802 of such Act (29 U.S.C. 797a(e)).

(F) STUDIES, SPECIAL PROJECTS, AND DEMONSTRATION PROJECTS TO STUDY MANAGEMENT AND SERVICE DELIVERY.—Subsection (f) of section 802 of such Act (29 U.S.C. 797a(f)).

(G) NATIONAL COMMISSION ON REHABILITATION SERVICES.—Subsection (h) of section 802 of such Act (29 U.S.C. 797a(h)).

(H) MODEL PERSONAL ASSISTANCE SERVICES SYSTEMS.—Subsection (i) of section 802 of such Act (29 U.S.C. 797a(i)).

(I) DEMONSTRATION PROJECTS TO UPGRADE WORKER SKILLS.—Subsection (j) of section 802 of such Act (29 U.S.C. 797a(j)).

(J) MODEL SYSTEMS REGARDING SEVERE DISABILITIES.—Subsection (k) of section 802 of such Act (29 U.S.C. 797a(k)).

(11) CERTAIN TRAINING ACTIVITIES.—

(A) DISTANCE LEARNING THROUGH TELECOMMUNICATIONS.—Subsection (a) of section 803 of such Act (29 U.S.C. 797b(a)).

(B) TRAINING REGARDING IMPARTIAL HEARING OFFICERS.—Subsection (d) of section 803 of such Act (29 U.S.C. 797b(d)).

(C) RECRUITMENT AND RETENTION OF URBAN PERSONNEL.—Subsection (e) of section 803 of such Act (29 U.S.C. 797b(e)).

(k) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Subtitle A of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is repealed.

(l) TECHNOLOGY-RELATED ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES ACT OF 1988.—Subtitle B of title II of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2241 et seq.) is repealed.

(m) NATIONAL LITERACY ACT OF 1991.—Section 304 of the National Literacy Act of 1991 (20 U.S.C. 1213c note) is repealed.

(n) AUTHORIZATION OF APPROPRIATIONS FOR INDIAN EDUCATION.—Section 9162(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7882(b)) is amended to read as follows:

“(b) SUBPART 4.—For the purpose of carrying out subpart 4 of this part, there are authorized to be appropriated to the Department of Education such sums as may be necessary for fiscal year 1995 and each of the four succeeding fiscal years.”

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MARTINEZ] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I yield myself 4 minutes.

(Mr. GOODING asked and was given permission to revise and extend his remarks.)

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act. The issue of literacy has been one of my main interests since I came to this body. Over the years I have had an opportunity to work in a bipartisan manner with many members of the committee to develop legislation directed at improving the literacy of our Nation's citizens no matter what their age. While the Even Start program, the Family Literacy Program, is high on my literacy list of achievements, I would also include changes to the Adult Education Act and the National Literacy Act.

Today we have an opportunity to support a refinement and an improvement of all existing literacy programs, the Reading Excellence Act, which will help ensure that individuals of all ages have literacy skills they need to lead productive lives. Over the years what has been missing from our efforts has been a focus of preventing reading difficulties from developing in the first place. The bill addresses this problem.

As Members know, there was a budget agreement. The budget agreement said that the President will have a literacy bill. It is our responsibility then as an authorizing committee, we did not participate in the budget agreement, but it is our responsibility then to make sure that whatever that literacy bill is, it is a well thought out literacy bill and a bill that will work. And so having that in mind, I looked at the President's bill and then I decided on what areas we should really concentrate on if we are going to improve literacy in this country.

□ 1600

The general outline then became, one, make sure that the teachers have the help they need to effectively teach reading based on reliable, replicable research, including phonics.

Now I want to make sure that what everyone should understand, we are not dictating any one way of teaching reading. Anybody that does that is asking for trouble. If they are going to teach whole language and nothing else, I will guarantee my colleagues it will be a disaster. If they are going to teach look-see, which they tried in the 1960's, that is really going to be a disaster. But what we are saying is that they should use reading readiness, reading based on reliable, replicable research, including phonics.

The second idea then would be reading readiness of the child. No first grade child should fail. It is the adult that fails, not the child. No first grade child should ever be socially promoted. That is a disaster for a child. So it is the adult that failed, not the child, so we have to find a way to deal with that issue, and what we do then is say that if a child is not ready for first grade, do not push them into first grade; that the kindergarten teacher certainly knows whether they are or are not reading-ready. If they are not, then give them the kind of effort that they need to make sure that they are reading-ready in the first place.

Second, we know that the parents are the first and most important teacher, and if they are not capable, they do not have the literacy skills themselves, then we should make sure that they do.

Third, we say that reading readiness of the child beyond first grade will be dealt with mentors and with help from outside, helping the teacher, not bringing in expensive people doing their own thing, but having people from the college work program spend more of their time helping in the community rather than emptying trash cans.

Next we say that title I schools are the most in need since we have a very little bit amount of money. Those title I schools that need the help the most would be the people who would be able to get these grants.

So we talk about reading readiness of the child, we talk about preparation of the teacher, we talk about tutorial assistance, we talk about college work-study help, and we talk about those schools most in need.

Now what I want to point out is that it is not a new program. We are trying to improve the existing literacy programs that are out there. Second, I want to again make sure my colleagues understand what we are saying is it is the budget agreement that made the decision that there would be a literacy program, and our committee is trying to make sure it is the best.

Having given that outline, the subcommittee chairman, the gentleman from California [Mr. RIGGS], with the help of the gentleman from California [Mr. MARTINEZ] and others went to

work and filled in this outline to make sure that we would have something that could be accepted by all, and I believe we have come up with that initiative.

Mr. Speaker, I reserve the balance of my time.

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I might consume.

Let me start out by saying that during the early part of this session, the President's America Reads legislation was introduced by the ranking member, the gentleman from Missouri [Mr. CLAY], myself and many other of our Democratic colleagues. That initiative focused on the use of community-based volunteer efforts that would provide additional assistance to children after school, on weekends and during the summer, with the goal of ensuring that all children can read independently by the end of the third grade. I want to commend the President for his leadership in not only putting forth this legislation, but for realizing the need to involve community-based organizations and volunteers in the goal of increased literacy for children.

Mr. Speaker, due to the budget agreement which was struck between President Clinton and congressional leaders, Republicans and Democratic Members of the Committee on Education and the Workforce and the administration have engaged in many months of negotiations with the collective aim of producing a bipartisan literacy initiative that combines the ideas of the President and our committee colleagues. In these many months we have produced what I believe is a very balanced and truly bipartisan agreement which is before us today.

Through the coupling of the President's ideas and those of the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. RIGGS], we have produced a bill that will positively impact the efforts of our country's educators in teaching children to read. This legislation, through both efforts to improve professional development of teachers in reading and the utilization of community-based organizations in the mobilization of volunteer tutors, will enable us to ensure that children will read independently by the end of the third grade. This is truly a goal which all of us can support.

This bill provides the much needed assistance for teachers to receive professional development in teaching children to read more effectively, and it will ensure that professional development is based on reliable, replicable research; in other words, proven methods of reading instruction.

During our committee's hearings on childhood literacy, we heard a large amount of testimony that what the teachers who teach reading want the most is professional development giving them effective strategies in instructing children to read. This bill will enable school districts to begin to fulfill that need.

In addition, this bill includes the priority of the President stated in his America Reads legislation to provide additional help to children learning to read through volunteer tutoring before and after school, on weekends and during the summer.

Huge success stories have happened across the country in communities which are already using the America Reads volunteer structure to ensure literate children, and this bill allows these successes to continue and grow in number. This will mean that more children who are struggling with one of the most basic and necessary components of our society will get the extra help outside the classroom that they so desperately need.

This legislation also includes provisions allowing for tutorial assistance grants. As Members know, this section of the bill has generated a significant amount of controversy and has been the object of numerous negotiation sessions between the Members over the last few weeks, including right up to the minute that this bill was presented on the floor. These negotiations have added what I believe is the key missing component of accountability, both educational and financial results. This is accomplished through the insistence that local educational agencies which provide tutorial education assistance grants must enter into contracts with tutorial assistance providers. This contracting authority includes specific goals, outcomes and timetables for student achievement, which gives local education agencies the tools to ensure that this program will help those children most in need. So I believe that this section of the bill is vastly improved and now a positive addition to the overall program.

I strongly believe that the legislation before us today will truly help children to read independently by the end of the third grade and grasp the essential literacy components necessary for employment in our technologically advanced society. I also believe that Members of both parties should feel confident that this legislation balances the two very important needs in assuring childhood literacy, strong professional development for reading teachers and additional tutoring assistance before and after school, on weekends and during the summer.

I urge all Members to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. RIGGS], the subcommittee chairman who helped put the meat on the skeleton that I provided.

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding this time to me, and the first thing I want to do is recommend to my colleagues that this is important legislation deserving of their support. I have had several of my Republican colleagues ask me if this is legislation

that I intend to support, and the answer to that is an emphatic yes. And if I can just back up for a moment and sort of walk my colleagues through the process, my colleagues will recall that the bipartisan agreement to balance the budget sets aside \$260 million for a new Federal literacy initiative. I suspect that most people, obviously, in this Chamber supported that agreement, voted for it on an overwhelmingly bipartisan basis. We then set about crafting the details of that initiative fleshing it out, if my colleagues will, and had a spirited, bipartisan give and take as to the proper approach in spending that money.

The President wanted his America Reads initiative, which would have led to a tremendous expansion of AmeriCorps, the National Service Corps Corp., and on our side of the aisle we insisted that a majority of the money be used for teacher training and to provide parents and guardians of children who have reading difficulties, who are consistently reading below grade level and behind their peers, with tutorial assistance grants. Our legislation would invest this Federal taxpayer money in family literacy as well, trying to help illiterate or semiliterate parents obtain literacy skills so that they can work with their children, because, after all, that parent is that child's first and best teacher.

We also use the money for college work program tutors. These are young people who are at institutions of higher learning, and in the process of obtaining a higher education, a college education, are getting assistance through the college work/study program, and we think that these young people are in an ideal position to fulfill their obligations under the college work/study program by helping young people learn to read better. So we want a lot of the college students participating in the college work/study program to serve as reading tutors and mentors to young people.

We also put a lot of the money into basic grants to States to improve teacher training, helping the, if my colleagues will, the teachers learn to teach better. We heard repeatedly during the course of our hearings both here in Washington, at the two literacy summits that I conducted in my congressional district, from veteran, experienced classroom teachers the need to improve their teaching skills. We had teachers, colleagues, tell us in the course of the hearings that they had never received the proper instruction in teaching reading, if my colleagues can imagine, and I know that speaks volumes about traditional teacher education at colleges and universities.

We would like to address that problem. Perhaps we can address it in a bigger way when we get around to the reauthorization of the Higher Education Act. But at least here in this bill we have made a start by providing grants to States and local school districts in those school districts that have the

most glaring need. It is documented by the fact they have the most title I students, they have the most so-called school improvement sites, and it is at those schools and with those students that we want to help teachers, classroom teachers, reading specialists, obtain the best training based on reliable, replicable research in order to do a better job teaching our young people.

And lastly, as I said, we also provide money for parents and legal guardians to obtain tutorial assistance for their children in those instances where a child needs more intensive, one-on-one type of reading instruction from a tutor that they are not able to obtain during the course of a school day, and we say that those grants can be used by parents and guardians to obtain tutoring services from a list of approved and recommended tutors by the local school districts.

So I think what we have crafted here is a good, balanced bill, one that fulfills the obligation that we have on the authorizing committee to come up with the details of the authorizing legislation to spend the \$260 million set-aside for the budget agreement.

Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act.

As a parent and former school board member, I have been alarmed over recent statistics on the number of children experiencing reading difficulties.

I am particularly saddened because I know that poor reading skills are a sign of impending academic difficulties of a much broader nature which can diminish the ability of such children to grow into productive, contributing members of society.

We know, for instance, that 50 percent of our current adult population read at the bottom two of five levels of literacy. Not surprisingly, 43 percent of those in the lowest literacy level live in poverty; 17 percent are receiving food stamps, and 70 percent are unemployed or underemployed. In addition, more than two-thirds of unwed parents, school dropouts, and those arrested have below average literacy levels. We need to act now to prevent the same type of statistics for future generations.

Over the August recess, I had the opportunity to hold two literacy summits in my congressional district. These summits were attended by individuals with a wide range of involvement in literacy activities—from those individuals working with preschool children, to teachers in elementary school, to family literacy providers, to programs working with adults.

What I found was a general agreement among summit participants that there is a need to improve the teaching of reading in our country and to provide teachers with current research on how children learn to read.

Today, millions of children are on the path toward a life of illiteracy and underachievement. This legislation provides hope for these children by giving them the opportunity to obtain the reading skills necessary to lead productive lives.

H.R. 2614 responds to the concerns raised by my constituents and other individuals who testified before our committee or who contacted us to discuss this topic. It not only focuses on providing training to teachers based

on the most reliable, replicable research on reading, it calls for the dissemination of such information to all teachers in Federal programs with a strong focus on improving the reading skills of children. This will ensure these teachers, as well as those directly assisted under this act will have the tools necessary to effectively teach reading to some of the Nation's most disadvantaged school children.

In addition, Mr. Speaker, this legislation will act as a companion to our recently enacted reform of the Individuals with Disabilities Education Act by seeking to ensure that children who are identified as not being disabled but still being unable to read will receive assistance to become literate.

Among these children are those who have historically been placed in special education under the Individuals with Disabilities Education Act. Prior to this year's amendments to IDEA, many children with reading problems were identified as learning disabled when their real problem was simply not being taught to read.

Being spared special education will save those children years of misguided assistance, but it will not solve the problem that led to the special education referral in the first place, that is, not being able to read. The Reading Excellence Act will ensure that these children, and others, are provided the reading instruction necessary to become literate.

This legislation also focuses on expanding the number of family literacy programs and providing assistance to children so they can be their child's first and most important teacher. I commend the chairman for all of his work on the issue of family literacy. I believe this approach to be one of the more effective approaches to helping to break the cycle of illiteracy in many families.

Another important aspect of this legislation is a provision which will expand quality tutoring assistance for economically disadvantaged children. We have worked with our Democrat colleagues to strengthen accountability under these grants and make other clarifying changes outlined by Chairman GOODLING. Specifically, this act would allow local educational agencies to compete for funds to provide tutorial assistance grants [TAG's]. These grants would be targeted to parents with children who have significant reading difficulties and attend a school which is within an empowerment zone or enterprise community. Using these funds, parents could choose, from among a list of qualified providers, a tutor who they feel is best suited to help their children learn to read.

To ensure that tutors are able to provide high quality services, the act requires the local education agency to compile and maintain a list of qualified tutors. To be placed on this list, tutors must have a proven track record in reading readiness, early childhood literacy and reading instruction for children in grades K-3 and must commit to providing instruction based upon reliable teaching methods—such as phonics-based instruction—that have produced results supported by replicable research.

Mr. Speaker, we have the opportunity to make a significant difference in the future of many children who currently are unable to read. I urge my colleagues to seize upon this opportunity and support the Reading Excellence Act.

Mr. MARTINEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I, first of all, salute the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. RIGGS] for their hard work and commitment to this bipartisan bill. I also want to recognize our ranking member, the gentleman from California [Mr. MARTINEZ], and Mr. MILLER for strongly negotiating through the process our commitment to different new provisions to strengthen, I think, an existing program. So I think both sides here have worked together to craft a very, very strong bill.

Yesterday we worked in a bipartisan way to pass new ideas with a charter school bill for public choice and public education. Today we are working in a bipartisan way to strengthen the existing literacy program.

I rise in strong support of this bill, both for policy reasons and for some very, very substantive reasons which are included in this bill. First of all, in the policy reasons, again, we are not recreating the wheel, we are not coming up with a brand new program here, we are trying to find ways to improve the existing program and work with parents and teachers and volunteers and professionals to solve one of the most vexing and heartbreaking problems in America today: illiteracy.

□ 1615

It hurts businesses, costing them billions of dollars when they do not get the right kinds of employees coming out of our high schools that can read. It hurts parents who cannot read appropriately to their children. It certainly hurts children's self-esteem when they fall behind.

This bill comes up with new ideas to fix an existing problem and to improve an existing program.

What are these ideas? First of all, we focus on young children, in the kindergarten and the first grade. Next year, in the Head Start Program, we hope to move it even further, closer to 2 and 3 and 4 years old and earlier in their education.

Second, we stress family literacy, encouraging the parent to work as the child's first teacher and encouraging parents to develop literacy skills.

Third, we require States to have a professional development program for teachers. Teachers have to learn new ways. When the first way they are teaching the child doesn't work, they have to be able to teach in alternative ways.

Fourth, we encourage community-based programs, reading programs, and we require commitment from colleges that participate in the college work-study program to work as volunteers.

This is a comprehensive way to address literacy. We are doing it in a bipartisan way. We are fixing an old program with new ideas. I strongly encourage Members on both the Republican side and the Democratic side to vote for and pass this bipartisan program.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Ms. ROUKEMA], a very active member of our committee in this area, a former teacher, and very helpful in putting the legislation together.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I certainly thank the chairman for yielding me time.

Mr. Speaker, I want to congratulate the chairman and ranking member for this wonderful contribution on an issue that is so essential for all Americans. This is a bill that deserves enthusiastic support.

Mr. Speaker, I do not think there is another issue that bothers the American people as much as the question of education and how it affects their families. This represents real progress with this legislation.

Studies have shown, I might as well repeat this, it has been stated, but studies have shown that 40 percent of the Nation's fourth graders are below basic reading skills. That is something that has to be improved.

I know there are those here that want to give volunteer help through AmeriCorps. That is not the issue here today, because there is not a principal or educator in this country who would turn away volunteers. But they would also say that the most important essential need is that we train, have real reading training for teachers in the classroom. That is what this bill does. It gives that assistance to the classroom teacher and gives that training.

Mr. Speaker, I think the bill, of course, also helps lower-income parents and gives them the opportunity to gain remedial assistance, which of course we also know is important.

I would like to say, especially to my conservative friends, fellow fiscal conservative friends, I might say, because I am one of those too, I want us to know that 95 percent of the funding authorized in this legislation is driven right down into the classroom. It is not eaten up in bureaucratic overhead and administration. I think that is important for all of us to know.

Finally, I will conclude with my own commitment, as a teacher, a mother, in saying that without reading, there is no learning, and without learning, there is no education; without education, our Nation cannot compete in this increasingly competitive global economy.

Mr. Speaker, I thank the chairman and all the members of the committee for this very fine contribution.

Mr. Speaker, I rise in strong support of the Reading Excellence Act and commend the gentleman from Pennsylvania, Chairman GOODLING, for his strong leadership in this area.

Among the many laudable sections of the budget and tax cut package this Congress approved in July was an additional \$260 million to enhance literacy. Heaven knows we need it.

Recent studies have shown that 40 percent of the Nation's fourth graders possess below-

basic reading skills. Now there are many societal and educational reasons for this—but time will not allow a complete discussion here.

Quite frankly, I have been a bit puzzled by the President's approach to this new literacy program. He proposed to spend the \$260 million to send an army of barely trained paid volunteers from AmeriCorps in to low-income schools to serve as reading tutors.

Mr. Speaker, there is not a principal in this country who would turn away new volunteers at his or her school.

That's what this bill does: gives the assistance to those in the best position to make a difference—the classroom teacher.

The legislation Mr. GOODLING and our Education Committee approved emphasizes helping teachers to teach reading. This bill is grounded in the basics, and ensures that reliable and replicable research on reading techniques, such as phonics, actually reaches the classroom.

Our bill also will give lower-income parents the opportunity to gain remedial assistance for their children from trained and approved reading tutors.

To do all this, the bill creates a new system, which allows for reading and literacy partnerships—a State entity—to compete for literacy grants to use toward innovative reading programs.

Now let me close with a few words for my fellow fiscal conservatives. I want you to know that 95-percent of the funding authorized by this legislation is driven right into the classroom. It is not eaten up in bureaucratic overhead and administration.

It would add that this legislation also repeals 67 unfunded Federal Department of Education programs.

As a member of the Education Committee since coming to Congress, I have said that we need to undertake a clear-eyed evaluation of every educational program on the books, determine what works and fully-fund them and get rid of the rest. This legislation moves us in that direction.

Mr. Speaker, as a former teacher, mother of three and grandmother of five there is no more fundamental reform we can adopt to give the next generation a successful future.

Without reading, there is no learning. Without learning, there is no education. Without education, our Nation cannot compete in an increasingly competitive global economy.

We must do this for our children and our children's children. I thank the chairman and urge support for this legislation.

Mr. MARTINEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Martinez, California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman from California [Mr. MARTINEZ] for yielding to me, from Martinez, and I thank him for his work on this legislation, and I want to thank our chairman, the gentleman from Pennsylvania [Mr. GOODLING], and the gentleman from Missouri [Mr. CLAY] and the gentleman from California [Mr. RIGGS] and, again, the gentleman from California [Mr. MARTINEZ] for all of the effort to bring this legislation to the floor and to make it a true bipartisan effort.

There have been very intensive negotiations around this legislation. I think those negotiations have been intense

because, as the gentleman from New Jersey just said, we believe this is one of the most important subjects that we confront as members of the Committee on Education and the Workforce, and that is our ability to improve the outcomes for our young children in school to learn to read so that they can read to learn for the rest of their lives.

As so many have already said here today, we are not doing a very good job in that effort. I think this legislation starts to turn us around in that. In terms of the emphasis that it places on the professional development of teachers, it is clear that we have got to have competent, capable teachers in that classroom, spending time with those children to help them learn to read.

It is clear that we have got to get the parents of these children involved in reading to their children and encouraging their children and rewarding their children for reading competency. It is also very clear that we have got to call upon additional volunteers to come to our schools and to spend time with the children.

I notice today in Roll Call magazine some of our colleagues in the U.S. Senate spending time on Capitol Hill. Senator DURBIN from Illinois was pictured at Brent School, reading to a young man, trying to encourage that young man to improve his reading proficiency so he could have a successful education.

Mr. Speaker, I spent an awful lot of time with young adolescents in my local high schools where I teach a couple of classes for young children and young students in the continuation high school and also in a honors class at another high school. Every Monday morning, we talk about some of these issues. And I cannot tell you the sadness the young people express and how cheated they feel that they cannot read to grade level and how angry they are about social promotions and being told that they are doing fine, they are getting C's, and they will be OK, and now to realize as they are 10th and 11th graders, that they really cannot read.

It has got to stop. We have got to make this a determinant of your ability to proceed in education. We have got to bring the resources. This bill does that. It allows us to go out and to contract with tutors, to bring additional emphasis and resources on those children that are having difficulty.

Hopefully, schools will get better at identifying those children and the problems they have, and we can start to eliminate the great number of children who are falling behind their reading proficiency at grade level. We will be able to identify those problems and get those children up to grade level so they can have a successful education.

Unless we do that, Mr. Speaker, we simply are not going to improve the American education experience for millions of children that we need as competent children, as capable children, and as graduates of an education system that allows them to take their place in American society.

I would hope that the House would overwhelmingly pass this bipartisan legislation to improve America's reading education.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PETERSON], a valuable member of the committee.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the chairman and commend him and the leaders on both sides of the committee for the hard work they have done on this very important issue.

I do not think there is any issue facing America that is more important to our future than to somehow improve our educational system to where every Johnny and Susie when they leave school are good readers.

I will have to be honest, I was not excited when I saw the budget agreement that called for another new reading literacy program, but I am pleased with the work that has been done with existing programs and in streamlining this one to get the money to our schools.

But I will say this: I do not think we will solve the literacy problem in this country just with Federal initiatives. We need a commitment from our school boards and our superintendents and principals that no child will leave their school without good reading skills, and, without that commitment, no State or Federal money will solve this problem. We need that commitment at the local level.

But I come to the floor today to support the Reading Excellence Act. This act brings only successful components of education together, the school, the teacher, the parents, and, most importantly, the child.

This focuses on providing teachers and tutors with better tools. The Reading Excellence Act provides parents with the ability to better their child's opportunity to make the grade in reading. Through the tutorial assistance grants, Johnny and Susie's parents will be able to pick from a list of programs in order to find the right program for the needs of their children. I think that is one of the most important parts of this bill. When we stop and think about it, where did we learn to read? It was a combination of school and home and family members.

Another important aspect of this bill is where children are having difficulties as a result of a family environment. This act provides literacy assistance to the child's parents, allowing them to become their child's first and foremost teacher. It directs the funds to the local level, where only true educational reform happens. This measure strengthens our teachers and their teaching methods.

Finally, we ensure that parents remain the key element in the education equation, providing them with literacy assistance, allowing them, the parents, the decision process for their child, ensuring that parents become the premier teachers.

With this bill we only provide tools, but we still need the commitment of the school superintendents and directors back home that no child will leave their school without good literacy skills.

Mr. MARTINEZ. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. OWENS], a long time proponent of reading from his library background.

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Speaker, I want to congratulate the ranking member of the Subcommittee on Early Childhood, Youth, and Families, the gentleman from California [Mr. MARTINEZ], and the chairman of the subcommittee, the gentleman from California [Mr. RIGGS], and the gentleman from Pennsylvania [Chairman GOODLING], and all the others who have negotiated this piece of legislation.

There were some serious differences, and for a moment I thought maybe the children of America would be denied this small effort because of those differences, and I do not think it is good to do that and wait another year while the inaccuracy of the teaching of reading goes forward.

I was shocked to learn that most of the teachers in our schools have never been trained to teach reading. There was an article on the New York Times editorial page which said the overwhelming majority of teachers have never been taught to teach reading and there is a need to have some kind of instruction on how to do that. It will improve the job.

So the children who will benefit from this need it now. We cannot hesitate and wait. We should go on and do all we can. So this is one more small effort to improve education in America.

It is just that, a small effort. This is like dipping from the lake of inadequacy with a teacup. This is a small program. It is \$200 million. It may sound like a lot of money out there, but a nuclear submarine costs more than \$2 billion.

If we are really going to deal with the problem of teaching reading, we ought to try to make an impact on the schools of education with some kind of Federal program in the future. I do not know whether it costs as much as a nuclear submarine or not, probably not, but it would require a bigger effort than this one.

This is a good effort. It is a good pilot program, and it ought to go forward. It brings in a lot of different elements, all of which I think ought to be brought in. Common sense dictates that you should use what you have at hand, and this is a good common sense effort.

But in order to really deal with the problem, I hope that these pilot programs and these good common sense efforts are only a prelude to this Congress going ahead in the future to deal with the overwhelming problem of in-

adequate and substandard education in America.

The war against substandard education cannot be fought by some rifle corps going out. That helps. This is a little operation where we are sending out a few platoons to deal with the problem. We need a real war on substandard education.

A real war means you deal with basic problems, like school construction. School construction is a basic problem out there. We need \$120 billion to deal with the infrastructure of schools all across America. Even if you do not get nearly that much, we ought to do better than we have done so far.

To say we are going to teach reading better and make efforts to teach reading or to improve technological instruction or provide more technology in the schools, when the kids are still up against the problem where the boilers are breaking down in the schools and they have to go to school and bundle up in order to stay warm, and that does not just happen in Washington, D.C., there are a number of schools all across America that have problems in terms of heat.

So we should see this as a wonderful prelude, as an indication that the Congress cares. But we are just beginning to deal with the bigger problem. We are just beginning to fight the war. These are little patrols that we are sending out to reconnoiter, to scout out the problem. The problem is much bigger, and beyond this program on reading, which is about \$200 million, \$210 million, we need to have a comprehensive approach to education, stimulated and guided by the Congress of the United States, despite the fact that the primary responsibility for education is at the local level.

□ 1430

Mr. Speaker, we can provide the leadership, we can provide the stimulation. We will never be responsible for education. That is a matter for the States, but we can go beyond the 8 percent of education expenditures and move on to a more important role in leading the fight to really wage a war against substandard education in America. This is the beginning, but let us get ready to fight a bigger war next year.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PAUL], another important member of our committee.

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I appreciate the opportunity to express my opposition to the Reading Excellence Act, which creates yet another unconstitutional, ineffective, \$260 million new Federal education program.

I do not challenge the motivation of those who today bring this bill to the floor. The supporters of this bill claim that by passing the Reading Excellence Act, the Federal Government will, quote, enable every child to learn to read, end of quote.

Now, this is certainly a noble goal, but before Congress creates yet another Federal program, perhaps we should consider that over the past 60 years Congress has created a plethora of social programs, each one promising to bring to an end all the social ills. These programs have not only failed to create the promised utopia, but in many cases worsened the very problems they were created to solve.

Nowhere is the Federal Government's failure to improve the lives of the American people through the welfare state more dramatically illustrated than in education. In 1963, when Federal spending on education was less than \$900,000, the average Scholastic Achievement Test score was approximately 980. Thirty years later, when Federal education spending ballooned to \$19 billion, the average score fell to 902.

Furthermore, according to the National Assessment of Education Progress Survey, only 37 percent of America's 12th graders were actually able to read at a 12th grade level. Despite this history of failed Federal programs, Congress is once again planning to solve a social problem it helped create through an increase in Federal power.

Mr. Speaker, it is ironic that the reason we are considering this bill is because the budget agreement, which was supposed to end the era of big government, calls for the creation of a Federal literacy program. Obviously, the budget does not end big government, but preserves and expands unconstitutional State interference in areas where the Federal Government has neither legitimacy nor competence.

Rather than returning money and authority to the States and the people, commensurate with the 10th amendment, this bill creates another complex bureaucratic process, laden with rules, regulations, and State mandates. Under this bill, States receiving a literacy grant must establish a reading and literacy partnership, the markup of which is dictated by the Federal Government. The partnership must then apply for a grant to the Secretary of Education, explaining how they would comply with all of the bill's mandates. The grants are then approved by a Peer Review Panel, a group of experts chosen by the National Institute for Literacy and other federally funded organizations. States receiving grants under this program would then have to distribute those grants to Local Education Agencies [LEA's] who submit a plan to the States' reading and literacy partnership. Among the information that States would be required to submit is a description of how subgrants made by the partnership would achieve the goals of the act, a description of how the partnership would evaluate subgrantees, and a description of how states will guarantee that a portion of the funds will be used to provide tutorial assistance grants.

Those receiving Federal literacy funds may only use them for federally defined purposes. Thus, this legislation creates another bureaucratized program rooted in pseudo-federalism, whereby States have the right to spend money on federally defined goals and within the limitations set by Congress—provided, of course, they jump through all the congressionally constructed Federal hoops.

Recipients of Federal literacy funds must base their programs on reliable, replicable research, defined as research meeting scientific standards of peer-review. While none question the value of research into various educational methodologies it is doubtful that the best way to teach reading can be totally determined through laboratory experiments. Learning to read is a complex process, involving many variable, not the least of which are the skills and abilities of the individual child. Many effective techniques may not be readily supported by reliable, replicable research. Therefore, this program may end up preventing the use of many effective means of reading instruction. The requirement that recipients of Federal funds use only those reading techniques based on reliable, replicable research, which in practice means those methods approved by the federally funded experts on the Peer Review Panel, ensures that a limited number of reading methodologies will, in essence, be stamped with Federal approval.

Furthermore, this bill mandates that schools participating in the Federal literacy programs must make available to parents assurance of teacher qualifications. It is probably a good idea that local schools make this information available to parents, but it not the role of the Federal Government to dictate local schools implement everything we in Congress think is a good idea. In addition, this provision seems to have been motivated by a desire to start Congress down the road to establishing a national system to certify teachers.

Due to the unfortunate influence of the Federal Government, the teaching methodologies funded under this program will become the methodologies used in every classroom in the Nation. Thus, this bill represents another step toward imposing a national curriculum. Supporters of this bill will respond that the Federal Government is merely encouraging the use of sound instructional techniques. Setting aside the question of whether or not techniques based on reliable, replicable research can really lead one to discover the best means of educating children, the Constitution prohibits the Federal Government from any interference in the methodologies by which children are educated. This constitutional prohibition on Federal interference in education contains no exception for techniques based on reliable, replicable, research.

Mr. Speaker, another indication that this bill will move America toward a national curriculum is that the bill creates a Federal definition of reading, thus making compliance with Federal standards the goal of education.

Furthermore, the Reading Excellence Act requires each grantee to evaluate the success of their programs. Of course, the most effective way to evaluate the success of the various literacy projects reviewing Federal funds is to administer a uniform test to the students participating in those programs. Thus, despite the overwhelming congressional rejection of national testing just last month, Congress is now considering authorizing the creation of a de facto national reading exam.

Another reason to oppose this bill is that it increases Federal support for a so-called family literacy services. One of the hallmark of totalitarianism is State-control of child rearing. Despite the language that participation in these programs is voluntary, these programs enable government-funded social workers to subtly coerce parents to cede control of their child to the State.

Mr. Speaker, the Reading Excellence Act represents another unconstitutional intrusion on the rights of States, local communities, and parents to educate children free

from Federal interference. It also takes several large steps down the dangerous road toward a national curriculum. Therefore, I urge my colleagues to reject this bill, and instead support measures such as educational tax credit that will empower parents to provide effective literacy instruction for their children.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware [Mr. CASTLE], another important member of the committee, who helped turn things around in Delaware.

Mr. CASTLE. Mr. Speaker, let me thank all of those who worked on this legislation.

I am pleased to see almost near harmony with respect to support of this. I cannot imagine anything as important as teaching young people, and even older people for that matter, how to read. It is significant, be it the simple act of being able to read traffic signs or being able just to get around, to reading manuals, to higher education, or the simple pleasures of being able to read a book and to escape to some fantasy as a result of that reading is one of the tremendous necessities and pleasures in the life of anybody in this world, and we want our American citizens to be able to do it.

The President, I think, was on the right track to recognize the power and importance of literacy when he announced his literacy initiative, but I think his focus was a little bit misguided in terms of having volunteers, who are certainly a very important component in ascertaining a level of reading in children, but we have to go beyond that, I believe. My office indeed has been involved as volunteers in the Everybody Wins program, where staff go to Tyler Elementary right up the street here and read with their children to whom they are assigned once a week, and it makes a huge difference as far as the kids are concerned.

But the problem is more fundamental than trying to get children to like reading. It rests in the fact that many children simply cannot translate the written word into the spoken word. They lack basic decoding and literacy skills. Scarce Federal dollars should be focused on the most basic solution to the literacy problem.

For a problem like this, I think teacher training is imperative. Reading teachers need to learn the best methods for teaching reading based on reliable, replicable research. By giving children the basic building blocks of literacy, learning how to sound out the written word, they will be well on their way to becoming literate adults, and that is exactly what this legislation does, as has been described today.

Under this bill, States, through reading and literacy programs, will compete for literacy grants to use for innovative, in-service reading programs for classroom teachers and related reading activities based on the best research available, and I cannot think of anything which is better to do.

Instilling in our young people the ability to read is absolute. This legislation helps do that, and I am again very

thankful for all of those who put it together and hope that we all can support it.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentlewoman from Kentucky [Mrs. NORTHUP], who worked hard in the State legislature to improve education.

Mrs. NORTHUP. Mr. Speaker, I rise and am pleased to rise in support of the Reading Excellence Act. While we are all concerned about new Federal programs, the budget agreement set aside \$260 million for a new literacy program. What we could have had is another feel-good, unproven, sounds-good program, the kind of program that has failed our children so badly.

Mr. Speaker, 44 percent of the U.S. students in elementary school do not read at a basic level. Thirty-two percent of college graduates also have failed to reach this basic level. This may be the most important bill that we pass regarding our children and their success in school, because what it does, finally and most importantly, is focus on the proven ways of teaching children how to read.

We know today that the latest scientific research shows that 60 to 70 percent of all children read any way you teach them, but the other children need a very systemic, phonics-based approach to reading if they are ever going to read and be good readers.

We furthermore know that science has shown us that children that do not read by the end of third grade will always have a bigger struggle in reaching that basic level. Their opportunity to be good readers is much more difficult if they do not learn to read by the end of third grade.

Reading opens doors and failure to read slams those doors shut. So what we need is to make sure that we use the kind of scientifically proven method to teach our children, one that has not been in our schools so often in the past. This phonics-based approach is what teachers will learn as a result of this funding. We will also give parents the opportunity to provide tutorial service for their children, their choice based on the most recommended types of tutoring and reading approach.

It also endorses family literacy, so we are giving our children an opportunity to go to schools that teach the right kind of reading and parents who can help those children in the same way. I support this bill.

Mr. MARTINEZ. Mr. Speaker, I yield myself the balance of my time to say that everybody has said repeatedly that reading is so important to our way of life, even the basics for reading to fill out an application for employment, or reading instructions for toys that we put together for our children. Yet I have seen in my lifetime so many people that have even graduated from high school that have been functionally illiterate. Anything that we can do to improve the ability for children to read at an early age and to go on to higher education and better themselves by

learning to read and read well is something that we have done that is worthwhile.

Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I think it is very important that we be careful when we say that we wish schools the way they were when we were kids. But we have to understand, schools must be much better than they were when we were children. Why? Because we are in the 21st century.

When I went to a two-room, eighth grade elementary school, most children did not go beyond eighth grade. They went on to work. Many were not very literate. They did not have to be. It was easy to get a job, it was easy to support a family. They did not have to be as literate as they must be today.

So what we have tried to do with this legislation is take the mandate from the budget agreement and see whether we could create something that would give teachers the opportunity to be the best reading teachers there are; to give parents an opportunity to be the child's first and most important teacher; to make sure children do not fail or get socially promoted in first grade.

Mr. Speaker, this is a small program to improve the existing program. We are not out there trying to create some magnificent program that will end all illiteracy in this country. We are trying to make all of our programs better programs so that every child has an opportunity for quality education. They must have it if we are going to succeed in a very competitive 21st century. We cannot have 40 percent of our children unable to read properly.

Reading readiness, reading skills. At one time one was literate if one could read at a sixth grade level. Now one is functionally illiterate if one cannot read and comprehend at the twelfth grade level. The only thing I want from the old schools is discipline. Everything else I want to be better.

Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act, which would authorize the Education Department to make grants to State reading and literacy partnerships.

Under the bill a State's reading and literacy partnership would consist of the Governor and chief State school officer, the chairmen and ranking members of each State legislative committee with jurisdiction over education, and a representative of a school district with at least one school in a title I school improvement program.

While the bill will allow State partnerships they must include in their applications an assurance that they would give subgrants only to those school districts that have family literacy programs based on Even Start, implement programs to assist kindergarten students who are not ready to make the transition to first grade, use supervised individuals to provide additional support before and after school and during the summer, and have a professional development program for the teaching of reading. Most important, the bill would require ap-

plications to describe how the state would send 95% of its funds to the local level.

The bill requires that State partnerships make subgrants on a competitive basis to school districts that have more than one school in a title I school improvement program.

This bill will be good for the children of Houston and good for the State of Texas because it will help to focus resources on the critical area of literacy and reading.

Reading is the most fundamental of skills that all children must master in order to do well in all subjects. I am a strong supporter of education, and feel that this measure will offer greater incentives to States and school districts to strengthen and develop reading programs. I urge my colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COBLE). All time has expired.

The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and pass the bill, H.R. 2614, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2614.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LINE-ITEM VETO FIX

Mr. THOMAS. Mr. Speaker, I move that the House suspend the rules and pass the bill (H.R. 2513), to amend the Internal Revenue Code of 1986 to restore and modify the provision of the Taxpayer Relief Act of 1997 relating to exempting active financing income from foreign personal holding company income and to provide for the non-recognition of gain on the sale of stock in agricultural processors to certain farmers' cooperatives, as amended, and table the bill, H.R. 2444.

The Clerk read as follows:

H.R. 2513

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

SECTION 1. EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) EXEMPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.—Section 954 of the Internal Revenue Code of 1986 (as amended by subsection (d)) is amended by adding at the end the following new subsection:

“(h) SPECIAL RULE FOR INCOME DERIVED IN THE ACTIVE CONDUCT OF INSURANCE BUSINESSES AND BANKING, FINANCING, OR SIMILAR BUSINESSES.—

“(1) IN GENERAL.—For purposes of subsection (c)(1), foreign personal holding company income shall not include income which is—