

105TH CONGRESS  
1ST SESSION

# H. R. 1797

To provide scholarship assistance for District of Columbia elementary and secondary school students.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 5, 1997

Mr. ARMEY (for himself, Mr. LIPINSKI, Mr. RIGGS, Mr. GOODLING, Mr. DAVIS of Virginia, Mr. FLAKE, Mr. WATTS of Oklahoma, Mr. TALENT, Mr. BOB SCHAFER, Mr. HOEKSTRA, Mr. HALL of Texas, Mr. ENSIGN, Mr. BLILEY, and Mr. BOEHNER) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To provide scholarship assistance for District of Columbia elementary and secondary school students.

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

3       **SECTION 1. SHORT TITLE; FINDINGS; PRECEDENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “District of Columbia Student Opportunity Scholarship  
6       Act of 1997”.

7       (b) FINDINGS.—Congress makes the following  
8       findings:

1           (1) Public education in the District of Columbia  
2 is in a crisis, as evidenced by the following:

3           (A) The District of Columbia schools have  
4 the lowest average of any school system in the  
5 Nation on the National Assessment of Edu-  
6 cation Progress.

7           (B) 72 percent of fourth graders in the  
8 District of Columbia tested below basic pro-  
9 ficiency on the National Assessment of Edu-  
10 cation Progress in 1994.

11          (C) Since 1991, there has been a net de-  
12 cline in the reading skills of District of Colum-  
13 bia students as measured in scores on the  
14 standardized Comprehensive Test of Basic  
15 Skills.

16          (D) At least 40 percent of District of Co-  
17 lumbia students drop out of or leave the school  
18 system before graduation.

19          (E) The National Education Goals Panel  
20 reported in 1996 that both students and teach-  
21 ers in District of Columbia schools are sub-  
22 jected to levels of violence that are twice the na-  
23 tional average.

1 (F) Nearly two-thirds of District of Colum-  
2 bia teachers reported that violent student be-  
3 havior is a serious impediment to teaching.

4 (G) Many of the District of Columbia's  
5 152 schools are in a state of terrible disrepair,  
6 including leaking roofs, bitterly cold classrooms,  
7 and numerous fire code violations.

8 (2) Significant improvements in the education  
9 of educationally deprived children in the District of  
10 Columbia can be accomplished by—

11 (A) increasing educational opportunities  
12 for the children by expanding the range of edu-  
13 cational choices that best meet the needs of the  
14 children;

15 (B) fostering diversity and competition  
16 among school programs for the children;

17 (C) providing the families of the children  
18 more of the educational choices already avail-  
19 able to affluent families; and

20 (D) enhancing the overall quality of edu-  
21 cation in the District of Columbia by increasing  
22 parental involvement in the direction of the  
23 education of the children.

24 (3) The 350 private schools in the District of  
25 Columbia and the surrounding area offer a more

1 safe and stable learning environment than many of  
2 the public schools.

3 (4) Costs are often much lower in private  
4 schools than corresponding costs in public schools.

5 (5) Not all children are alike and therefore  
6 there is no one school or program that fits the needs  
7 of all children.

8 (6) The formation of sound values and moral  
9 character is crucial to helping young people escape  
10 from lives of poverty, family break-up, drug abuse,  
11 crime, and school failure.

12 (7) In addition to offering knowledge and skills,  
13 education should contribute positively to the forma-  
14 tion of the internal norms and values which are vital  
15 to a child's success in life and to the well-being of  
16 society.

17 (8) Schools should help to provide young people  
18 with a sound moral foundation which is consistent  
19 with the values of their parents. To find such a  
20 school, parents need a full range of choice to deter-  
21 mine where their children can best be educated.

22 (c) PRECEDENTS.—The United States Supreme  
23 Court has determined that programs giving parents choice  
24 and increased input in their children's education, includ-  
25 ing the choice of a religious education, do not violate the

1 Constitution. The Supreme Court has held that as long  
2 as the beneficiary decides where education funds will be  
3 spent on such individual's behalf, public funds can be used  
4 for education in a religious institution because the public  
5 entity has neither advanced nor hindered a particular reli-  
6 gion and therefore has not violated the establishment  
7 clause of the first amendment to the Constitution. Su-  
8 preme Court precedents include—

9           (1) *Wisconsin v. Yoder*, 406 U.S. 205 (1972);  
10       *Pierce v. Society of Sisters*, 268 U.S. 510 (1925);  
11       and *Meyer v. Nebraska*, 262 U.S. 390 (1923) which  
12       held that parents have the primary role in and are  
13       the primary decision makers in all areas regarding  
14       the education and upbringing of their children;

15       (2) *Mueller v. Allen*, 463 U.S. 388 (1983)  
16       which declared a Minnesota tax deduction program  
17       that provided State income tax benefits for edu-  
18       cational expenditures by parents, including tuition in  
19       religiously affiliated schools, does not violate the  
20       Constitution;

21       (3) *Witters v. Department of Services for the*  
22       *Blind*, 474 U.S. 481 (1986) in which the Supreme  
23       Court ruled unanimously that public funds for the  
24       vocational training of the blind could be used at a  
25       Bible college for ministry training; and

(4) *Zobrest v. Catalina Foothills School District*, 509 U.S. 1 (1993) which held that a deaf child could receive an interpreter, paid for by the public, in a private religiously affiliated school under the Individual with Disabilities Education Act (20 U.S.C. 1400 et seq.). The case held that providing an interpreter in a religiously affiliated school did not violate the establishment clause of the first amendment of the Constitution.

**SEC. 2. DEFINITIONS.**

As used in this Act—

(1) the term “Board” means the Board of Directors of the Corporation established under section 3(b)(1);

(2) the term “Corporation” means the District of Columbia Scholarship Corporation established under section 3(a);

(3) the term “eligible institution”—

(A) in the case of an eligible institution serving a student who receives a tuition scholarship under section 4(d)(1), means a public, private, or independent elementary or secondary school; and

(B) in the case of an eligible institution serving a student who receives an enhanced

1 achievement scholarship under section 4(d)(2),  
2 means an elementary or secondary school, or an  
3 entity that provides services to a student en-  
4 rolled in an elementary or secondary school to  
5 enhance such student's achievement through ac-  
6 tivities described in section 4(d)(2); and

7 (4) the term "poverty line" means the income  
8 official poverty line (as defined by the Office of Man-  
9 agement and Budget, and revised annually in ac-  
10 cordance with section 673(2) of the Community  
11 Services Block Grant Act (42 U.S.C. 9902(2)) appli-  
12 cable to a family of the size involved.

13 **SEC. 3. DISTRICT OF COLUMBIA SCHOLARSHIP**  
14 **CORPORATION.**

15 (a) GENERAL REQUIREMENTS.—

16 (1) IN GENERAL.—There is authorized to be es-  
17 tablished a private, nonprofit corporation, to be  
18 known as the "District of Columbia Scholarship  
19 Corporation", which is neither an agency nor estab-  
20 lishment of the United States Government or the  
21 District of Columbia Government.

22 (2) DUTIES.—The Corporation shall have the  
23 responsibility and authority to administer, publicize,  
24 and evaluate the scholarship program in accordance

1 with this Act, and to determine student and school  
2 eligibility for participation in such program.

3 (3) CONSULTATION.—The Corporation shall ex-  
4 ercise its authority—

5 (A) in a manner consistent with maximiz-  
6 ing educational opportunities for the maximum  
7 number of interested families; and

8 (B) in consultation with the District of Co-  
9 lumbia Board of Education or entity exercising  
10 administrative jurisdiction over the District of  
11 Columbia Public Schools, the Superintendent of  
12 the District of Columbia Public Schools, and  
13 other school scholarship programs in the Dis-  
14 trict of Columbia.

15 (4) APPLICATION OF PROVISIONS.—The Cor-  
16 poration shall be subject to the provisions of this  
17 Act, and, to the extent consistent with this Act, to  
18 the District of Columbia Nonprofit Corporation Act  
19 (D.C. Code, sec. 29–501 et seq.).

20 (5) RESIDENCE.—The Corporation shall have  
21 its place of business in the District of Columbia and  
22 shall be considered, for purposes of venue in civil ac-  
23 tions, to be a resident of the District of Columbia.

24 (6) FUND.—There is established in the Treas-  
25 ury a fund that shall be known as the District of



1 Columbia Scholarship Fund, to be administered by  
2 the Secretary of the Treasury.

3 (7) DISBURSEMENT.—The Secretary of the  
4 Treasury shall make available and disburse to the  
5 Corporation, before October 15 of each fiscal year or  
6 not later than 15 days after the date of enactment  
7 of an Act making appropriations for the District of  
8 Columbia for such year, whichever occurs later, such  
9 funds as have been appropriated to the District of  
10 Columbia Scholarship Fund for the fiscal year in  
11 which such disbursement is made.

12 (8) AVAILABILITY.—Funds authorized to be ap-  
13 propriated under this Act shall remain available  
14 until expended.

15 (9) USES.—Funds authorized to be appro-  
16 priated under this Act shall be used by the Corpora-  
17 tion in a prudent and financially responsible man-  
18 ner, solely for scholarships, contracts, and adminis-  
19 trative costs.

20 (10) AUTHORIZATION.—

21 (A) IN GENERAL.—There are authorized to  
22 be appropriated to the District of Columbia  
23 Scholarship Fund—

24 (i) \$7,000,000 for fiscal year 1998;

- 1 (ii) \$8,000,000 for fiscal year 1999;  
2 and  
3 (iii) \$10,000,000 for each of fiscal  
4 years 2000 through 2002.

5 (B) LIMITATION.—Not more than  
6 \$500,000 of the amount appropriated to carry  
7 out this Act for any fiscal year may be used by  
8 the Corporation for any purpose other than as-  
9 sistance to students.

10 (b) ORGANIZATION AND MANAGEMENT; BOARD OF  
11 DIRECTORS.—

12 (1) BOARD OF DIRECTORS; MEMBERSHIP.—

13 (A) IN GENERAL.—The Corporation shall  
14 have a Board of Directors (referred to in this  
15 Act as the “Board”), comprised of 7 members  
16 with 6 members of the Board appointed by the  
17 President not later than 30 days after receipt  
18 of nominations from the Speaker of the House  
19 of Representatives and the majority leader of  
20 the Senate.

21 (B) HOUSE NOMINATIONS.—The President  
22 shall appoint 3 of the members from a list of  
23 9 individuals nominated by the Speaker of the  
24 House of Representatives in consultation with

1 the minority leader of the House of  
2 Representatives.

3 (C) SENATE NOMINATIONS.—The Presi-  
4 dent shall appoint 3 members from a list of 9  
5 individuals nominated by the majority leader of  
6 the Senate in consultation with the minority  
7 leader of the Senate.

8 (D) DEADLINE.—The Speaker of the  
9 House of Representatives and majority leader  
10 of the Senate shall submit their nominations to  
11 the President not later than 30 days after the  
12 date of the enactment of this Act.

13 (E) APPOINTEE OF MAYOR.—The Mayor  
14 shall appoint 1 member of the Board not later  
15 than 60 days after the date of the enactment of  
16 this Act.

17 (F) POSSIBLE INTERIM MEMBERS.—If the  
18 President does not appoint the 6 members of  
19 the Board in the 30-day period described in  
20 subparagraph (A), then the Speaker of the  
21 House of Representatives and the Majority  
22 Leader of the Senate shall each appoint 2 mem-  
23 bers of the Board, and the Minority Leader of  
24 the House of Representatives and the Minority  
25 Leader of the Senate shall each appoint 1 of

1           the Board, from among the individuals nomi-  
2           nated pursuant to subparagraphs (A) and (B),  
3           as the case may be. The appointees under the  
4           preceding sentence together with the appointee  
5           of the Mayor, shall serve as an interim Board  
6           with all the powers and other duties of the  
7           Board described in this Act, until the President  
8           makes the appointments as described in this  
9           subsection.

10          (2) POWERS.—All powers of the Corporation  
11       shall vest in and be exercised under the authority of  
12       the Board.

13          (3) ELECTIONS.—Members of the Board annu-  
14       ally shall elect 1 of the members of the Board to be  
15       chairperson of the Board.

16          (4) RESIDENCY.—All members appointed to the  
17       Board shall be residents of the District of Columbia  
18       at the time of appointment and while serving on the  
19       Board.

20          (5) NONEMPLOYEE.—No member of the Board  
21       may be an employee of the United States Govern-  
22       ment or the District of Columbia Government when  
23       appointed to or during tenure on the Board, unless  
24       the individual is on a leave of absence from such a  
25       position while serving on the Board.

1           (6) INCORPORATION.—The members of the ini-  
2           tial Board shall serve as incorporators and shall take  
3           whatever steps are necessary to establish the Cor-  
4           poration under the District of Columbia Nonprofit  
5           Corporation Act (D.C. Code, sec. 29–501 et seq.).

6           (7) GENERAL TERM.—The term of office of  
7           each member of the Board shall be 5 years, except  
8           that any member appointed to fill a vacancy occur-  
9           ring prior to the expiration of the term for which the  
10          predecessor was appointed shall be appointed for the  
11          remainder of such term.

12          (8) CONSECUTIVE TERM.—No member of the  
13          Board shall be eligible to serve in excess of 2 con-  
14          secutive terms of 5 years each. A partial term shall  
15          be considered as 1 full term. Any vacancy on the  
16          Board shall not affect the Board’s power, but shall  
17          be filled in a manner consistent with this Act.

18          (9) NO BENEFIT.—No part of the income or as-  
19          sets of the Corporation shall inure to the benefit of  
20          any Director, officer, or employee of the Corpora-  
21          tion, except as salary or reasonable compensation for  
22          services.

23          (10) POLITICAL ACTIVITY.—The Corporation  
24          may not contribute to or otherwise support any po-  
25          litical party or candidate for elective public office.

1           (11) NO OFFICERS OR EMPLOYEES.—The mem-  
2       bers of the Board shall not, by reason of such mem-  
3       bership, be considered to be officers or employees of  
4       the United States Government or of the District of  
5       Columbia Government.

6           (12) STIPENDS.—The members of the Board,  
7       while attending meetings of the Board or while en-  
8       gaged in duties related to such meetings or other ac-  
9       tivities of the Board pursuant to this Act, shall be  
10      provided a stipend. Such stipend shall be at the rate  
11      of \$150 per day for which the member of the Board  
12      is officially recorded as having worked, except that  
13      no member may be paid a total stipend amount in  
14      any calendar year in excess of \$5,000.

15      (c) OFFICERS AND STAFF.—

16           (1) EXECUTIVE DIRECTOR.—The Corporation  
17      shall have an Executive Director, and such other  
18      staff, as may be appointed by the Board for terms  
19      and at rates of compensation, not to exceed level  
20      EG-16 of the Educational Service of the District of  
21      Columbia, to be fixed by the Board.

22           (2) STAFF.—With the approval of the Board,  
23      the Executive Director may appoint and fix the sal-  
24      ary of such additional personnel as the Executive  
25      Director considers appropriate.

1           (3) ANNUAL RATE.—No staff of the Corpora-  
2           tion may be compensated by the Corporation at an  
3           annual rate of pay greater than the annual rate of  
4           pay of the Executive Director.

5           (4) SERVICE.—All officers and employees of the  
6           Corporation shall serve at the pleasure of the Board.

7           (5) QUALIFICATION.—No political test or quali-  
8           fication may be used in selecting, appointing, pro-  
9           moting, or taking other personnel actions with re-  
10          spect to officers, agents, or employees of the  
11          Corporation.

12         (d) POWERS OF THE CORPORATION.—

13           (1) GENERALLY.—The Corporation is author-  
14           ized to obtain grants from, and make contracts with,  
15           individuals and with private, State, and Federal  
16           agencies, organizations, and institutions.

17           (2) HIRING AUTHORITY.—The Corporation may  
18           hire, or accept the voluntary services of, consultants,  
19           experts, advisory boards, and panels to aid the Cor-  
20           poration in carrying out this Act.

21         (e) FINANCIAL MANAGEMENT AND RECORDS.—

22           (1) AUDITS.—The financial statements of the  
23           Corporation shall be—

1 (A) maintained in accordance with gen-  
 2 erally accepted accounting principles for non-  
 3 profit corporations; and

4 (B) audited annually by independent cer-  
 5 tified public accountants.

6 (2) REPORT.—The report for each such audit  
 7 shall be included in the annual report to Congress  
 8 required by section 13(c).

9 **SEC. 4. SCHOLARSHIPS AUTHORIZED.**

10 (a) ELIGIBLE STUDENTS.—The Corporation is au-  
 11 thorized to award tuition scholarships under subsection  
 12 (d)(1) and enhanced achievement scholarships under sub-  
 13 section (d)(2) to students in kindergarten through grade  
 14 12—

15 (1) who are residents of the District of Colum-  
 16 bia; and

17 (2) whose family income does not exceed 185  
 18 percent of the poverty line.

19 (b) SCHOLARSHIP PRIORITY.—

20 (1) FIRST.—The Corporation shall first award  
 21 scholarships to students described in subsection (a)  
 22 who—

23 (A) are enrolled in a District of Columbia  
 24 public school or preparing to enter a District of  
 25 Columbia kindergarten, except that this sub-



1 paragraph shall apply only for academic years  
2 1997, 1998, and 1999; or

3 (B) have received a scholarship from the  
4 Corporation in the year preceding the year for  
5 which the scholarship is awarded.

6 (2) SECOND.—If funds remain for a fiscal year  
7 for awarding scholarships after awarding scholar-  
8 ships under paragraph (1), the Corporation shall  
9 award scholarships to students described in sub-  
10 section (a) who are not described in paragraph (1).

11 (c) SPECIAL RULE.—The Corporation shall attempt  
12 to ensure an equitable distribution of scholarship funds  
13 to students at diverse academic achievement levels.

14 (d) USE OF SCHOLARSHIP.—

15 (1) TUITION SCHOLARSHIPS.—A tuition schol-  
16 arship may be used for the payment of the cost of  
17 the tuition and mandatory fees at a public, private,  
18 or independent school located within the geographic  
19 boundaries of the District of Columbia or the cost  
20 of the tuition and mandatory fees at a public, pri-  
21 vate, or independent school located within Montgom-  
22 ery County, Maryland; Prince Georges County,  
23 Maryland; Arlington County, Virginia; Alexandria  
24 City, Virginia; Falls Church City, Virginia; or Fair-  
25 fax County, Virginia.

1           (2) ENHANCED ACHIEVEMENT SCHOLARSHIP.—

2           An enhanced achievement scholarship may be used  
3           only for the payment of the costs of tuition and  
4           mandatory fees for, or transportation to attend, a  
5           program of instruction provided by an eligible insti-  
6           tution which enhances student achievement of the  
7           core curriculum and is operated outside of regular  
8           school hours to supplement the regular school  
9           program.

10          (e) NOT SCHOOL AID.—A scholarship under this Act  
11       shall be considered assistance to the student and shall not  
12       be considered assistance to an eligible institution.

13       **SEC. 5. SCHOLARSHIP PAYMENTS AND AMOUNTS.**

14          (a) AWARDS.—From the funds made available under  
15       this Act, the Corporation shall award a scholarship to a  
16       student and make payments in accordance with section 10  
17       on behalf of such student to a participating eligible institu-  
18       tion chosen by the parent of the student.

19          (b) NOTIFICATION.—Each eligible institution that de-  
20       sires to receive payment under subsection (a) shall notify  
21       the Corporation not later than 10 days after—

22               (1) the date that a student receiving a scholar-  
23               ship under this Act is enrolled, of the name, address,  
24               and grade level of such student;

1           (2) the date of the withdrawal or expulsion of  
2           any student receiving a scholarship under this Act,  
3           of the withdrawal or expulsion; and

4           (3) the date that a student receiving a scholar-  
5           ship under this Act is refused admission, of the rea-  
6           sons for such a refusal.

7           (c) TUITION SCHOLARSHIP.—

8           (1) EQUAL TO OR BELOW POVERTY LINE.—For  
9           a student whose family income is equal to or below  
10          the poverty line, a tuition scholarship may not ex-  
11          ceed the lesser of—

12                  (A) the cost of tuition and mandatory fees  
13                  for, and transportation to attend, an eligible in-  
14                  stitution; or

15                  (B) \$3,200 for fiscal year 1998, with such  
16                  amount adjusted in proportion to changes in  
17                  the Consumer Price Index for all urban con-  
18                  sumers published by the Department of Labor  
19                  for each of fiscal years 1999 through 2002.

20          (2) ABOVE POVERTY LINE.—For a student  
21          whose family income is greater than the poverty line,  
22          but not more than 185 percent of the poverty line,  
23          a tuition scholarship may not exceed the lesser of—

1 (A) 75 percent of the cost of tuition and  
2 mandatory fees for, and transportation to at-  
3 tend, an eligible institution; or

4 (B) \$2,400 for fiscal year 1998, with such  
5 amount adjusted in proportion to changes in  
6 the Consumer Price Index for all urban con-  
7 sumers published by the Department of Labor  
8 for each of fiscal years 1999 through 2002.

9 (d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An  
10 enhanced achievement scholarship may not exceed the  
11 lesser of—

12 (1) the costs of tuition and mandatory fees for,  
13 or transportation to attend, a program of instruction  
14 at an eligible institution; or

15 (2) \$500 for 1998, with such amount adjusted  
16 in proportion to changes in the Consumer Price  
17 Index for all urban consumers published by the De-  
18 partment of Labor for each of fiscal years 1999  
19 through 2002.

20 **SEC. 6. CERTIFICATION OF ELIGIBLE INSTITUTIONS.**

21 (a) APPLICATION.—An eligible institution that de-  
22 sires to receive a payment on behalf of a student who re-  
23 ceives a scholarship under this Act shall file an application  
24 with the Corporation for certification for participation in

1 the scholarship program under this Act. Each such appli-  
2 cation shall—

3 (1) demonstrate that the eligible institution has  
4 operated with not less than 25 students during the  
5 3 years preceding the year for which the determina-  
6 tion is made unless the eligible institution is apply-  
7 ing for certification as a new eligible institution  
8 under subsection (c);

9 (2) contain an assurance that the eligible insti-  
10 tution will comply with all applicable requirements of  
11 this Act;

12 (3) contain an annual statement of the eligible  
13 institution's budget; and

14 (4) describe the eligible institution's proposed  
15 program, including personnel qualifications and fees.

16 (b) CERTIFICATION.—

17 (1) IN GENERAL.—Except as provided in para-  
18 graph (3), not later than 60 days after receipt of an  
19 application in accordance with subsection (a), the  
20 Corporation shall certify an eligible institution to  
21 participate in the scholarship program under this  
22 Act.

23 (2) CONTINUATION.—An eligible institution's  
24 certification to participate in the scholarship pro-  
25 gram shall continue unless such eligible institution's

1 certification is revoked in accordance with subsection  
2 (d).

3 (c) NEW ELIGIBLE INSTITUTION.—

4 (1) IN GENERAL.—An eligible institution that  
5 did not operate with at least 25 students in the 3  
6 years preceding the year for which the determination  
7 is made may apply for a 1-year provisional certifi-  
8 cation to participate in the scholarship program  
9 under this Act for a single year by providing to the  
10 Corporation not later than July 1 of the year pre-  
11 ceding the year for which the determination is  
12 made—

13 (A) a list of the eligible institution’s board  
14 of directors;

15 (B) letters of support from not less than  
16 10 members of the community served by such  
17 eligible institution;

18 (C) a business plan;

19 (D) an intended course of study;

20 (E) assurances that the eligible institution  
21 will begin operations with not less than 25  
22 students;

23 (F) assurances that the eligible institution  
24 will comply with all applicable requirements of  
25 this Act; and

1 (G) a statement that satisfies the require-  
2 ments of paragraphs (2) and (4) of subsection  
3 (a).

4 (2) CERTIFICATION.—Not later than 60 days  
5 after the date of receipt of an application described  
6 in paragraph (1), the Corporation shall certify in  
7 writing the eligible institution’s provisional certifi-  
8 cation to participate in the scholarship program  
9 under this Act unless the Corporation determines  
10 that good cause exists to deny certification.

11 (3) RENEWAL OF PROVISIONAL CERTIFI-  
12 CATION.—After receipt of an application under para-  
13 graph (1) from an eligible institution that includes  
14 a statement of the eligible institution’s budget com-  
15 pleted not earlier than 12 months before the date  
16 such application is filed, the Corporation shall renew  
17 an eligible institution’s provisional certification for  
18 the second and third years of the school’s participa-  
19 tion in the scholarship program under this Act un-  
20 less the Corporation finds—

21 (A) good cause to deny the renewal, includ-  
22 ing a finding of a pattern of violation of re-  
23 quirements described in section 7(a); or

24 (B) consistent failure of 25 percent or  
25 more of the students receiving scholarships

1 under this Act and attending such school to  
2 make appropriate progress (as determined by  
3 the Corporation) in academic achievement.

4 (4) DENIAL OF CERTIFICATION.—If provisional  
5 certification or renewal of provisional certification  
6 under this subsection is denied, then the Corporation  
7 shall provide a written explanation to the eligible in-  
8 stitution of the reasons for such denial.

9 (d) REVOCATION OF ELIGIBILITY.—

10 (1) IN GENERAL.—The Corporation, after no-  
11 tice and hearing, may revoke an eligible institution's  
12 certification to participate in the scholarship pro-  
13 gram under this Act for a year succeeding the year  
14 for which the determination is made for—

15 (A) good cause, including a finding of a  
16 pattern of violation of program requirements  
17 described in section 7(a); or

18 (B) consistent failure of 25 percent or  
19 more of the students receiving scholarships  
20 under this Act and attending such school to  
21 make appropriate progress (as determined by  
22 the Corporation) in academic achievement.

23 (2) EXPLANATION.—If the certification of an  
24 eligible institution is revoked, the Corporation shall  
25 provide a written explanation of its decision to such



1 eligible institution and require a pro rata refund of  
2 the payments received under this Act.

3 **SEC. 7. PARTICIPATION REQUIREMENTS FOR ELIGIBLE**  
4 **INSTITUTIONS.**

5 (a) REQUIREMENTS.—Each eligible institution par-  
6 ticipating in the scholarship program under this Act  
7 shall—

8 (1) provide to the Corporation not later than  
9 June 30 of each year the most recent annual state-  
10 ment of the eligible institution’s budget; and

11 (2) charge a student that receives a scholarship  
12 under this Act not more than the cost of tuition and  
13 mandatory fees for, and transportation to attend,  
14 such eligible institution as other students who are  
15 residents of the District of Columbia and enrolled in  
16 such eligible institution.

17 (b) COMPLIANCE.—The Corporation may require  
18 documentation of compliance with the requirements of  
19 subsection (a), but neither the Corporation nor any gov-  
20 ernmental entity may impose additional requirements  
21 upon an eligible institution as a condition of participation  
22 in the scholarship program under this Act.

23 **SEC. 8. CIVIL RIGHTS.**

24 (a) IN GENERAL.—An eligible institution participat-  
25 ing in the scholarship program under this Act shall comply

1 with title IV of the Civil Rights Act of 1964 and not dis-  
2 criminate on the basis of race, color, or national origin.

3 (b) REVOCATION.—Notwithstanding section 7(b), if  
4 the Secretary of Education determines that an eligible in-  
5 stitution participating in the scholarship program under  
6 this Act is in violation of any of the laws listed in sub-  
7 section (a), then the Corporation shall revoke such eligible  
8 institution's certification to participate in the program.

9 **SEC. 9. CHILDREN WITH DISABILITIES.**

10 Nothing in this Act shall affect the rights of students,  
11 or the obligations of the District of Columbia public  
12 schools, under the Individuals with Disabilities Education  
13 Act (20 U.S.C. 1400 et seq.).

14 **SEC. 10. SCHOLARSHIP PAYMENTS.**

15 (a) IN GENERAL.—

16 (1) PROPORTIONAL PAYMENT.—The Corpora-  
17 tion shall make scholarship payments to participat-  
18 ing eligible institutions for an academic year in 2 in-  
19 stallments. The Corporation shall make the first  
20 payment not later than October 15 of the academic  
21 year in an amount equal to one-half the total  
22 amount of the scholarship assistance awarded to stu-  
23 dents enrolled at such institution for the academic  
24 year. The Corporation shall make the second pay-  
25 ment not later than January 15 of the academic

1 year in an amount equal to one-half of such total  
2 amount.

3 (2) PRO RATA AMOUNTS FOR STUDENT  
4 WITHDRAWAL.—

5 (A) BEFORE PAYMENT.—If a student re-  
6 ceiving a scholarship withdraws or is expelled  
7 from an eligible institution before a scholarship  
8 payment is made, the eligible institution shall  
9 receive a pro rata payment based on the  
10 amount of the scholarship and the number of  
11 days the student was enrolled in the eligible  
12 institution.

13 (B) AFTER PAYMENT.—If a student receiv-  
14 ing a scholarship withdraws or is expelled after  
15 a scholarship payment is made, the eligible in-  
16 stitution shall refund to the Corporation on a  
17 pro rata basis the proportion of any scholarship  
18 payment received for the remaining days of the  
19 school year. Such refund shall occur not later  
20 than 30 days after the date of the withdrawal  
21 or expulsion of the student.

22 (b) FUND TRANSFERS.—The Corporation shall make  
23 scholarship payments to participating eligible institutions  
24 by electronic funds transfer. If such an arrangement is  
25 not available, then the eligible institution shall submit an

1 alternative payment proposal to the Corporation for  
2 approval.

3 **SEC. 11. APPLICATION SCHEDULE AND PROCEDURES.**

4       The Corporation shall implement a schedule and pro-  
5 cedures for processing applications for awarding student  
6 scholarships under this Act that includes a list of certified  
7 eligible institutions, distribution of information to parents  
8 and the general public (including through a newspaper of  
9 general circulation), and deadlines for steps in the scholar-  
10 ship application and award process.

11 **SEC. 12. REPORTING REQUIREMENTS.**

12       (a) IN GENERAL.—An eligible institution participat-  
13 ing in the scholarship program under this Act shall report  
14 not later than July 30 of each year in a manner prescribed  
15 by the Corporation, the following data:

16           (1) Student achievement in the eligible institu-  
17 tion's programs.

18           (2) Grade advancement for scholarship  
19 students.

20           (3) Disciplinary actions taken with respect to  
21 scholarship students.

22           (4) Graduation, college admission test scores,  
23 and college admission rates, if applicable for scholar-  
24 ship students.

1           (5) Types and amounts of parental involvement  
2           required for all families of scholarship students.

3           (6) Student attendance for scholarship and  
4           nonscholarship students.

5           (7) General information on curriculum, pro-  
6           grams, facilities, credentials of personnel, and dis-  
7           ciplinary rules at the eligible institution.

8           (8) Number of scholarship students enrolled.

9           (9) Such other information as may be required  
10          by the Corporation for program appraisal.

11          (b) CONFIDENTIALITY.—No personal identifiers may  
12          be used in such report, except that the Corporation may  
13          request such personal identifiers solely for the purpose of  
14          verification.

15   **SEC. 13. PROGRAM APPRAISAL.**

16          (a) STUDY.—Not later than 4 years after the date  
17          of enactment of this Act, the Comptroller General shall  
18          enter into a contract, with an evaluating agency that has  
19          demonstrated experience in conducting evaluations, for an  
20          independent evaluation of the scholarship program under  
21          this Act, including—

22                (1) a comparison of test scores between scholar-  
23                ship students and District of Columbia public school  
24                students of similar backgrounds, taking into account  
25                the students' academic achievement at the time of

1 the award of their scholarships and the students'  
2 family income level;

3 (2) a comparison of graduation rates between  
4 scholarship students and District of Columbia public  
5 school students of similar backgrounds, taking into  
6 account the students' academic achievement at the  
7 time of the award of their scholarships and the stu-  
8 dents' family income level;

9 (3) the satisfaction of parents of scholarship  
10 students with the scholarship program; and

11 (4) the impact of the scholarship program on  
12 the District of Columbia public schools, including  
13 changes in the public school enrollment, and any im-  
14 provement in the academic performance of the public  
15 schools.

16 (b) PUBLIC REVIEW OF DATA.—All data gathered in  
17 the course of the study described in subsection (a) shall  
18 be made available to the public upon request except that  
19 no personal identifiers shall be made public.

20 (c) REPORT TO CONGRESS.—Not later than Septem-  
21 ber 1 of each year, the Corporation shall submit a progress  
22 report on the scholarship program to the appropriate com-  
23 mittees of Congress. Such report shall include a review  
24 of how scholarship funds were expended, including the ini-

1 tial academic achievement levels of students who have par-  
2 ticipated in the scholarship program.

3 (d) AUTHORIZATION.—There are authorized to be ap-  
4 propriated for the study described in subsection (a),  
5 \$250,000, which shall remain available until expended.

6 **SEC. 14. JUDICIAL REVIEW.**

7 (a) IN GENERAL.—The United States District Court  
8 for the District of Columbia shall have jurisdiction in any  
9 action challenging the scholarship program under this Act  
10 and shall provide expedited review.

11 (b) APPEAL TO SUPREME COURT.—Notwithstanding  
12 any other provision of law, any order of the United States  
13 District Court for the District of Columbia which is issued  
14 pursuant to an action brought under subsection (a) shall  
15 be reviewable by appeal directly to the Supreme Court of  
16 the United States.

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