

111TH CONGRESS  
2D SESSION

# S. 3441

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

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## IN THE SENATE OF THE UNITED STATES

MAY 27 (legislative day, MAY 26), 2010

Mr. DURBIN (for himself and Mr. GREGG) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

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 “All Students Achieving  
5       through Reform Act of 2010” or “All-STAR Act of 2010”.

6       **SEC. 2. CHARTER SCHOOL EXPANSION AND REPLICATION.**

7       (a) IN GENERAL.—Subpart 1 of part B of title V of  
8       the Elementary and Secondary Education Act of 1965 (20  
9       U.S.C. 7221 et seq.) is amended—

1 (1) by striking section 5212;

2 (2) by redesignating section 5210 as section  
3 5211; and

4 (3) by inserting after section 5209 the fol-  
5 lowing:

6 **“SEC. 5210. CHARTER SCHOOL EXPANSION AND REPLICA-**  
7 **TION.**

8 “(a) PURPOSE.—It is the purpose of this section to  
9 support State efforts to expand and replicate high-quality  
10 public charter schools to enable such schools to serve addi-  
11 tional students, with a priority to serve those students who  
12 attend identified schools or schools with a low graduation  
13 rate.

14 “(b) SUPPORT FOR PROVEN CHARTER SCHOOLS AND  
15 INCREASING THE SUPPLY OF HIGH-QUALITY CHARTER  
16 SCHOOLS.—

17 “(1) GRANTS AUTHORIZED.—From the  
18 amounts appropriated under section 5200 for any  
19 fiscal year, the Secretary shall award grants, on a  
20 competitive basis, to eligible entities to enable the el-  
21 igible entities to make subgrants to eligible public  
22 charter schools under subsection (e)(1) and carry  
23 out the other activities described in subsection (e),  
24 in order to allow the eligible public charter schools

1 to serve additional students through the expansion  
2 and replication of such schools.

3 “(2) AMOUNT OF GRANTS.—In determining the  
4 grant amount to be awarded under this subsection  
5 to an eligible entity, the Secretary shall consider—

6 “(A) the number of eligible public charter  
7 schools under the jurisdiction or in the service  
8 area of the eligible entity that are operating;

9 “(B) the number of openings for new stu-  
10 dents that could be created in such schools with  
11 such grant;

12 “(C) the number of students eligible for  
13 free or reduced price lunches under the Richard  
14 B. Russell National School Lunch Act (42  
15 U.S.C. 1751 et seq.) who are on waiting lists  
16 for charter schools under the jurisdiction or in  
17 the service area of the eligible entity, and other  
18 information with respect to charter schools in  
19 such jurisdiction or the service area that sug-  
20 gest the interest of parents in charter school  
21 enrollment for their children;

22 “(D) the number of students attending  
23 identified schools or schools with a low gradua-  
24 tion rate in the State or area where an eligible

1           entity intends to replicate or expand eligible  
2           public charter schools; and

3           “(E) the success of the eligible entity in  
4           overseeing public charter schools and the likeli-  
5           hood of continued or increased success because  
6           of the grant under this section.

7           “(3) DURATION OF GRANTS.—A grant under  
8           this section shall be for a period of not more than  
9           5 years, except that an eligible entity receiving such  
10          grant may, at the discretion of the Secretary, con-  
11          tinue to expend grant funds after the end of the  
12          grant period.

13          “(c) APPLICATION REQUIREMENTS.—

14                 “(1) APPLICATION REQUIREMENTS.—To be  
15                 considered for a grant under this section, an eligible  
16                 entity shall submit an application to the Secretary at  
17                 such time, in such manner, and containing such in-  
18                 formation as the Secretary may require.

19                 “(2) CONTENTS.—The application described in  
20                 paragraph (1) shall include, at a minimum, the fol-  
21                 lowing:

22                         “(A) RECORD OF SUCCESS.—Documenta-  
23                         tion of the record of success of the eligible enti-  
24                         ty in overseeing or operating public charter  
25                         schools, including—

1 “(i) the performance of public charter  
 2 school students on the academic assess-  
 3 ments described in section 1111(b)(3) of  
 4 the State where such schools are located,  
 5 disaggregated by—

6 “(I) economic disadvantage;

7 “(II) race and ethnicity;

8 “(III) disability status; and

9 “(IV) status as a student with  
 10 limited English proficiency;

11 “(ii) the status of such schools under  
 12 section 1116 in making adequate yearly  
 13 progress or as identified schools; and

14 “(iii) in the case of public charter  
 15 schools that are secondary schools, the  
 16 graduation rates and rates of college ac-  
 17 ceptance, enrollment, and persistence of  
 18 students, where possible.

19 “(B) PLAN.—A plan for—

20 “(i) replicating and expanding eligible  
 21 public charter schools operated or overseen  
 22 by the eligible entity;

23 “(ii) identifying eligible public charter  
 24 schools, or networks of eligible public char-

1 ter schools, to receive subgrants under this  
2 section;

3 “(iii) increasing the number of open-  
4 ings in eligible public charter schools for  
5 students attending identified schools and  
6 schools with a low graduation rate;

7 “(iv) ensuring that eligible public  
8 charter schools receiving a subgrant under  
9 this section enroll students through a ran-  
10 dom lottery for admission, unless the char-  
11 ter school is using the subgrant to expand  
12 the school to serve additional grades, in  
13 which case such school may reserve seats  
14 in the additional grades for—

15 “(I) each student enrolled in the  
16 grade preceding each such additional  
17 grade;

18 “(II) siblings of students enrolled  
19 in the charter school, if such siblings  
20 desire to enroll in such grade; and

21 “(III) children of the charter  
22 school’s founders, staff, or employees;

23 “(v)(I) in the case of an eligible entity  
24 described in subparagraph (A) or (C) of  
25 subsection (k)(4), the manner in which the

1 eligible entity will work with identified  
2 schools and schools with a low graduation  
3 rate that are eligible to enroll students in  
4 a public charter school receiving a  
5 subgrant under this section and that are  
6 under the eligible entity's jurisdiction, and  
7 the local educational agencies serving such  
8 schools, to—

9 “(aa) engage in community out-  
10 reach, provide information in a lan-  
11 guage that the parents can under-  
12 stand, and communicate with parents  
13 of students at identified schools and  
14 schools with a low graduation rate  
15 who are eligible to attend a public  
16 charter school receiving a subgrant  
17 under this section about the oppor-  
18 tunity to enroll in or transfer to such  
19 school, in a manner consistent with  
20 section 444 of the General Education  
21 Provisions Act (commonly known as  
22 the ‘Family Educational Rights and  
23 Privacy Act of 1974’); and

24 “(bb) ensure that a student can  
25 transfer to an eligible public charter

1 school if the public charter school  
2 such student was attending in the  
3 previous school year is no longer an  
4 eligible public charter school; and

5 “(II) in the case of an eligible entity  
6 described in subparagraph (B) or (D) of  
7 subsection (k)(4), the manner in which the  
8 eligible entity will work with the local edu-  
9 cational agency to carry out the activities  
10 described in items (aa) and (bb) of sub-  
11 clause (I); and

12 “(vi) disseminating to public schools  
13 under the jurisdiction or in the service  
14 area of the eligible entity, in a manner  
15 consistent with section 444 of the General  
16 Education Provisions Act (commonly  
17 known as the ‘Family Educational Rights  
18 and Privacy Act of 1974’), the best prac-  
19 tices, programs, or strategies learned by  
20 awarding subgrants to eligible public char-  
21 ter schools under this section, with par-  
22 ticular emphasis on the best practices with  
23 respect to—

24 “(I) focusing on closing the  
25 achievement gap; or



1 “(II) successfully addressing the  
2 education needs of low-income stu-  
3 dents.

4 “(C) CHARTER SCHOOL INFORMATION.—  
5 The number of—

6 “(i) eligible public charter schools that  
7 are operating in the State in which the eli-  
8 gible entity intends to award subgrants  
9 under this section;

10 “(ii) public charter schools approved  
11 to open or likely to open during the grant  
12 period in such State;

13 “(iii) available openings in eligible  
14 public charter schools in such State that  
15 could be created through the replication or  
16 expansion of such schools if the grant is  
17 awarded to the eligible entity;

18 “(iv) students on public charter school  
19 waiting lists (if such lists are available)  
20 in—

21 “(I) the State in which the eligi-  
22 ble entity intends to award subgrants  
23 under this section; and

24 “(II) each local educational agen-  
25 cy serving an eligible public charter

1 school that may receive a subgrant  
2 under this section from the eligible  
3 entity; and

4 “(v) students, and the percentage of  
5 students, in a local educational agency who  
6 are attending eligible public charter schools  
7 that may receive a subgrant under this  
8 section from the eligible entity.

9 “(D) TRADITIONAL PUBLIC SCHOOL IN-  
10 FORMATION.—In the case of an eligible entity  
11 that is a State educational agency or local edu-  
12 cational agency, a list of the following schools  
13 under the jurisdiction of the eligible entity, in-  
14 cluding the name and location of each such  
15 school, the number and percentage of students  
16 under the jurisdiction of the eligible entity who  
17 are attending such school, and such demo-  
18 graphic and socioeconomic information as the  
19 Secretary may require:

20 “(i) Identified schools.

21 “(ii) Schools with a low graduation  
22 rate.

23 “(E) ASSURANCE.—In the case of an eligi-  
24 ble entity described in subsection (k)(4)(A), an  
25 assurance that the eligible entity will include in

1 the notifications provided under section  
2 1116(c)(6) to parents of each student enrolled  
3 in a school served by a local educational agency  
4 identified for school improvement or corrective  
5 action under paragraph (1) or (7) of section  
6 1116(c), information (in a language that the  
7 parents can understand) about the eligible pub-  
8 lic charter schools receiving subgrants under  
9 this section.

10 “(d) PRIORITIES FOR AWARDING GRANTS.—

11 “(1) IN GENERAL.—In awarding grants under  
12 this section, the Secretary shall give priority to an  
13 eligible entity that—

14 “(A) serves or plans to serve a large per-  
15 centage of low-income students from identified  
16 schools or public schools with a low graduation  
17 rate;

18 “(B) oversees or plans to oversee one or  
19 more eligible public charter schools;

20 “(C) provides evidence of effective moni-  
21 toring of the academic success of students who  
22 attend public charter schools under the jurisdic-  
23 tion of the eligible entity;

24 “(D) in the case of an eligible entity that  
25 is a local educational agency under State law,

1           has a cooperative agreement under section  
2           1116(b)(11); and

3           “(E) is under the jurisdiction of, or plans  
4           to award subgrants under this section in, a  
5           State that—

6                   “(i) ensures that all public charter  
7                   schools (including such schools served by a  
8                   local educational agency and such schools  
9                   considered to be a local educational agency  
10                  under State law) receive, in a timely man-  
11                  ner, the Federal, State, and local funds to  
12                  which such schools are entitled under ap-  
13                  plicable law;

14                  “(ii) does not have a cap that restricts  
15                  the growth of public charter schools in the  
16                  State;

17                  “(iii) provides funding (such as cap-  
18                  ital aid distributed through a formula or  
19                  access to revenue generated bonds, and in-  
20                  cluding funding for school facilities) on a  
21                  per-pupil basis to public charter schools  
22                  commensurate with the amount of funding  
23                  (including funding for school facilities)  
24                  provided to traditional public schools;

1 “(iv) provides strong evidence of sup-  
2 port for public charter schools and has in  
3 place innovative policies that support aca-  
4 demically successful charter school growth;

5 “(v) authorizes public charter schools  
6 to offer early childhood education pro-  
7 grams, including prekindergarten, in ac-  
8 cordance with State law;

9 “(vi) ensures that each public charter  
10 school in the State—

11 “(I) has a high degree of auton-  
12 omy over the public charter school’s  
13 budget and expenditures;

14 “(II) has a written performance  
15 contract with an authorized public  
16 chartering agency that ensures that  
17 the school has an independent gov-  
18 erning board with a high degree of  
19 autonomy; and

20 “(III) in the case of an eligible  
21 public charter school receiving a  
22 subgrant under this section, amends  
23 its charter to reflect the growth activi-  
24 ties described in subsection (e);

1 “(vii) has an appeals process for the  
2 denial of an application for a charter  
3 school;

4 “(viii) provides that an authorized  
5 public chartering agency that is not a local  
6 educational agency, such as a State char-  
7 tering board, is available for each indi-  
8 vidual or entity seeking to operate a char-  
9 ter school pursuant to such State law;

10 “(ix) allows any public charter school  
11 to be a local educational agency in accord-  
12 ance with State law;

13 “(x) ensures that each authorized  
14 public chartering agency in the State sub-  
15 mits annual reports to the State edu-  
16 cational agency, and makes such reports  
17 available to the public, on the performance  
18 of the schools authorized or approved by  
19 such public chartering agency, which re-  
20 ports shall include—

21 “(I) the authorized public char-  
22 tering agency’s strategic plan for au-  
23 thorizing or approving public charter  
24 schools and any progress toward

1 achieving the objectives of the stra-  
2 tegic plan;

3 “(II) the authorized public char-  
4 tering agency’s policies for authorizing  
5 or approving public charter schools,  
6 including how such policies examine a  
7 school’s—

8 “(aa) financial plan and  
9 policies, including financial con-  
10 trols and audit requirements;

11 “(bb) plan for identifying  
12 and successfully (in compliance  
13 with all applicable laws and regu-  
14 lations) serving students with  
15 disabilities, students who are  
16 English language learners, stu-  
17 dents who are academically be-  
18 hind their peers, and gifted stu-  
19 dents; and

20 “(cc) capacity and capability  
21 to successfully launch and subse-  
22 quently operate a public charter  
23 school, including the backgrounds  
24 of the individuals applying to the  
25 agency to operate such school

1 and any record of such individ-  
2 uals operating a school;

3 “(III) the authorized public char-  
4 tering agency’s policies for renewing,  
5 not renewing, and revoking a charter  
6 school’s charter, including the role of  
7 student academic achievement in such  
8 decisions;

9 “(IV) the authorized public char-  
10 tering agency’s transparent, timely,  
11 and effective process for closing down  
12 academically unsuccessful public char-  
13 ter schools;

14 “(V) the academic performance  
15 of each operating public charter  
16 school authorized or approved by the  
17 authorized public chartering agency,  
18 including the information reported by  
19 the State in the State annual report  
20 card under section 1111(h)(1)(C) for  
21 such school;

22 “(VI) the status of the author-  
23 ized public chartering agency’s charter  
24 school portfolio, by identifying all  
25 charter schools served by the public



1 chartering agency in each of the fol-  
2 lowing categories: approved (but not  
3 yet open), operating, renewed, trans-  
4 ferred, revoked, not renewed, volun-  
5 tarily closed, or never opened;

6 “(VII) the authorizing functions  
7 (such as approval, monitoring, and  
8 oversight) performed by the author-  
9 ized public chartering agency to the  
10 public charter schools authorized or  
11 approved by such agency, including an  
12 itemized accounting of the actual  
13 costs of such functions; and

14 “(VIII) the services purchased  
15 (such as accounting, transportation,  
16 and data management and analysis)  
17 from the authorized public chartering  
18 agency by the public charter schools  
19 authorized or approved by such agen-  
20 cy, including an itemized accounting  
21 of the actual costs of such services;  
22 and

23 “(xi) has or will have (within 1 year  
24 after receiving a grant under this section)  
25 a State policy and process for overseeing

1 and reviewing the effectiveness and quality  
2 of the State’s authorized public chartering  
3 agencies, including—

4 “(I) a process for reviewing and  
5 evaluating the performance of the au-  
6 thorized public chartering agencies in  
7 authorizing or approving charter  
8 schools, including a process that en-  
9 ables the authorized public chartering  
10 agencies to respond to any State con-  
11 cerns; and

12 “(II) any other necessary policies  
13 to ensure effective charter school au-  
14 thorizing in the State in accordance  
15 with the principles of quality charter  
16 school authorizing, as determined by  
17 the State in consultation with the  
18 charter school community and stake-  
19 holders.

20 “(2) SPECIAL RULE.—In awarding grants  
21 under this section, the Secretary may determine how  
22 the priorities described in paragraph (1) will apply  
23 to the different types of eligible entities defined in  
24 subsection (k)(4).

1       “(e) USE OF FUNDS.—An eligible entity receiving a  
 2 grant under this section shall use the grant funds for the  
 3 following:

4           “(1) SUBGRANTS.—

5               “(A) IN GENERAL.—To award subgrants,  
 6 in such amount as the eligible entity determines  
 7 is appropriate, to eligible public charter schools  
 8 to replicate or expand such schools.

9               “(B) APPLICATION.—An eligible public  
 10 charter school desiring to receive a subgrant  
 11 under this subsection shall submit an applica-  
 12 tion to the eligible entity at such time, in such  
 13 manner, and containing such information as the  
 14 eligible entity may require.

15               “(C) USES OF FUNDS.—An eligible public  
 16 charter school receiving a subgrant under this  
 17 subsection shall use the subgrant funds to pro-  
 18 vide for an increase in the school’s enrollment  
 19 of students through the replication or expansion  
 20 of the school, which may include use of funds  
 21 to—

22                   “(i) support the physical expansion of  
 23 school buildings, including financing the  
 24 development of new buildings and cam-  
 25 puses to meet increased enrollment needs;

1 “(ii) pay costs associated with hiring  
2 additional teachers to serve additional stu-  
3 dents;

4 “(iii) provide transportation to addi-  
5 tional students to and from the school, in-  
6 cluding providing transportation to stu-  
7 dents who transfer to the school under a  
8 cooperative agreement established under  
9 section 1116(b)(11);

10 “(iv) purchase instructional materials,  
11 implement teacher and principal profes-  
12 sional development programs, and hire ad-  
13 ditional non-teaching staff; and

14 “(v) support any necessary activities  
15 associated with the school carrying out the  
16 purposes of this section.

17 “(D) PRIORITY.—In awarding subgrants  
18 under this subsection, an eligible entity shall  
19 give priority to an eligible public charter  
20 school—

21 “(i) that has significantly closed any  
22 achievement gap on the State academic as-  
23 sessments described in section 1111(b)(3)  
24 among the groups of students described in

1 section 1111(b)(2)(C)(v) by improving  
2 scores;

3 “(ii) that—

4 “(I)(aa) ranks in at least the top  
5 25th percentile of the schools in the  
6 State, as ranked by the percentage of  
7 students in the proficient or advanced  
8 level of achievement on the State aca-  
9 demic assessments in mathematics  
10 and reading or language arts de-  
11 scribed in section 1111(b)(3); or

12 “(bb) has an average student  
13 score on an examination (chosen by  
14 the Secretary) that is at least in the  
15 60th percentile in reading and at least  
16 in the 75th percentile in mathematics;  
17 and

18 “(II) serves a high-need student  
19 population and is eligible to partici-  
20 pate in a schoolwide program under  
21 section 1114, with additional priority  
22 given to schools that serve, as com-  
23 pared to other schools that have sub-  
24 mitted an application under this sub-  
25 section—

1                   “(aa) a greater percentage  
2                   of low-income students; and

3                   “(bb) a greater percentage  
4                   of not less than 2 groups of stu-  
5                   dents described in section  
6                   1111(b)(2)(C)(v)(II); and

7                   “(iii) that meets the criteria described  
8                   in clause (i) and serves low-income stu-  
9                   dents who have transferred to such school  
10                  under a cooperative agreement described in  
11                  section 1116(b)(11).

12               “(E) DURATION OF SUBGRANT.—A  
13               subgrant under this subsection shall be awarded  
14               for a period of not more than 5 years, except  
15               that an eligible public charter school receiving a  
16               subgrant under this subsection may, at the dis-  
17               cretion of the eligible entity, continue to expend  
18               subgrant funds after the end of the subgrant  
19               period.

20               “(2) FACILITY FINANCING AND REVOLVING  
21               LOAN FUND.—An eligible entity may use not more  
22               than 25 percent of the amount of the grant funds  
23               received under this section to establish a reserve ac-  
24               count described in subsection (f) to facilitate public

1 charter school facility acquisition and development  
2 by—

3 “(A) conducting credit enhancement initia-  
4 tives (as referred to in subpart 2) in support of  
5 the development of facilities for eligible public  
6 charter schools serving students;

7 “(B) establishing a revolving loan fund for  
8 use by an eligible public charter school receiving  
9 a subgrant under this subsection from the eligi-  
10 ble entity under such terms as may be deter-  
11 mined by the eligible entity to allow such school  
12 to expand to serve additional students;

13 “(C) facilitating, through direct expendi-  
14 ture or financing, the acquisition or develop-  
15 ment of public charter school buildings by the  
16 eligible entity or an eligible public charter  
17 school receiving a subgrant under this sub-  
18 section from the eligible entity, which may be  
19 used as both permanent locations for eligible  
20 public charter schools or incubators for growing  
21 charter schools; or

22 “(D) establishing a partnership with 1 or  
23 more community development financial institu-  
24 tions (as defined in section 103 of the Commu-  
25 nity Development Banking and Financial Insti-

tutions Act of 1994 (12 U.S.C. 4702)) or other mission-based financial institutions to carry out the activities described in subparagraphs (A), (B), and (C).

“(3) ADMINISTRATIVE TASKS, DISSEMINATION ACTIVITIES, AND OUTREACH.—

“(A) IN GENERAL.—An eligible entity may use not more than 7.5 percent of the grant funds awarded under this section to cover administrative tasks, dissemination activities, and outreach.

“(B) NONPROFIT ASSISTANCE.—In carrying out the administrative tasks, dissemination activities, and outreach described in subparagraph (A), an eligible entity may contract with an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and exempt from tax under section 501(a) of such Code (26 U.S.C. 501(a)).

“(f) RESERVE ACCOUNT.—

“(1) IN GENERAL.—To assist eligible entities in the development of new public charter school buildings or facilities for eligible public charter schools, an eligible entity receiving a grant under this section



1 may, in accordance with State and local law, directly  
2 or indirectly, alone or in collaboration with others,  
3 deposit the amount of funds described in subsection  
4 (e)(2) in a reserve account established and main-  
5 tained by the eligible entity.

6 “(2) INVESTMENT.—Funds received under this  
7 section and deposited in the reserve account estab-  
8 lished under this subsection shall be invested in obli-  
9 gations issued or guaranteed by the United States or  
10 a State, or in other similarly low-risk securities.

11 “(3) REINVESTMENT OF EARNINGS.—Any earn-  
12 ings on funds received under this subsection shall be  
13 deposited in the reserve account established under  
14 this section and used in accordance with the purpose  
15 described in subsection (a).

16 “(4) RECOVERY OF FUNDS.—

17 “(A) IN GENERAL.—The Secretary, in ac-  
18 cordance with chapter 37 of title 31, United  
19 States Code, shall collect—

20 “(i) all funds in a reserve account es-  
21 tablished by an eligible entity under this  
22 subsection if the Secretary determines, not  
23 earlier than 2 years after the date the eli-  
24 gible entity first received funds under this  
25 section, that the eligible entity has failed to

1 make substantial progress carrying out the  
2 purpose described in paragraph (1); or

3 “(ii) all or a portion of the funds in  
4 a reserve account established by an eligible  
5 entity under this subsection if the Sec-  
6 retary determines that the eligible entity  
7 has permanently ceased to use all or a por-  
8 tion of funds in such account to accomplish  
9 the purpose described in paragraph (1).

10 “(B) EXERCISE OF AUTHORITY.—The Sec-  
11 retary shall not exercise the authority provided  
12 under subparagraph (A) to collect from any eli-  
13 gible entity any funds that are being properly  
14 used to achieve such purpose.

15 “(C) PROCEDURES.—Sections 451, 452,  
16 and 458 of the General Education Provisions  
17 Act shall apply to the recovery of funds under  
18 subparagraph (A).

19 “(D) CONSTRUCTION.—This paragraph  
20 shall not be construed to impair or affect the  
21 authority of the Secretary to recover funds  
22 under part D of the General Education Provi-  
23 sions Act.

24 “(5) REALLOCATION.—Any funds collected by  
25 the Secretary under paragraph (4) shall be awarded

1 to eligible entities receiving grants under this section  
 2 in the next fiscal year.

3 “(g) FINANCIAL RESPONSIBILITY.—The financial  
 4 records of each eligible entity and eligible public charter  
 5 school receiving a grant or subgrant, respectively, under  
 6 this section shall be maintained in accordance with gen-  
 7 erally accepted accounting principles and shall be subject  
 8 to an annual audit by an independent public accountant.

9 “(h) NATIONAL EVALUATION.—

10 “(1) NATIONAL EVALUATION.—From the  
 11 amounts appropriated under section 5200, the Sec-  
 12 retary shall conduct an independent, comprehensive,  
 13 and scientifically sound evaluation, by grant or con-  
 14 tract and using the highest quality research design  
 15 available, of the impact of the activities carried out  
 16 under this section on—

17 “(A) student achievement; and

18 “(B) other areas, as determined by the  
 19 Secretary.

20 “(2) REPORT.—Not later than 4 years after the  
 21 date of the enactment of the All Students Achieving  
 22 through Reform Act of 2010, and biannually there-  
 23 after, the Secretary shall submit to Congress a re-  
 24 port on the results of the evaluation described in  
 25 paragraph (1).

1       “(i) REPORTS.—Each eligible entity receiving a grant  
2 under this section shall prepare and submit to the Sec-  
3 retary the following:

4               “(1) REPORT.—A report that contains such in-  
5 formation as the Secretary may require concerning  
6 use of the grant funds by the eligible entity, includ-  
7 ing the academic achievement of the students at-  
8 tending eligible public charter schools as a result of  
9 the grant. Such report shall be submitted before the  
10 end of the 4-year period beginning on the date of en-  
11 actment of the All Students Achieving through Re-  
12 form Act of 2010 and every 2 years thereafter.

13              “(2) PERFORMANCE INFORMATION.—Such per-  
14 formance information as the Secretary may require  
15 for the national evaluation conducted under sub-  
16 section (h)(1).

17       “(j) INAPPLICABILITY.—The provisions of sections  
18 5201 through 5209 shall not apply to the program under  
19 this section.

20       “(k) DEFINITIONS.—In this section:

21              “(1) ADEQUATE YEARLY PROGRESS.—The term  
22 ‘adequate yearly progress’ has the meaning given  
23 such term in a State’s plan in accordance with sec-  
24 tion 1111(b)(2)(C).

1           “(2) ADMINISTRATIVE TASKS, DISSEMINATION  
2           ACTIVITIES, AND OUTREACH.—The term ‘adminis-  
3           trative tasks, dissemination activities, and outreach’  
4           includes costs and activities associated with—

5                   “(A) recruiting and selecting students to  
6                   attend eligible public charter schools;

7                   “(B) outreach to parents of students en-  
8                   rolled in identified schools or schools with low  
9                   graduation rates;

10                  “(C) providing information to such parents  
11                  and school officials at such schools regarding el-  
12                  igible public charter schools receiving subgrants  
13                  under this section;

14                  “(D) necessary oversight of the grant pro-  
15                  gram under this section; and

16                  “(E) initiatives and activities to dissemi-  
17                  nate the best practices, programs, or strategies  
18                  learned in eligible public charter schools to  
19                  other public schools operating in the State  
20                  where the eligible entity intends to award sub-  
21                  grants under this section.

22           “(3) CHARTER SCHOOL.—The term ‘charter  
23           school’ means—

24                   “(A) a charter school, as defined in section  
25                   5211(1); or

1 “(B) a school that meets the requirements  
 2 of such section, except for subparagraph (D),  
 3 and provides prekindergarten or adult education  
 4 services.

5 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-  
 6 tity’ means—

7 “(A) a State educational agency;

8 “(B) an authorized public chartering agen-  
 9 cy;

10 “(C) a local educational agency that has  
 11 authorized or is planning to authorize a public  
 12 charter school; or

13 “(D) an organization that has an organiza-  
 14 tional mission and record of success supporting  
 15 the replication and expansion of high-quality  
 16 charter schools and is—

17 “(i) described in section 501(c)(3) of  
 18 the Internal Revenue Code of 1986 (26  
 19 U.S.C. 501(c)(3)); and

20 “(ii) exempt from tax under section  
 21 501(a) of such Code (26 U.S.C. 501(a)).

22 “(5) ELIGIBLE PUBLIC CHARTER SCHOOL.—  
 23 The term ‘eligible public charter school’ means a  
 24 charter school, including a public charter school that  
 25 is being developed by a developer, that—

1           “(A) has made adequate yearly progress  
2           for the last 2 consecutive school years; and

3           “(B) in the case of a public charter school  
4           that is a secondary school, has, for the most re-  
5           cent school year for which data is available, met  
6           or exceeded the graduation rate required by the  
7           State in order to make adequate yearly progress  
8           for such year.

9           “(6) IDENTIFIED SCHOOL.—The term ‘identi-  
10          fied school’ means a school identified for school im-  
11          provement, corrective action, or restructuring under  
12          paragraph (1), (7), or (8) of section 1116(b).

13          “(7) LOCAL EDUCATIONAL AGENCY.—The term  
14          ‘local educational agency’ includes any charter school  
15          that is a local educational agency, as determined by  
16          State law.

17          “(8) LOW-INCOME STUDENT.—The term ‘low-  
18          income student’ means a student eligible for free or  
19          reduced price lunches under the Richard B. Russell  
20          National School Lunch Act (42 U.S.C. 1751 et  
21          seq.).

22          “(9) GRADUATION RATE.—The term ‘gradua-  
23          tion rate’ has the meaning given the term in section  
24          1111(b)(2)(C)(vi), as clarified in section

1       200.19(b)(1) of title 34, Code of Federal Regula-  
2       tions.

3           “(10) SCHOOL YEAR.—The term ‘school year’  
4       has the meaning given such term in section 12(d) of  
5       the Richard B. Russell National School Lunch Act  
6       (42 U.S.C. 1760(d)).

7           “(11) TRADITIONAL PUBLIC SCHOOL.—The  
8       term ‘traditional public school’ does not include any  
9       charter school, as defined in section 5211.”.

10       (b) AUTHORIZATION OF APPROPRIATIONS.—Part B  
11      of title V of the Elementary and Secondary Education Act  
12      of 1965 (20 U.S.C. 7221 et seq.) is amended—

13           (1) by striking section 5231; and

14           (2) by inserting before subpart 1 the following:

15      **“SEC. 5200. AUTHORIZATION OF APPROPRIATIONS FOR**  
16                                   **SUBPARTS 1 AND 2.**

17           “(a) IN GENERAL.—There are authorized to be ap-  
18      propriated to carry out subparts 1 and 2, \$700,000,000  
19      for fiscal year 2011 and such sums as may be necessary  
20      for each of the 5 succeeding fiscal years.

21           “(b) ALLOCATION.—In allocating funds appropriated  
22      under this section for any fiscal year, the Secretary shall  
23      consider—



1 “(1) the relative need among the programs car-  
 2 ried out under sections 5202, 5205, 5210, and sub-  
 3 part 2; and

4 “(2) the quality of the applications submitted  
 5 for such programs.”.

6 (c) CONFORMING AMENDMENTS.—The Elementary  
 7 and Secondary Education Act of 1965 (20 U.S.C. 6301  
 8 et seq.) is amended—

9 (1) in section 2102(2) (20 U.S.C. 6602(2)), by  
 10 striking “5210” and inserting “5211”;

11 (2) in section 5204(e) (20 U.S.C. 7221c(e)), by  
 12 striking “5210(1)” and inserting “5211(1)”;

13 (3) in section 5211(1) (as redesignated by sub-  
 14 section (a)(1)) (20 U.S.C. 7221i(1)), by striking  
 15 “The term” and inserting “Except as otherwise pro-  
 16 vided, the term”;

17 (4) in section 5230(1) (20 U.S.C. 7223i(1)), by  
 18 striking “5210” and inserting “5211”; and

19 (5) in section 5247(1) 20 U.S.C. 7225f(1)), by  
 20 striking “5210” and inserting “5211”.

21 (d) TABLE OF CONTENTS.—The table of contents of  
 22 the Elementary and Secondary Education Act of 1965 is  
 23 amended—

24 (1) by inserting before the item relating to sub-  
 25 part 1 of part B of title V the following:

“Sec. 5200. Authorization of appropriations for subparts 1 and 2.”;

- 1           (2) by striking the items relating to sections
- 2       5210 and 5211; and
- 3           (3) by inserting after the item relating to sec-
- 4       tion 5209 the following:

“Sec. 5210. Charter school expansion and replication.  
“Sec. 5211. Definitions.”.

