Public Law 89-10

AN ACT
To strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Act of 1965".

TITLE I—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES AND EXTENSION OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

SEC. 2. The Act of September 30, 1950, Public Law 874, Eighty-first Congress, as amended (20 U.S.C. 236-244), is amended by inserting:

"TITLE I—FINANCIAL ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES IN AREAS AFFECTED BY FEDERAL ACTIVITY"

immediately above the heading of section 1, by striking out "this Act" wherever it appears in sections 1 through 6, inclusive (other than where it appears in clause (B) of section 4(a)), and inserting in lieu thereof "this title", and by adding immediately after section 6 the following new title:

"TITLE II—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES"

"DECLARATION OF POLICY"

"Sec. 201. In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate educational programs, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in this title) to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means (including preschool programs) which contribute particularly to meeting the special educational needs of educationally deprived children.

"KINDS AND DURATION OF GRANTS"

"Sec. 202. The Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for basic grants to local educational agencies for the period beginning July 1, 1965, and ending June 30, 1968, and he shall make payments to State educational agencies for special incentive grants to local educational agencies for the period beginning July 1, 1966, and ending June 30, 1968."
"SEC. 203. (a) (1) From the sums appropriated for making basic grants under this title for a fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. The maximum basic grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum basic grant which a local educational agency in a State shall be eligible to receive under this title for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State multiplied by the sum of (A) the number of children aged five to seventeen, inclusive, in the school district of such agency, of families having an annual income of less than the low-income factor (established pursuant to subsection (c)), and (B) the number of children of such ages in such school district of families receiving an annual income in excess of the low-income factor (as established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act. In any other case, the maximum basic grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages and families in such county or counties and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. For purposes of this subsection the "average per pupil expenditure" in a State shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies in the State (without regard to the sources of funds from which such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year. In determining the maximum amount of a basic grant and the eligibility of a local educational agency for a basic grant for any fiscal year, the number of children determined under the first two sentences of this subsection or under subsection (b) shall be reduced by the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) for whom a payment was made under title I for the previous fiscal year.

(3) If the maximum amount of the basic grant determined pursuant to paragraph (1) or (2) for any local educational agency for the fiscal year ending June 30, 1966, is greater than 30 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 30 per centum of such budgeted sum.
“(4) For purposes of this subsection, the term ‘State’ does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

“(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this title only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)):"

“(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children of such families are available on a school district basis, the number of such children of such families in the school district of such local educational agency shall be—

“(A) at least one hundred, or

“(B) equal to 3 per centum or more of the total number of all children aged five to seventeen, inclusive, in such district, whichever is less, except that it shall in no case be less than ten.

“(2) In any other case, except as provided in paragraph (3), the number of children of such ages of families with such income in the county which includes such local educational agency’s school district shall be one hundred or more.

“(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of children of such ages of families of such income for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

“(c) For the purposes of this section, the ‘Federal percentage’ and the ‘low-income factor’ for the fiscal year ending June 30, 1966, shall be 50 per centum and $2,000, respectively. For each of the two succeeding fiscal years the Federal percentage and the low-income factor shall be established by the Congress by law.

“(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act on the basis of the best available data for the period most nearly comparable to those which are used by the Commissioner under the first two sentences of this subsection in making determinations for the purposes of subsections (a) and (b). When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor.”
income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information.

**SPECIAL INCENTIVE GRANTS**

"Sec. 204. Each local educational agency which is eligible to receive a basic grant for the fiscal year ending June 30, 1967, shall be eligible to receive in addition a special incentive grant which does not exceed the product of (a) the aggregate number of children in average daily attendance to whom such agency provided free public education during the fiscal year ending June 30, 1965, and (b) the amount by which the average per pupil expenditure of that agency for the fiscal year ending June 30, 1965, exceeded 105 per centum of such expenditure for the fiscal year ending June 30, 1964. Each local educational agency which is eligible to receive a basic grant for the fiscal year ending June 30, 1968, shall be eligible to receive in addition a special incentive grant which does not exceed the product of (c) the aggregate number of children in average daily attendance to whom such agency provided free public education during the fiscal year ending June 30, 1966, and (d) the amount by which the average per pupil expenditure of that agency for the fiscal year ending June 30, 1966, exceeded 110 per centum of such expenditure for the fiscal year ending June 30, 1964. For the purpose of this section the ‘average per pupil expenditure’ of a local educational agency for any year shall be the aggregate expenditures (without regard to the sources of funds from which such expenditures are made, except that funds derived from Federal sources shall not be used in computing such expenditures) from current revenues made by that agency during that year for free public education, divided by the aggregate number of children in average daily attendance to whom such agency provided free public education during that year.

**APPLICATION**

"Sec. 205. (a) A local educational agency may receive a basic grant or a special incentive grant under this title for any fiscal year only upon application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

"(1) that payments under this title will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) (A) which are designed to meet the special educational needs of educationally deprived children in school attendance areas having high concentrations of children from low-income families and (B) which are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting those needs, and nothing herein shall be deemed to preclude two or more local educational agencies from entering into agreements, at their option, for carrying out jointly operated programs and projects under this title;

"(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including
special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate;

"(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property;

"(4) in the case of any project for construction of school facilities, that the project is not inconsistent with overall State plans for the construction of school facilities and that the requirements of section 209 will be complied with on all such construction projects;

"(5) that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs in meeting the special educational needs of educationally deprived children;

"(6) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this title, including information relating to the educational achievement of students participating in programs carried out under this title, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports;

"(7) that wherever there is, in the area served by the local educational agency, a community action program approved pursuant to title II of the Economic Opportunity Act of 1964 (Public Law 88-452), the programs and projects have been developed in cooperation with the public or private nonprofit agency responsible for the community action program; and

"(8) that effective procedures will be adopted for acquiring and disseminating to teachers and administrators significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects.

"(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this title without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

"ASSURANCES FROM STATES

"Sec. 206. (a) Any State desiring to participate in the program of this title shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

"(1) that, except as provided in section 207(b), payments under this title will be used only for programs and projects which have been approved by the State educational agency pursuant to section 205(a) and which meet the requirements of that section, and that such agency will in all other respects comply with the provisions of this title, including the enforcement of any obligations imposed upon a local educational agency under section 205(a);

"(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement...
of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title; and

3 (3) that the State educational agency will make to the Commissioner (A) periodic reports (including the results of objective measurements required by section 205(a)(5)) evaluating the effectiveness of payments under this title and of particular programs assisted under it in improving the educational attainment of educationally deprived children, and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve an application which meets the requirements specified in subsection (a), and he shall not finally disapprove an application except after reasonable notice and opportunity for a hearing to the State educational agency.

PAYMENT

SEC. 207. (a) (1) The Commissioner shall, subject to the provisions of section 208, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this title. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(2) From the funds paid to it pursuant to paragraph (1) each State educational agency shall distribute to each local educational agency of the State which is not ineligible by reason of section 203(b) and which has submitted an application approved pursuant to section 205(a) the amount for which such application has been approved, except that this amount shall not exceed an amount equal to the total of the maximum amount of the basic grant plus the maximum amount of the special incentive grant as determined for that agency pursuant to sections 203 and 204, respectively.

(b) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this title (including technical assistance for the measurements and evaluations required by section 205(a)(5)), except that the total of such payments in any fiscal year shall not exceed 1 per centum of the total of the amount of the basic grants paid under this title for that year to the local educational agencies of the State.

(c) (1) No payments shall be made under this title for any fiscal year to a State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with
respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the fiscal year ending June 30, 1964.

"ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS"

"Sec. 208. If the sums appropriated for the fiscal year ending June 30, 1966, for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this title for such year, such amounts shall be reduced ratably. In case additional funds become available for making payments under this title for that year, such reduced amounts shall be increased on the same basis that they were reduced.

"LABOR STANDARDS"

"Sec. 209. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"WITHHOLDING"

"Sec. 210. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any State educational agency, finds that there has been a failure to comply substantially with any assurance set forth in the application of that State approved under section 206(b), the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

"JUDICIAL REVIEW"

"Sec. 211. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under section 206(a) or with his final action under section 210, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified
findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

“(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

“NATIONAL ADVISORY COUNCIL.

“Sec. 212. (a) The President shall, within ninety days after the enactment of this title, appoint a National Advisory Council on the Education of Disadvantaged Children for the purpose of reviewing the administration and operation of this title, including its effectiveness in improving the educational attainment of educationally deprived children, and making recommendations for the improvement of this title and its administration and operation. These recommendations shall take into consideration experience gained under this and other Federal educational programs for disadvantaged children and, to the extent appropriate, experience gained under other public and private educational programs for disadvantaged children.

“(b) The Council shall be appointed by the President without regard to the civil service laws and shall consist of twelve persons. When requested by the President, the Secretary of Health, Education, and Welfare shall engage such technical assistance as may be required to carry out the functions of the Council, and the Secretary shall make available to the Council such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

“(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title) to the President not later than March 31 of each calendar year beginning after the enactment of this title. The President shall transmit each such report to the Congress together with his comments and recommendations.

“(d) Members of the Council who are not regular full-time employees of the United States shall, while serving on business of the Council, be entitled to receive compensation at rates fixed by the President, but not exceeding $100 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in Government service employed intermittently.”

TECHNICAL AND CONFORMING AMENDMENTS

Sec. 3. (a) Clause (A) of section 3(c)(4) of the Act of September 30, 1950, Public Law 874, Eighty-first Congress, as amended (20 U.S.C. 238 (c) (4) (A)) is amended by striking out “) is,” and inserting “, but excluding funds available under title II) is,”.

(b) The sentence which immediately follows clause (B) of section 4(a) of such Act (20 U.S.C. 239(a)(B)) is amended by inserting “(exclusive of funds available under title II)” immediately after “Federal funds”. 
(c) (1) Such Act is further amended by inserting "TITLE III—GENERAL" above the heading for section 7, and by redesignating sections 7, 8, and 9, and references thereto, as sections 301, 302, and 303, respectively.

(2) Subsections (b) and (c) of the section of such Act redesignated as section 302 are amended by striking out "this Act" wherever it appears and inserting in lieu thereof "title I".

DEFINITIONS

Sec. 4. (a) Paragraph (2) of the section of the Act of September 30, 1950, Public Law 874, Eighty-first Congress, as amended, redesignated by section 3 of this Act as section 303, is amended to read as follows:

"(2) The term 'child', except as used in title II, means any child who is within the age limits for which the applicable State provides free public education."

(b) Paragraph (4) of such section 303 is amended by inserting before the period at the end thereof "; except that for the purposes of title II such term does not include any education provided beyond grade 12".

(c) Paragraph (5) of such section 303 is amended by inserting immediately before the period at the end thereof the following: "; or any expenditures made from funds granted under title II of this Act or titles II or III of the Elementary and Secondary Education Act of 1965".

(d) (1) Paragraph (8) of such section 303 is amended by inserting "American Samoa," after "the District of Columbia," and by inserting after "the Virgin Islands" the following: "; and for purposes of title II, such term includes the Trust Territory of the Pacific Islands".

(2) Sections 3(d) and 6(c) of such Act (20 U.S.C. 238(d), 241(c)) are each amended by inserting "American Samoa," after "Guam," each time that it appears.

(e) Such section 303 is further amended by adding at the end thereof the following new paragraphs:

"(11) The term 'county' means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

"(12) The term 'construction' includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

"(13) The term 'school facilities' means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

"(14) The term 'equipment' includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

"(15) For the purpose of title II, the term 'elementary school' means a day or residential school which provides elementary educa-
tion, as determined under State law, and the term ‘secondary school’ means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.”

EXTENSION OF TITLE I OF PUBLIC LAW 874

EIGHTY-FIRST CONGRESS

SEC. 5. Sections 2(a), 3(b), and 4(a) of title I of the Act of September 30, 1950, Public Law 874, Eighty-first Congress, as amended (20 U.S.C. 237(a), 238(b), 239(a)), are each amended by striking out “1966” each place where it appears and inserting in lieu thereof “1968”.

TITLE II—SCHOOL LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIONAL MATERIALS

APPROPRIATIONS AUTHORIZED

SEC. 201. (a) The Commissioner shall carry out during the fiscal year ending June 30, 1966, and each of the four succeeding fiscal years, a program for making grants for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools.

(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $100,000,000 for the fiscal year ending June 30, 1966; but for the fiscal year ending June 30, 1967, and the three succeeding fiscal years, only such sums may be appropriated as the Congress may hereafter authorize by law.

ALLOTMENT TO STATES

SEC. 202. (a) From the sums appropriated for carrying out this title for any fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine and shall allot such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. From the remainder of such sums, the Commissioner shall allot to each State an amount which bears the same ratio to such remainder as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term “State” shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The amount of any State’s allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallocation from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the
sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount reallocated to a State under this subsection during a year from funds appropriated pursuant to section 201 shall be deemed part of its allotment under section (a) for such year.

STATE PLANS

SEC. 203. (a) Any State which desires to receive grants under this title shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates a State agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotment under section 202 will be expended solely for (A) acquisition of library resources (which for the purposes of this title means books, periodicals, documents, audio-visual materials, and other related library materials), textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools in the State, and (B) administration of the State plan, including the development and revision of standards relating to library resources, textbooks, and other printed and published instructional materials furnished for the use of children and teachers in the public elementary and secondary schools of the State, except that the amount used for administration of the State plan shall not exceed for the fiscal year ending June 30, 1966, an amount equal to 5 per centum of the amount paid to the State under this title for that year, and for any fiscal year thereafter an amount equal to 3 per centum of the amount paid to the State under this title for that year;

(3) sets forth the criteria to be used in allocating library resources, textbooks, and other printed and published instructional materials provided under this title among the children and teachers of the State, which criteria shall—

(A) take into consideration the relative need of the children and teachers of the State for such library resources, textbooks, or other instructional materials, and

(B) provide assurance that to the extent consistent with law such library resources, textbooks, and other instructional materials will be provided on an equitable basis for the use of children and teachers in private elementary and secondary schools in the State which comply with the compulsory attendance laws of the State or are otherwise recognized by it through some procedure customarily used in the State;

(4) sets forth the criteria to be used in selecting the library resources, textbooks, and other instructional materials to be provided under this title and for determining the proportions of the State's allotment for each fiscal year which will be expended for library resources, textbooks, and other printed and published instructional materials, respectively, and the terms by which such library resources, textbooks, and other instructional materials will be made available for the use of children and teachers in the schools of the State;
(5) sets forth policies and procedures designed to assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of State, local, and private school funds that would in the absence of such Federal funds be made available for library resources, textbooks, and other printed and published instructional materials, and in no case supplant such State, local, and private school funds;

(6) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this title; and

(7) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

PAYMENTS TO STATES

Sec. 204. (a) From the amounts allotted to each State under section 202 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(b) In any State which has a State plan approved under section 203(b) and in which no State agency is authorized by law to provide library resources, textbooks, or other printed and published instructional materials for the use of children and teachers in any one or more elementary or secondary schools in such State, the Commissioner shall arrange for the provision on an equitable basis of such library resources, textbooks, or other instructional materials for such use and shall pay the cost thereof for any fiscal year ending prior to July 1, 1970, out of that State's allotment.

PUBLIC CONTROL OF LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIOINAL MATERIAL AND TYPES WHICH MAY BE MADE AVAILABLE

Sec. 205. (a) Title to library resources, textbooks, and other printed and published instructional materials furnished pursuant to this title, and control and administration of their use, shall vest only in a public agency.

(b) The library resources, textbooks, and other printed and published instructional materials made available pursuant to this title for use of children and teachers in any school in any State shall be limited to those which have been approved by an appropriate State or local educational authority or agency for use, or are used, in a public elementary or secondary school of that State.
ADMINISTRATION OF STATE PLANS

SEC. 206. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 203(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

JUDICIAL REVIEW

SEC. 207. (a) If any State is dissatisfied with the Commissioner’s final action with respect to the approval of its State plan submitted under section 203(a) or with his final action under section 206(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

TITLE III—SUPPLEMENTARY EDUCATIONAL CENTERS AND SERVICES

APPROPRIATIONS AUTHORIZED

SEC. 301. (a) The Commissioner shall carry out during the fiscal year ending June 30, 1966, and each of the four succeeding fiscal years, a program for making grants for supplementary educational centers and services, to stimulate and assist in the provision of vitally needed educational services not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school educational programs to serve as models for regular school programs.
(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $100,000,000, for the fiscal year ending June 30, 1966; but for the fiscal year ending June 30, 1967, and the 3 succeeding fiscal years, only such sums may be appropriated as the Congress may hereafter authorize by law.

**APPORTIONMENT AMONG STATES**

SEC. 302. (a) From the sums appropriated for carrying out this title for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs for assistance under this title. From the remainder of such sums the Commissioner shall apportion $200,000 to each State and shall apportion the remainder of such sums among the States as follows:

1. He shall apportion to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States, and

2. He shall apportion to each State an amount which bears the same ratio to 50 per centum of such remainder as the population of the State bears to the population of all the States.

For purposes of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The number of children aged five to seventeen, inclusive, and the total population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount apportioned under this section to any State for the fiscal year ending June 30, 1966, shall be available for payments to applicants with approved applications in that State during that year and the next fiscal year.

(d) The amount apportioned to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for the period for which that amount is available shall be available for reapportionment from time to time, on such dates during that period as the Commissioner may fix, among other States in proportion to the amounts originally apportioned among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that period; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 301 for any fiscal year shall be deemed to be a part of the amount apportioned to it under subsection (a) for that year.

**USES OF FEDERAL FUNDS**

SEC. 303. Grants under this title may be used, in accordance with applications approved under section 304(b), for—

(a) planning for and taking other steps leading to the development of programs designed to provide supplementary educational
activities and services described in paragraph (b), including pilot projects designed to test the effectiveness of plans so developed; and

(b) the establishment, maintenance, and operation of programs, including the lease or construction of necessary facilities and the acquisition of necessary equipment, designed to enrich the programs of local elementary and secondary schools and to offer a diverse range of educational experience to persons of varying talents and needs by providing supplementary educational services and activities such as—

(1) comprehensive guidance and counseling, remedial instruction, and school health, physical education, recreation, psychological, and social work services designed to enable and encourage persons to enter, remain in, or reenter educational programs, including the provision of special educational programs and study areas during periods when schools are not regularly in session;

(2) comprehensive academic services and, where appropriate, vocational guidance and counseling, for continuing adult education;

(3) developing and conducting exemplary educational programs, including dual-enrollment programs, for the purpose of stimulating the adoption of improved or new educational programs (including those programs described in section 508(a) (4)) in the schools of the State;

(4) specialized instruction and equipment for students interested in studying advanced scientific subjects, foreign languages, and other academic subjects which are not taught in the local schools or which can be provided more effectively on a centralized basis, or for persons who are handicapped or of preschool age;

(5) making available modern educational equipment and specially qualified personnel, including artists and musicians, on a temporary basis to public and other nonprofit schools, organizations, and institutions;

(6) developing, producing, and transmitting radio and television programs for classroom and other educational use;

(7) providing special educational and related services for persons who are in or from rural areas or who are or have been otherwise isolated from normal educational opportunities, including, where appropriate, the provision of mobile educational services and equipment, special home study courses, radio, television, and related forms of instruction, and visiting teachers' programs; and

(8) other specially designed educational programs which meet the purposes of this title.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

SEC. 304. (a) A grant under this title for a program of supplementary educational services may be made to a local educational agency or agencies, but only if there is satisfactory assurance that in the planning of that program there has been, and in the establishing and carrying out of that program there will be, participation of persons broadly representative of the cultural and educational resources of the area to be served. For the purposes of this section, the term "cultural and educational resources" includes State educational agen-
cies, institutions of higher education, nonprofit private schools, public
and nonprofit private agencies such as libraries, museums, musical
and artistic organizations, educational radio and television, and other
cultural and educational resources. Such grants may be made only
upon application to the Commissioner at such time or times, in such
manner, and containing or accompanied by such information as the
Commissioner deems necessary. Such applications shall—

(1) provide that the activities and services for which assistance
under this title is sought will be administered by or under the
supervision of the applicant;

(2) set forth a program for carrying out the purposes set forth
in paragraph (a) or paragraph (b) of section 303 and provide
for such methods of administration as are necessary for the
proper and efficient operation of the program;

(3) set forth policies and procedures which assure that Federal
funds made available under this title for any fiscal year will be so
used as to supplement and, to the extent practical, increase the
level of funds that would, in the absence of such Federal funds, be
made available by the applicant for the purposes described in
paragraphs (a) and (b) of section 303, and in no case supplant
such funds;

(4) in the case of an application for assistance under this title
which includes a project for construction of necessary facilities,
provide satisfactory assurance (A) that reasonable provision has
been made, consistent with the other uses to be made of the
facilities, for areas in such facilities which are adaptable for
artistic and cultural activities, (B) that upon completion of the
construction title to the facilities will be in a State or local educa­
tional agency, and (C) that the requirements of section 308 will
be complied with on all construction projects assisted under this
title;

(5) provide for such fiscal control and fund accounting pro­
cedures as may be necessary to assure proper disbursement of and
accounting for Federal funds paid to the applicant under this
title; and

(6) provide for making an annual report and such other
reports, in such form and containing such information, as the
Commissioner may reasonably require to carry out his functions
under this title and to determine the extent to which funds pro­
vided under this title have been effective in improving the educa­
tional opportunities of persons in the area served, and for keeping
such records and for affording such access thereto as the Commissi­
oner may find necessary to assure the correctness and verification
of such reports.

(b) Applications for grants under this title may be approved by
the Commissioner only if—

(1) the application meets the requirements set forth in sub­
section (a);

(2) the program set forth in the application is consistent with
criteria established by the Commissioner for the purpose of achiev­ing
an equitable distribution of assistance under this title within
each State, which criteria shall be developed by him on the basis
of a consideration of (A) the size and population of the State,
(B) the geographic distribution of the population within the
State, (C) the relative need of persons in different geographic
areas and in different population groups within the State for the
kinds of services and activities described in paragraph (b) of
section 303, and their financial ability to provide those services and activities, and (D) the relative ability of particular local educational agencies within the State to provide those services and activities;

(3) in the case of an application for assistance for a program for carrying out the purposes described in paragraph (b) of section 303, the Commissioner determines (A) that the program will utilize the best available talents and resources and will substantially increase the educational opportunities in the area to be served by the applicant, and (B) that, to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the supplementary educational activities and services provided under the program are to meet, provision has been made for participation of such children; and

(4) the application has been submitted for review and recommendations to the State educational agency.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

PAYMENTS

Sec. 305. (a) From the amounts apportioned to each State under section 302 the Commissioner shall pay to each applicant in that State which has an application approved under this title an amount equal to the total sums expended by the applicant under the application for the purposes set forth therein.

(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADVISORY COMMITTEE

Sec. 306. (a) The Commissioner shall establish in the Office of Education an Advisory Committee on Supplementary Educational Centers and Services, consisting of the Commissioner, who shall be Chairman, and eight members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary.

(b) The Advisory Committee shall advise the Commissioner (1) on the action to be taken with regard to each application for a grant under this title, and (2) in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including the development of criteria for approval of applications thereunder. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Committee.

(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.
Section 307. If within twenty years after completion of any construction for which Federal funds have been paid under this title—
   (a) the owner of the facility shall cease to be a State or local educational agency, or
   (b) the facility shall cease to be used for the educational and related purposes for which it was constructed, unless the Commissioner determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so,
the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

Labor Standards

Section 308. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z—15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

Title IV—Educational Research and Training

Section 401. The second section of the Act of July 26, 1954 (20 U.S.C. 332), entitled "An Act to authorize cooperative research in education," is redesignated as section 3 and the material which precedes it is amended to read as follows:

"Purpose

Sec. 1. The purpose of this Act is to enable the Office of Education more effectively to accomplish the purposes and to perform the duties for which it was originally established.

Educational Research and Research Training

Sec. 2. (a) (1) The Commissioner of Education (hereinafter in this Act referred to as the 'Commissioner') is authorized to make grants to universities and colleges and other public or private agencies, institutions, and organizations and to individuals, for research, surveys, and demonstrations in the field of education (including programs described in section 503(a) (4) of the Elementary and Secondary Education Act of 1965), and for the dissemination of information derived from educational research (including but not limited to information concerning promising educational practices developed under programs
carried out under the Elementary and Secondary Education Act of 1965) and, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5), to provide by contracts or jointly financed cooperative arrangements with them for the conduct of such activities; except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

"(2) No grant shall be made or contract or jointly financed cooperative arrangement entered into under this subsection until the Commissioner has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate the proposals as to the soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research, surveys, or demonstrations, and their relationship to other similar educational research or dissemination programs already completed or in progress.

"(b) The Commissioner is authorized to make grants to public and other nonprofit universities and colleges and to other public or nonprofit agencies, institutions, and organizations to assist them in providing training in research in the field of education (including such research described in section 503(a)(4) of the Elementary and Secondary Education Act of 1965), including the development and strengthening of training staff and curricular capability for such training. Grants under this subsection may, when so authorized by the Commissioner, also be used by such grantees (1) in establishing and maintaining research traineeships, internships, personnel exchanges, and pre- and post-doctoral fellowships, and for stipends and allowances (including traveling and subsistence expenses) for fellows and others undergoing training and their dependents not in excess of such maximum amounts as may be prescribed by the Commissioner, or (2), where the grantee is a State educational agency, in providing for such traineeships, internships, personnel exchanges, and fellowships either directly or through arrangements with public or other nonprofit institutions or organizations. No grant shall be made under this subsection for training in sectarian instruction or, for work to be done in an institution, or a department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

"(c) In addition to the authority granted by section 603(b) of the Elementary and Secondary Education Act of 1965, funds available to the Commissioner for grants or contracts or jointly financed cooperative arrangements under this section shall, with the approval of the Secretary, be available for transfer to any other Federal agency for use (in accordance with an interagency agreement) by such agency (alone or in combination with funds of that agency) for purposes for which such transferred funds could be otherwise expended by the Commissioner under the foregoing provisions of this section, and the Commissioner is likewise authorized to accept and expend funds of any other Federal agency for use under this section.

"(d) The Commissioner shall transmit to the Congress annually a report concerning the research, surveys, and demonstrations, the information disseminating activities, and the training in research initiated under this Act, the recommendations made by research specialists pursuant to subsection (a)(2), and any action taken with respect to such recommendations."
CONFORMING AMENDMENTS

Sec. 402. The section of such Act redesignated as section 3 is amended by striking out "this Act" and inserting in lieu thereof "section 2".

CONSTRUCTION OF REGIONAL FACILITIES FOR RESEARCH AND RELATED PURPOSES

Sec. 403. Such Act is further amended by adding the following new sections at the end thereof:

"CONSTRUCTION OF REGIONAL FACILITIES FOR RESEARCH AND RELATED PURPOSES

"Sec. 4. (a) There is authorized to be appropriated over a period of five fiscal years beginning with the fiscal year ending June 30, 1966, $100,000,000 in the aggregate, to enable the Commissioner to carry out the purposes of this section. Sums so appropriated shall remain available until expended for payments with respect to projects for which applications have been filed under this section before July 1, 1970, and approved by the Commissioner before July 1, 1971.

"(b) Whenever the Commissioner finds that the purposes of this Act can best be achieved through the construction of a facility for research, or for research and related purposes (as defined in this section), and that such facility would be of particular value to the Nation or a region thereof as a national or regional resource for research or related purposes, he may make a grant for part or all of the cost of constructing such facility to a university, college, or other appropriate public or nonprofit private agency or institution competent to engage in the types of activity for which the facility is to be constructed, or to a combination of such agencies or institutions, or may construct or make arrangements for constructing such facility through contracts for paying part or all of the cost of construction or otherwise. The Commissioner may, where he deems such action appropriate, make arrangements, by contract or otherwise, for the operation of such facilities or may make contributions toward the cost of such operation of facilities of this nature whether or not constructed pursuant to, or with the aid provided under, this section. Title to any facility constructed under this section, if vested in the United States, may be transferred by the Commissioner on behalf of the United States to any such college or university or other public or nonprofit private agency or institution, but such transfer shall be made subject to the condition that the facility will be operated for the purposes for which it was constructed and to such other conditions as the Commissioner deems necessary to carry out the objectives of this title and to protect the interests of the United States.

"(c) All laborers and mechanics employed by contractors or subcontractors in the performance of work on construction of any project under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this clause, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z—15), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c)."
"(d) Payments under this section shall be made in advance or by way of reimbursement, in such installments consistent with construction progress, and on such conditions as the Commissioner may determine.

"(e) As used in this section, the term ‘research and related purposes’ means research, research training, surveys, or demonstrations in the field of education, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental schools, except that such term does not include research, research training, surveys, or demonstrations in the field of sectarian instruction or the dissemination of information derived therefrom.

"DEFINITIONS"

"SEC. 5. As used in this Act—

"(1) The term ‘State’ includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

"(2) The term ‘State educational agency’ means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

"(3) The term ‘nonprofit’ as applied to any agency, organization, or institution means an agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(4) The terms ‘construction’ and ‘cost of construction’ include (A) the construction of new buildings and the expansion, remodeling, and alteration of existing buildings, including architects’ fees, but not including the cost of acquisition of land or off-site improvements, and (B) equipping new buildings and existing buildings, whether or not expanded, remodeled, or altered.

"SHORT TITLE"

"SEC. 6. This Act may be cited as the 'Cooperative Research Act'."

TITLE V—GRANTS TO STRENGTHEN STATE DEPARTMENTS OF EDUCATION

APPROPRIATIONS AUTHORIZED

Sec. 501. (a) The Commissioner shall carry out during the fiscal year ending June 30, 1966, and each of the four succeeding fiscal years, a program for making grants to stimulate and assist States in strengthening the leadership resources of their State educational agencies, and to assist those agencies in the establishment and improvement of programs to identify and meet the educational needs of States.

(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $25,000,000 for the fiscal year ending June 30, 1966; but for the fiscal year ending June 30, 1967, and the three succeeding fiscal years, only such sums may be appropriated as the Congress may hereafter authorize by law.
SEC. 502. (a) (1) From 85 per centum of the sums appropriated for carrying out this title for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum of such 85 per centum of such sums, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this title. From the remainder of such 85 per centum of such sums the Commissioner shall apportion $100,000 to each State, and shall apportion to each State such part of the remainder of such 85 per centum of such sums as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this paragraph, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(2) Fifteen per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be reserved by the Commissioner for grants for special projects pursuant to section 505.

(b) (1) The amount apportioned to any State under paragraph (1) of subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (a) (1) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 501 for any fiscal year shall be deemed part of the amount apportioned to it under subsection (a) (1) for that year.

(2) In accordance with regulations of the Commissioner any State may file with him a request that a specified portion of the amount apportioned to it under subsection (a) (1) be added to the amount apportioned to another State under that subsection for the purpose of meeting a portion of the Federal share (as defined in section 503 (b)) of the cost of carrying out one or more programs or activities under an approved application of that other State. If the Commissioner finds that the programs or activities with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of the amount apportioned to that State, as requested by it, would assist in carrying out the purposes of this title, that portion shall be added to the amount apportioned to the other State under subsection (a) (1) to be used for the purpose referred to above. The Federal share of the total funds expended for such programs or activities shall be adjusted on the basis of the proportion of such total funds so expended by each participating State from the amounts originally apportioned to each such State.
Sec. 503. (a) From the amount apportioned to any State for any fiscal year under section 502 the Commissioner may, upon approval of an application or applications therefor submitted to him by such State through the State educational agency, make a grant or grants to such agency equal to the Federal share of expenditures incurred by such agency for the planning of, and for programs for, the development, improvement, or expansion of activities promoting the purposes set forth in section 501(a) and more particularly described in such application and for which such application is approved, such as—

(1) educational planning on a statewide basis, including the identification of educational problems, issues, and needs in the State and the evaluation on a periodic or continuing basis of education programs in the State;

(2) providing support or services for the comprehensive and compatible recording, collecting, processing, analyzing, interpreting, storing, retrieving, and reporting of State and local educational data, including the use of automated data systems;

(3) dissemination or support for the dissemination of information relating to the condition, progress, and needs of education in the State;

(4) programs for conducting, sponsoring, or cooperating in educational research and demonstration programs and projects such as (A) establishing and maintaining curriculum research and innovation centers to assist in locating and evaluating curriculum research findings, (B) discovering and testing new educational ideas (including new uses of printed and audio-visual media) and more effective educational practices, and putting into use those which show promise of success, and (C) studying ways to improve the legal and organizational structure for education and the management and administration of education in the State;

(5) publication and distribution, or support for the publication and distribution, of curricular materials collected and developed at curriculum research centers and elsewhere;

(6) programs to improve the quality of teacher preparation, including student-teaching arrangements, in cooperation with institutions of higher education and local educational agencies;

(7) studies or support for studies concerning the financing of public education in the State;

(8) support for statewide programs designed to measure the educational achievement of pupils;

(9) training and otherwise developing the competency of individuals who serve State or local educational agencies and provide leadership, administrative, or specialist services throughout the State, or throughout the area served by a local educational agency, through the initiation, improvement, and expansion of activities such as (A) sabbatical leave programs, (B) fellowships and traineeships (including educational expenses and the cost of travel) for State educational agency personnel to pursue graduate studies, and (C) conducting institutes, workshops, and conferences (including related costs of operation and payment of the expenses of participants); and

(10) providing local educational agencies and the schools of those agencies with consultative and technical assistance and services relating to academic subjects and to particular aspects of edu-
cation such as the education of the handicapped, school building design and utilization, school social work, the utilization of modern instructional materials and equipment, transportation, educational administrative procedures, and school health, physical education, and recreation.

(b) (1) For the purposes of this section the Federal share for any State shall be 100 per centum for fiscal years ending prior to July 1, 1967. Thereafter the Federal share for any State shall be 100 per centum less the State percentage, except that (A) the Federal share shall in no case be more than 66 per centum or less than 50 per centum, and (B) the Federal share for the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66 per centum. The "State percentage" for any State shall be that percentage which bears the same ratio to 50 per centum as the per capita income of that State bears to the per capita income of all the States (excluding the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands).

(2) The Federal share for each State for the fiscal years beginning July 1, 1967, and July 1, 1968, shall be promulgated by the Commissioner between July 1 and August 31, 1966, and the Federal share for each State for the fiscal year beginning July 1, 1969, shall be promulgated by the Commissioner between July 1 and August 31, 1968. Such Federal share shall be computed on the basis of the average of the per capita incomes of each State and of all the States (excluding the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands) for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce.

APPROVAL OF APPLICATIONS FOR GRANTS FROM APPORTIONED FUNDS

Sec. 504. An application for a grant under section 503 may be approved by the Commissioner only upon his determination that—

(a) each of the proposed projects, programs, and activities for which it is approved meets the requirements of section 503(a) and will make a significant contribution to strengthening the leadership resources of the applicant or its ability to participate effectively in meeting the educational needs of the State;

(b) the application contains or is supported by adequate assurance that Federal funds made available under the approved application will be so used as to supplement, and to the extent practical, increase the amounts of State funds that would in the absence of such Federal funds be made available for projects and activities which meet the requirements of section 503(a);

(c) the application sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to agencies, institutions, or organizations) under this title; and

(d) the application provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.
SPECIAL PROJECT GRANTS

Sec. 505. Fifteen per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be used by the Commissioner to make grants to State educational agencies to pay part of the cost of experimental projects for developing State leadership or for the establishment of special services which, in the judgment of the Commissioner, hold promise of making a substantial contribution to the solution of problems common to the State educational agencies of all or several States.

PAYMENTS

Sec. 506. Payments pursuant to grants under this title may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

INTERCHANGE OF PERSONNEL WITH STATES

Sec. 507. (a) For the purposes of this section, the term "State" means a State or any agency of a State engaged in activities in the field of education, but it does not include a local educational agency; and the term "Office" means the Office of Education.

(b) The Commissioner is authorized, through agreements or otherwise, to arrange for assignment of officers and employees of States to the Office and assignment of officers and employees in the Office to States, for work which the Commissioner determines will aid the Office in more effective discharge of its responsibilities as authorized by law, including cooperation with States and the provision of technical or other assistance. The period of assignment of any officer or employee under an arrangement shall not exceed two years.

(c) (1) Officers and employees in the Office assigned to any State pursuant to this section shall be considered, during such assignment, to be (A) on detail to a regular work assignment in the Office, or (B) on leave without pay from their positions in the Office.

(2) Persons considered to be so detailed shall remain as officers or employees, as the case may be, in the Office for all purposes, except that the supervision of their duties during the period of detail may be governed by agreement between the Office and the State involved.

(3) In the case of persons so assigned and on leave without pay—

(A) if the rate of compensation (including allowances) for their employment by the State is less than the rate of compensation (including allowances) they would be receiving had they continued in their regular assignment in the Office, they may receive supplemental salary payments from the Office in the amount considered by the Commissioner to be justified, but not at a rate in excess of the difference between the State rate and the Office rate; and

(B) they may be granted annual leave and sick leave to the extent authorized by law, but only in circumstances considered by the Commissioner to justify approval of such leave.

Such officers and employees on leave without pay shall, notwithstanding any other provision of law, be entitled—

(C) to continuation of their insurance under the Federal Employees’ Group Life Insurance Act of 1954, and coverage under the Federal Employees Health Benefits Act of 1959, so long as...
as the Office continues to collect the employee's contribution from
the officer or employee involved and to transmit for timely deposit
into the funds created under such Acts the amount of the
employee's contributions and the Government's contribution from
appropriations of the Office; and

(D) to credit the period of their assignment under the arrange­
ment under this section toward periodic or longevity step increases
and, upon payment into the civil service retirement and disability
fund of the percentage of their State salary, and of their supple­
mental salary payments, if any, which would have been deducted
from a like Federal salary for the period of such assignment and
payment by the Commissioner into such fund of the amount which
would have been payable by him during the period of such assign­
ment with respect to a like Federal salary, to treat (notwithstanding
the provisions of the Independent Offices Appropriation Act,
1959, under the head "Civil Service Retirement and Disability
Fund") their service during such period as service within the
meaning of the Civil Service Retirement Act;

except that no officer or employee or his beneficiary may receive any
benefits under the Civil Service Retirement Act, the Federal
Employees Health Benefits Act of 1959, or the Federal Employees'
Group Life Insurance Act of 1954, based on service during an assign­
ment hereunder for which the officer or employee or (if he dies without
making such election) his beneficiary elects to receive benefits, under
any State retirement or insurance law or program, which the Civil
Service Commission determines to be similar. The Office shall deposit
currently in the funds created under the Federal Employees' Group
Life Insurance Act of 1954, the Federal Employees Health Benefits
Act of 1959, and the civil service retirement and disability fund,
respectively, the amount of the Government's contribution under these
Acts on account of service with respect to which employee contribu­
tions are collected as provided in subparagraph (C) and the amount
of the Government's contribution under the Civil Service Retirement
Act on account of service with respect to which payments (of the
amount which would have been deducted under that Act) referred
to in subparagraph (D) are made to such civil service retirement
and disability fund.

(4) Any such officer or employee on leave without pay who suffers
disability or death as a result of personal injury sustained while in
the performance of his duty during an assignment hereunder, shall
be treated, for the purposes of the Federal Employees' Compensation
Act, as though he were an employee, as defined in such Act, who had
sustained such injury in the performance of duty. When such person
(or his dependents, in case of death) entitled by reason of injury
or death to benefits under that Act is also entitled to benefits from a
State for the same injury or death, he (or his dependents in case of
death) shall elect which benefits he will receive. Such election shall
be made within one year after the injury or death, or such further time
as the Secretary of Labor may for good cause allow, and when made
shall be irrevocable unless otherwise provided by law.

(d) Assignment of any officer or employee in the Office to a State
under this section may be made with or without reimbursement by
the State for the compensation (or supplementary compensation),
travel and transportation expenses (to or from the place of assign­
ment), and allowances, or any part thereof, of such officer or employee
during the period of assignment, and any such reimbursement shall be credited to the appropriation utilized for paying such compensation, travel or transportation expenses, or allowances.

(e) Appropriations to the Office shall be available, in accordance with the standardized Government travel regulations, for the expenses of travel of officers and employees assigned to States under an arrangement under this section on either a detail or leave-without-pay basis and, in accordance with applicable law, orders, and regulations, for expenses of transportation of their immediate families and expenses of transportation of their household goods and personal effects, in connection with the travel of such officers and employees to the location of their posts of assignment and their return to their official stations.

(f) Officers and employees of States who are assigned to the Office under an arrangement under this section may (1) be given appointments in the Office covering the periods of such assignments, or (2) be considered to be on detail to the Office. Appointments of persons so assigned may be made without regard to the civil service laws. Persons so appointed in the Office shall be paid at rates of compensation determined in accordance with the Classification Act of 1949, and shall not be considered to be officers or employees of the Office for the purposes of (1) the Civil Service Retirement Act, (2) the Federal Employees' Group Life Insurance Act of 1954, or (3) unless their appointments result in the loss of coverage in a group health benefits plan whose premium has been paid in whole or in part by a State contribution, the Federal Employees Health Benefits Act of 1959. State officers and employees who are assigned to the Office without appointment shall not be considered to be officers or employees of the Office, except as provided in subsection (g), nor shall they be paid a salary or wage by the Office during the period of their assignment. The supervision of the duties of such persons during the assignment may be governed by agreement between the Commissioner and the State involved.

(g) (1) Any State officer or employee who is assigned to the Office without appointment shall nevertheless be subject to the provisions of sections 203, 205, 207, 208, and 209 of title 18 of the United States Code.

(2) Any State officer or employee who is given an appointment while assigned to the Office, or who is assigned to the Office without appointment, under an arrangement under this section, and who suffers disability or death as a result of personal injury sustained while in the performance of his duty during such assignment shall be treated, for the purpose of the Federal Employees' Compensation Act, as though he were an employee, as defined in such Act, who had sustained such injury in the performance of duty. When such person (or his dependents, in case of death) entitled by reason of injury or death to benefits under that Act is also entitled to benefits from a State for the same injury or death, he (or his dependents, in case of death) shall elect which benefits he will receive. Such election shall be made within one year after the injury or death, or such further time as the Secretary of Labor may for good cause allow, and when made shall be irrevocable unless otherwise provided by law.

(h) The appropriations to the Office shall be available, in accordance with the standardized Government travel regulations, during the period of assignment and in the case of travel to and from their places
of assignment or appointment, for the payment of expenses of travel of persons assigned to, or given appointments by, the Office under an arrangement under this section.

(i) All arrangements under this section for assignment of officers or employees in the Office to States or for assignments of officers or employees of States to the Office shall be made in accordance with regulations of the Commissioner.

ADMINISTRATION OF STATE PLANS

SEC. 508. (a) The Commissioner shall not finally disapprove any application submitted under section 504, or any modification thereof, without first affording the State educational agency submitting the application reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency administering a program under an application approved under this title, finds—

(1) that the application has been so changed that it no longer complies with the provisions of section 504(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State educational agency that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

JUDICIAL REVIEW

SEC. 509. (a) If any State is dissatisfied with the Commissioner’s final action with respect to the approval of an application submitted under section 504(a) or with his final action under section 508(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

PERIODIC REVIEW OF PROGRAM AND LAWS

SEC. 510. (a) The Secretary shall, within ninety days after the date of enactment of this title, appoint an Advisory Council on State Departments of Education for the purpose of reviewing the administration of the programs for which funds are appropriated pursuant to this title and making recommendations for improvement of such
administration, and reviewing the status of and making recommendations with respect to such programs and this title and with respect to other Acts under which funds are appropriated to assist State educational agencies to administer Federal programs relating to education.

(b) The Council shall be appointed by the Secretary without regard to the civil service laws and shall consist of twelve persons who shall, to the extent possible, include persons familiar with the educational needs of the Nation, persons familiar with the administration of State and local educational programs, and persons representative of the general public.

(c) The Secretary is authorized to engage such technical assistance as may be required to carry out the functions of the Council, and the Secretary shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

(d) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title and of other education Acts) to the Secretary not later than March 31 of each calendar year beginning after the enactment of this title. The Secretary shall transmit each such report to the President and the Congress together with his comments and recommendations.

(e) Members of the Council who are not regular full-time employees of the United States shall, while serving on business of the Council, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in Government service employed intermittently.

TITLE VI—GENERAL PROVISIONS

DEFINITIONS

Sec. 601. As used in titles II, III, and V of this Act—

(a) The term “Commissioner” means the Commissioner of Education.

(b) The term “construction” means (1) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefor; or (2) acquisition of existing structures not owned by any agency or institution making application for assistance under this Act; or (3) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (4) a combination of any two or more of the foregoing.

(c) The term “elementary school” means a day or residential school which provides elementary education, as determined under State law.

(d) The term “equipment” includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.
(e) The term “institution of higher education” means an educational institution in any State which—

(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized within such State to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(4) is a public or other nonprofit institution; and

(5) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: Provided, however, That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(f) The term “local educational agency” means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(g) The term “nonprofit” as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.
(h) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(i) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(j) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands and for purposes of title II and title III, such term includes the Trust Territory of the Pacific Islands.

(k) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

**ADVISORY COUNCILS**

Sec. 602. (a) The Commissioner may, without regard to the civil service laws, and subject to the Secretary's approval in such cases as the Secretary may prescribe, from time to time appoint, in addition to the advisory councils and committees authorized in preceding titles, an advisory council of ten members to advise and consult with the Commissioner with respect to his functions under this law.

(b) Members of such an advisory council who are not regular full-time employees of the United States shall, while attending meetings or conferences of such council or otherwise engaged on business of such council, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem, including travel time, and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

**FEDERAL ADMINISTRATION**

Sec. 603. (a) The Commissioner may delegate any of his functions under this Act or any Act amended by this Act, except the making of regulations, to any officer or employee of the Office of Education.

(b) In administering the provisions of this Act or any Act amended by this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

**FEDERAL CONTROL OF EDUCATION PROHIBITED**

Sec. 604. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.
LIMITATION ON PAYMENTS UNDER THIS ACT

Sec. 605. Nothing contained in this Act shall be construed to authorize the making of any payment under this Act, or under any Act amended by this Act, for religious worship or instruction.

Approved April 11, 1965.

Public Law 89-11

AN ACT

Granting the consent of Congress to a compact relating to taxation of motor fuels consumed by interstate buses and to an agreement relating to bus taxation proration and reciprocity.

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

TITLE I

SECTION 101. The consent of Congress is hereby given to the States of Maine, Massachusetts, New Hampshire, Pennsylvania, and Maryland, and to the District of Columbia to enter into a compact on taxation of motor fuels consumed by interstate buses. But before any other States, any Province of Canada, or any State or territory or the Federal District of Mexico shall be made a party to such compact, the further consent of Congress shall first be obtained. Such compact shall be in substantially the following form:

"COMPACT ON TAXATION OF MOTOR FUELS CONSUMED BY INTERSTATE BUSES

"ARTICLE I—PURPOSES

"The purposes of this agreement are to—

"(a) avoid multiple taxation of motor fuels consumed by interstate buses and to assure each State of its fair share of motor fuel taxes;

"(b) establish and facilitate the administration of a criterion of motor fuel taxation for interstate buses which is reasonably related to the use of highway and related facilities and services in each of the party States; and

"(c) encourage the availability of a maximum number of buses for intrastate service by removing motor fuel taxation as a deterrent in the routing of interstate buses.

"ARTICLE II—DEFINITIONS

"(a) State: State shall include the States of the United States, the District of Columbia, the territories of the United States, the Provinces of Canada, and the States, Territories, and Federal District of Mexico.

"(b) Contracting State: Contracting State shall mean a State which is a party to this agreement.

"(c) Administrator: Administrator shall mean the official or agency of a State administering the motor fuel taxes involved.

"(d) Person: Person shall include any individual, firm, copartnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit.