To amend the Elementary and Secondary Education Act of 1965 to improve secondary school programs for basic skills improvement and dropout prevention and reentry, and for other purposes.

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 "School Dropout Prevention and Basic Skills Improvement Act of 1990".

SEC. 2. FINDINGS AND STATEMENT OF RESPONSIBILITY.
(a) FINDINGS.—The Congress finds that—
(1) the people of the Nation have become increasingly concerned about the number of students who do not complete secondary school; and
(2) in order for the Nation to regain its economic competitiveness, each child in the United States must be educated to his or her greatest potential and must be encouraged to finish secondary school.

(b) STATEMENT OF RESPONSIBILITY.—It is the responsibility of the Federal Government to—
(1) increase the number of Federally funded demonstration programs that have proven successful in increasing the secondary school completion rate;
(2) encourage States to adopt specific plans to increase secondary school completion rates; and
(3) enlist the assistance of community-based organizations in preventing students from dropping out of school.

SEC. 3. REVISIONS TO SECONDARY SCHOOL PROGRAMS FOR BASIC SKILLS IMPROVEMENT AND DROPOUT PREVENTION AND REENTRY.
(a) RESERVATIONS.—
(1) GENERAL RULE.—Subsection (a) of section 1102 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2761) is amended to read as follows:

"(a) RESERVATIONS.—From the amount appropriated under section 1110 for each of the fiscal years 1992 and 1993, the Secretary shall first reserve—
(1) an amount equal to 3 percent of such amount for programs consistent with the purpose of this part for school dropout prevention and reentry programs and secondary school basic skills improvement programs for migrant children, to be conducted through the Office of Migrant Education; and
(2) an amount equal to 5 percent of such amount for replication and technical assistance activities."

(b) USES OF FUNDS.—Section 1103 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2763) is amended—
(1) by amending subsection (a) to read as follows:

"(a) **GENERAL RULE.**—

"(1) A local educational agency may use—

"(A) not to exceed 50 percent of funds paid under this part in any fiscal year for dropout prevention and reentry activities pursuant to subsection (c); and

"(B) the remainder of such funds for secondary schools 
basic skills improvement activities pursuant to subsection 
(b).

"(2) A community-based organization shall use all funds paid 
under this part in any fiscal year for dropout prevention and 
reentry activities pursuant to subsection (c)."

(2) by amending subsection (d) to read as follows:

"(d) **WITHIN-STATE ALLOCATION.**—

"(1) Each State educational agency, from funds received 
under this part—

"(A) shall first reserve an amount equal to 5 percent of 
such funds for programs consistent with the purpose of this 
part for school dropout prevention and reentry programs 
conducted by community-based organizations that have 
demonstrated effectiveness in programs for dropout preven­
tion and reentry activities or basic skills improvement 
activities; and

"(B) shall then allocate funds among local educational 
agencies in the State on the basis of—

"(i) the eligibility of such agency for funds under 
section 1005; and

"(ii) the criteria described in section 1105.

"(2) Each local educational agency may carry out the activi­
ties described in section 1103 in cooperation with community­
based organizations.

(c) **PLAN FOR PROGRAM TO INCREASE THE SECONDARY SCHOOL COMPLETION RATE.**—Section 1104 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2764) is amended—

(1) in subsection (a), by inserting "or community-based organization" after "local educational agency";

(2) in subsection (b)—

(A) by redesignating paragraphs (1) through (10) as para­
graphs (3) through (12), respectively;

(B) by inserting before paragraph (3) (as redesignated by 
subparagraph (A) of this paragraph) the following:

"(1) contain a plan that describes specific proposals for a 
program to increase the secondary school completion rate of 
the State by not later than January 1, 2001, by a percentage 
equal to one-half the difference between 100 percent and the 
secondary school completion rate for individuals in the State 
aged 18 to 35, inclusive, as of January 1, 1990;

"(2) assure that requirements for obtaining a certificate of 
graduation from a school providing secondary education or its 
equivalent will not be lowered;”;

(C) in paragraph (4) (as redesignated by subparagraph (A) 
of this paragraph), by inserting "or community-based organization" after "local educational agency";

(D) in paragraph (5) (as redesignated by subparagraph (A) 
of this paragraph), by inserting "or areas" after "schools";

(E) in paragraph (9) (as redesignated by subparagraph (A) 
of this paragraph), by striking "community-based organiza-
(A) by inserting “concerned” after “local educational agency”; and
(ii) by inserting “or community-based organization” after “such agency”; and
(3) by amending subsection (d) to read as follows:
“(d) Time for Submission of Applications.—Each State shall submit to the Secretary—
“(1) an initial application that covers a 3-year period by not later than January 1, 1992;
“(2) an initial or a renewal application that covers a 3-year period by not later than January 1, 1995; and
“(3) a renewal application that covers a 3-year period by not later than January 1, 1998.”.

(d) Award of Grants.—Section 1105 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2765) is amended—
(1) by inserting “(a) General Authority.—” before “Each State”;
(2) in subsection (a) (as designated by paragraph (1) of this subsection), by inserting “and community-based organizations” after “local educational agencies” in the matter preceding paragraph (1); and
(3) by adding at the end the following:
“(b) Priorities for Grants to Community-Based Organizations.—
“(1) The State educational agency shall give priority for grants from amounts reserved under section 1103(d)(1)(A) to community-based organizations that intend to use funds under the grant to establish or operate model secondary school community education employment centers to meet the education needs of inner-city, low-income youths or rural youths by awarding grants to eligible recipients to establish community education employment centers to provide students with the education, skills, support services, and enrichment necessary to ensure—
“(A) graduation from secondary school;
“(B) successful transition from articulated vocational and academic programs to a broad range of post secondary institutions;
“(C) employment, including military service; and
“(D) integration into America’s economic mainstream.
“(2) Each center that is assisted with a grant under this part shall offer—
“(A) a comprehensive program of confidential guidance counseling;
“(B) professional staff members who demonstrate the highest academic, teaching, guidance, or administrative standards, as appropriate; and
“(C) active and informed parental and community participation.”.
(e) REPORTS; DEVELOPMENT OF INFORMATION BASE.—Part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2761 et seq.) is amended—
(1) by redesignating sections 1106, 1107, and 1108 as sections 1108, 1109, and 1111, respectively; and
(2) by inserting after section 1105 the following:

"SEC. 1106. REPORTS; DEVELOPMENT OF INFORMATION BASE.

"(a) REPORTS TO STATES.—Each local educational agency or individual school that receives assistance under a grant made under this part shall annually submit a report to the State describing activities carried out with such assistance and progress toward increasing the secondary school completion rate achieved as a result of such activities.

"(b) REPORTS TO SECRETARY.—Each State shall annually submit a report to the Secretary describing activities carried out with assistance received under this section and progress achieved toward increasing the secondary school completion rate as a result of such activities.

"(c) DEVELOPMENT OF INFORMATION BASE.—From information contained in the reports required under subsection (b), the Secretary shall create an information base containing information on dropout prevention programs for use by State and local educational agencies, elementary and secondary schools, and interested community organizations in the development or refinement of dropout prevention programs. The Secretary shall ensure that such information base is easily accessible to such agencies, schools, and organizations.

(f) COORDINATION AND DISSEMINATION.—Part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2761 et seq.) is amended by inserting after section 1106 (as inserted by subsection (e)(2) of this section) the following:

"SEC. 1107. COORDINATION AND DISSEMINATION.

"(a) GRANTS TO REGIONAL LABORATORIES.—From an amount equal to 65 percent of the amount reserved under section 1102(a)(2), the Secretary shall make grants to regional laboratories supported by the Secretary under section 405(d)(4)(A)(i) of the General Education Provisions Act for the purposes of—

"(1) identifying model programs for dropout prevention and reentry in their regions;

"(2) disseminating such programs; and

"(3) providing assistance to schools in replicating such programs.

"(b) ACTIVITIES OF THE NATIONAL DIFFUSION NETWORK.—The Secretary shall provide an amount equal to 45 percent of the amount reserved under section 1102(a)(2) to the National Diffusion Network established under section 1562 for the purpose of replicating model programs for dropout prevention and reentry.".

20 USC 2766-2768.
20 USC 2765a.
(g) Fiscal Requirements and Coordination Provisions.—Paragraph (3) of section 1108(a) of the Elementary and Secondary Education Act of 1965 (as redesignated by subsection (e)(1) of this section) is amended by inserting "and community-based organizations" after "Local educational agencies".

(h) Definition Established.—Part C of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2761 et seq.) is amended by inserting after section 1109 (as redesignated by subsection (e)(1) of this section) the following:

"SEC. 1110. DEFINITION OF SECONDARY SCHOOL COMPLETION RATE.

"The Secretary shall establish a definition for the term 'secondary school completion rate' for purposes of this part."

SEC. 4. CENTER FOR COMMERCE AND INDUSTRIAL EXPANSION.

(a) Grant Authorized.—(1) The Secretary of Education (hereafter in this section referred to as the "Secretary") is authorized to award a grant to Loyola University of Chicago located in Chicago, Illinois, to pay the Federal share of the cost of construction and related costs for the establishment of a Center for Commerce and Industrial Expansion at Loyola University of Chicago.

(2) The Federal share shall not be less than 33 percent.

(b) Application.—No grant may be awarded under this section unless an application is made at such time, in such manner and containing or accompanied by such information, as the Secretary may reasonably require.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums, not to exceed $8,000,000, as may be necessary to carry out the provisions of this section. Funds appropriated pursuant to this section shall remain available until expended.

SEC. 5. ASSISTANCE TO PROVIDE BASIC SKILLS IMPROVEMENT.

Section 6103 of the Secondary Schools Basic Skills Demonstration Assistance Act of 1988 (20 U.S.C. 3263) is amended by striking "fiscal year 1989" and inserting "each of the fiscal years 1991 and 1992".

SEC. 6. STATEMENT OF PURPOSE.

Section 6102(b) of the Training Technology Transfer Act of 1988 (20 U.S.C. 5092) is amended by striking "education training, and" and inserting "education and training of students and teachers and the".

SEC. 7. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

Section 614(a) of the Higher Education Act of 1965 (20 U.S.C. 1130b(a)) is amended—

(1) by striking "$5,000,000" and inserting "$7,500,000"; and

(2) by striking "3 succeeding" and inserting "4 succeeding".
SEC. 8. DAKOTA WESLEYAN UNIVERSITY.

Notwithstanding the provisions of section 487(c)(2)(B) of the Higher Education Act of 1965, the Secretary of Education shall reassess the amount owed by the Dakota Wesleyan University, located in Mitchell, South Dakota, in the amount of $159,260, plus any accrued interest thereon to $16,113.

Approved November 16, 1990.