

106TH CONGRESS
1ST SESSION

H. R. 555

To require States to equalize funding for education throughout the State.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1999

Mr. FATTAH (for himself, Mr. GUTIERREZ, Ms. KILPATRICK, Mr. BRADY of Pennsylvania, Ms. LEE, Mr. MARTINEZ, and Mr. RUSH) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To require States to equalize funding for education
throughout the State.

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.**

4 This Act may be cited as the “Equal Protection
5 School Finance Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

8 (1) There are systems of public school finance
9 within States which subject American children to

1 educations of radically varying and grossly unequal
2 quality solely on the basis of where they live.

3 (2) Agreement with the unanimous Supreme
4 Court decision of *Brown v. Board of Education*
5 which stated: “In these days, it is doubtful that any
6 child may reasonably be expected to succeed in life
7 if he is denied the opportunity of an education. Such
8 an opportunity, where the State has undertaken to
9 provide it, is a right which must be made available
10 to all on equal terms.”.

11 (3) Education is a fundamental right under the
12 equal protection clause of the United States Con-
13 stitution.

14 (4) The provision of education to all children
15 within a State on an equal basis, including equality
16 of financial resources, is fundamental to the equal
17 protection of laws.

18 **SEC. 3. EQUALIZATION SYSTEM.**

19 (a) IN GENERAL.—No State shall be eligible for Fed-
20 eral funds administered by the Department of Education
21 to support elementary and secondary education unless the
22 coefficient of variation (referred to in this Act as “COV”)
23 of per pupil expenditures in local educational agencies
24 statewide for elementary and secondary education in such
25 State is less than 10 percent.

1 (b) CALCULATION.—The COV shall be calculated
2 based on intrastate expenditures for current operations,
3 as determined by the State, without regard to Federal con-
4 tributions.

5 (c) ADDITIONAL EXCLUSIONS.—

6 (1) SPECIAL PURPOSE.—Also excluded from the
7 COV calculation shall be capital expenditures and
8 special purpose funds without regard to source. Spe-
9 cial purpose funds are funds which are targeted to
10 address a specific need, such as the educationally
11 disadvantaged, handicapped, gifted, or language de-
12 ficient students.

13 (2) RESOURCES.—Nothing in this Act shall pre-
14 clude the State or the Federal Government from
15 providing additional resources to local educational
16 agencies to address such special needs.

17 (d) WAIVER.—The Secretary may provide funding for
18 elementary and secondary education to a State which has
19 not complied with the requirements of this section if the
20 State submits a plan for compliance which the Secretary
21 determines will bring the State into compliance not later
22 than 5 years after the date of submission of such plan.

23 **SEC. 4. COMPLIANCE AND REPORTING.**

24 (a) IN GENERAL.—

1 (1) ANNUAL REPORT.—To be eligible to receive
2 Federal education funds, a State shall submit an an-
3 nual report to the Secretary which certifies that the
4 State has complied with the provisions of this Act.

5 (2) CERTIFICATIONS.—Such certifications are
6 due not later than January 1 of each fiscal year and
7 shall be accepted by the Secretary unless challenged
8 by 1 or more local educational agencies.

9 (b) CERTIFICATION CHALLENGE.—To challenge the
10 validity of a State’s compliance certification, local edu-
11 cational agencies that represent not less than 10 percent
12 of the students in such State must file a complaint with
13 the Secretary, not later than 90 days after the date on
14 which the certification is due.

15 (c) COMPLIANCE.—

16 (1) IN GENERAL.—The failure of a State to
17 comply with the provisions of this Act shall result in
18 the loss of eligibility for Federal education funds
19 identified in section 3(a) beginning in the first fiscal
20 year after a finding of noncompliance by the Sec-
21 retary. Eligibility for such funds shall be restored at
22 the beginning of the next fiscal year in which the
23 Secretary finds the State to be in compliance.

24 (2) FEDERAL FUNDS.—The failure of a State
25 to comply with the provisions of this Act for a period

1 that exceeds 5 years from the date of the enactment
2 of this Act or the submission of a plan under section
3 3(d), whichever is longer, shall lose all forms of Fed-
4 eral assistance beginning in the first fiscal year after
5 such 5-year period until the State complies with the
6 provisions of this Act.

7 (d) REDISTRIBUTION OF FUNDS.—Funds for elemen-
8 tary and secondary education that are not distributed to
9 a State as a result of applying subsection (c) shall be re-
10 allocated by the Secretary to other States that have com-
11 plied with the requirements of section 3, that are imple-
12 menting compliance plans, or are developing compliance
13 plans pursuant to section 3(d).

14 **SEC. 5. DEFINITIONS.**

15 For purposes of this Act the following terms have the
16 following meanings:

17 (1) The term “coefficient of variation” means
18 the standard deviation of local educational agency
19 expenditures divided by the mean per student ex-
20 penditure, in which local educational agencies with
21 fewer than 250 students have been excluded.

22 (2) The term “local educational agency” has
23 the same meaning given such term in section
24 14101(18) of the Elementary and Secondary Edu-
25 cation Act of 1965 (20 U.S.C. 8801(18)).

- 1 (3) The term “Secretary” means the Secretary
2 of Education.

