

114TH CONGRESS
1ST SESSION

H. R. 4013

To create an equitable and excellent education system in the United States so that every child, regardless of race, ethnicity, social class, or State of residence, can receive a high-quality, academically rigorous education in a local public school.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 2015

Mr. HONDA (for himself, Ms. JUDY CHU of California, Mr. DELANEY, Ms. EDWARDS, Mr. ELLISON, Mr. FATTAH, Ms. FUDGE, Mr. GRIJALVA, Mr. HINOJOSA, Ms. LEE, Mr. McDERMOTT, Mr. McNERNEY, and Mr. TAKANO) introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To create an equitable and excellent education system in the United States so that every child, regardless of race, ethnicity, social class, or State of residence, can receive a high-quality, academically rigorous education in a local public school.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Equity and Excellence
3 in American Education Act of 2015”.

4 **SEC. 2. PURPOSE.**

5 The purpose of this Act is to create a public edu-
6 cation system in the United States that has the capacity
7 to deliver an excellent education to every child, irrespective
8 of race, ethnicity, English language proficiency, special
9 needs, social class, or State of residence. Building that ca-
10 pacity on an equitable basis requires our Nation to make
11 new, substantial financial investments in the education of
12 our children, designed—

13 (1) to overcome the widely varying fiscal and
14 economic capacities to fund education that exist
15 from State to State and community to community,
16 which historically have resulted in far too many pub-
17 lic schools having insufficient resources to cover the
18 costs of providing their students with a high-quality,
19 academically rigorous education;

20 (2) to support capacity building at the school
21 level focused on implementing educational practices
22 that have been demonstrated to enhance student
23 achievement;

24 (3) to move away from outdated concepts of
25 school finance that are focused primarily on State
26 and local considerations, such as “property valuation

1 per pupil” and “per pupil foundation levels” tied to
2 State fiscal capacity, and to move to an education fi-
3 nance system focused on the actual cost of delivering
4 a high-quality public education to each child based
5 on that child’s needs;

6 (4) to ensure all social, health and other nec-
7 essary “wrap-around” services are available in public
8 schools that serve a significant population of chil-
9 dren who come from poverty; and

10 (5) to target new Federal investments to those
11 schools that serve—

12 (A) a high percentage of children from
13 poverty or otherwise economically disadvan-
14 tagged families and communities; or

15 (B) a high percentage of children who are
16 part of a racial or ethnic minority group or are
17 English language learners and who have histori-
18 cally demonstrated an achievement gap in aca-
19 demic performance compared to the perform-
20 ance of non-minority children.

21 **SEC. 3. SENSE OF THE CONGRESS.**

22 It is the sense of the Congress that—

23 (1) lack of financial capacity has been one of
24 the consistent obstacles to providing the meaningful
25 education opportunity each child in the United

1 States needs to attain high levels of achievement in
2 rigorous academic programs and build the skills nec-
3 essary to attend college, compete in a global econ-
4 omy, and become a responsible, productive, and en-
5 gaged citizen;

6 (2) this Act will address that financial short-
7 coming and help create an education funding system
8 that is sufficient in amount, equitable in application
9 based on student need, and predictable and sustain-
10 able over time.

11 **SEC. 4. DEFINITIONS.**

12 In this Act:

13 (1) EMPLOYMENT COST INDEX.—The term
14 “Employment Cost Index” means the Employment
15 Cost Index for total compensation (not seasonally
16 adjusted) for civilian workers, by occupational group
17 and industry, educational services, elementary and
18 secondary schools, published by the Bureau of Labor
19 Statistics (or any successor index thereto).

20 (2) ENHANCED INVESTMENT.—The term “en-
21 hanced investment” means a year-to-year increase in
22 the average per-pupil expenditure made by a State,
23 after the effective date of this Act, in the education
24 of children attending targeted schools who live in

1 that State, that satisfies both of the following re-
2 quirements:

3 (A) The initial amount of such increase in
4 elementary and secondary education funding is
5 at least \$250 per pupil more than the amount
6 of total expenditures per pupil from all sources
7 in such targeted schools for the immediately
8 preceding school year (taking into account the
9 percent increase, if any, in the Employment
10 Cost Index in the most recently completed cal-
11 endar year).

12 (B) The entire amount of such enhanced
13 investment comes from State funds, and does
14 not include local or Federal sources.

15 (3) EVIDENCE-BASED COST ANALYSIS
16 MODEL.—The term “evidence-based cost analysis
17 model” means a research-based evaluation of the ac-
18 tual cost of educating all children in a State to
19 achieve high academic standards and otherwise cre-
20 ate a meaningful educational opportunity, that—

21 (A) considers only educational practices,
22 personnel levels and qualifications, strategies,
23 programs and other educational resources that
24 have been demonstrated through evidence-based
25 research to enhance student achievement;

1 (B) adjusts for specific student demo-
2 graphics including poverty, English language
3 proficiency, minority status, ethnic status, and
4 special needs; and

5 (C) adjusts for the specific expense of pro-
6 viding each of the resources described in sub-
7 paragraph (A) based on the regional costs in a
8 State.

9 (4) MEANINGFUL EDUCATIONAL OPPOR-
10 TUNITY.—The term “meaningful educational oppor-
11 tunity” means the provision of a combination of edu-
12 cational resources, including programs, practices,
13 technology, physical facilities, wrap-around services,
14 instructional materials, enrichment programs and
15 qualified teaching, administrative and support per-
16 sonnel, necessary to ensure each child attending a
17 targeted school receives a rigorous public education
18 of sufficient quality to allow that child to achieve
19 high academic standards and to graduate high
20 school with the skills needed to be college and career
21 ready.

22 (5) SECRETARY.—The term “Secretary” means
23 the Secretary of Education.

1 (6) TARGETED SCHOOL.—A “targeted school”
2 is a public elementary school or secondary school
3 that satisfies one of the following requirements:

4 (A) Twenty percent or more of the stu-
5 dents at such school are eligible for free or re-
6 duced priced lunch under the Richard B. Rus-
7 sell National School Lunch Act.

8 (B) Twenty percent or more of the stu-
9 dents at such school qualify as limited English
10 proficient.

11 (C) Twenty-five percent or more of the
12 students at such school are racial or ethnic mi-
13 norities, Indian, or migratory.

14 (7) WRAP-AROUND SERVICES.—The term
15 “wrap-around services” means any social, coun-
16 seling, health, nutritional, and other support services
17 needed by students attending targeted schools.

18 (8) ESEA TERMS.—Any term that is defined in
19 section 9101 of the Elementary and Secondary Edu-
20 cation Act of 1965 (20 U.S.C. 7801) shall have the
21 meaning given the term in such section.

**TITLE I—EQUITY AND
EXCELLENCE INITIATIVE**

**SEC. 100. AUTHORIZATION OF THE EQUITY AND EXCEL-
LENCE INITIATIVE.**

(a) AUTHORIZATION.—Subject to the availability of appropriations, the Secretary shall carry out a grant program, known as the “Equity and Excellence Initiative”, to provide—

(1) an initial grant to each eligible State to match the enhanced investment made by such State for providing a meaningful educational opportunity for children who attend targeted schools in such State; and

(2) subsequent grants to each State receiving a grant described in paragraph (1), for the fiscal year following the receipt of such grant and each subsequent fiscal year, provided such State satisfies the maintenance-of-effort requirement under section 102.

(b) CERTIFICATION OF ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State shall submit to the Secretary a certification, prepared by the State educational agency of such State and signed by the head of such agency, that—

1 (1) verifies that the State has made an en-
2 hanced investment, or has satisfied the maintenance-
3 of-effort requirement under section 102, for the ap-
4 propriate fiscal year;

5 (2) identifies the amount of such enhanced in-
6 vestment or maintenance-of-effort requirement, and
7 provides specific documentation of the calculation of
8 such amount in sufficient detail to permit the
9 verification of such amount by the Secretary;

10 (3) provides a detailed list of the targeted
11 schools that will receive such enhanced investment or
12 maintenance-of-effort requirement amount, includ-
13 ing—

14 (A) the basis on which each such school
15 qualifies as a targeted school;

16 (B) the number and demographic composi-
17 tion (including race, ethnicity, gender, English
18 language proficiency, and low income status) of
19 the students attending each such school; and

20 (C) a metric for reviewing how each such
21 school is performing academically, including
22 performance by demographic categories within
23 such school;

24 (4) includes verification that the entire amount
25 of enhanced investment or maintenance-of-effort re-

1 requirement comes exclusively from State funds, and
2 does not include any local or Federal funds; and

3 (5) includes such other information as the Sec-
4 retary may require by regulation.

5 The Secretary may issue a standard form for use by
6 States for certification of eligibility under this subsection,
7 provided that any such form shall not be more than 10
8 pages in length.

9 (c) TECHNICAL ASSISTANCE GRANTS.—In addition
10 to the grants described in subsection (a), the Secretary
11 shall, subject to the availability of appropriations, provide
12 the State educational agency of each State that is awarded
13 an initial grant under subsection (a)(1) with a technical
14 assistance grant of \$250,000 to assist the State edu-
15 cational agency in meeting the reporting, certification,
16 data collection, and filing requirements under this title.
17 The Secretary shall renew such technical assistance grant
18 for each fiscal year for which a State is awarded a subse-
19 quent grant under subsection (a)(2).

20 **SEC. 101. GRANT AMOUNTS AND DISTRIBUTION.**

21 (a) GRANT AMOUNTS.—

22 (1) INITIAL GRANT.—The amount of the initial
23 grant to a State under section 100(a)(1) shall be
24 equal to the enhanced investment made by such
25 State during the previous fiscal year, multiplied by

1 the number of students at targeted schools that re-
2 ceived such enhanced investment amount in such
3 State who will be in attendance at such schools dur-
4 ing the school year funded by such initial grant.

5 (2) SUBSEQUENT GRANTS.—The amount of a
6 subsequent grant to a State under section 100(a)(2)
7 shall be—

8 (A) for the fiscal year following the award
9 of an initial grant described in paragraph (1) to
10 the State, an amount equal to—

11 (i) the enhanced investment made by
12 such State during the fiscal year preceding
13 the award of the initial grant, plus

14 (ii) the amount of the maintenance-of-
15 effort requirement under section 102 for
16 the State for the fiscal year following the
17 award of the initial grant; and

18 (B) for each subsequent fiscal year, an
19 amount equal to—

20 (i) the amount of the subsequent
21 grant awarded to such State for the pre-
22 ceding year, plus

23 (ii) the amount of the maintenance-of-
24 effort requirement under section 102 for
25 the State for such year.

1 (3) MAXIMUM AMOUNT.—

2 (A) IN GENERAL.—Notwithstanding para-
3 graphs (1) and (2), no grant under section
4 100(a) shall exceed the amount necessary to
5 provide a meaningful educational opportunity to
6 every student who attends a targeted school in
7 such State (as determined annually by the Sec-
8 retary using an evidence-based cost analysis
9 model).

10 (B) REDUCTION.—If, with respect to any
11 State, it is determined that the amount of a
12 grant under section 100(a) plus the amount of
13 Federal and local funding for public education
14 provided to the targeted schools in such State
15 for such year exceeds the amount necessary to
16 provide such meaningful educational oppor-
17 tunity, the amount of the grant under section
18 100(a) shall be reduced until the combination of
19 such other funding for public education and the
20 amount of the grant under section 100(a) does
21 not exceed the cost of providing such meaning-
22 ful educational opportunity.

23 (b) DISTRIBUTION.—The Secretary shall award a
24 grant under section 100(a) to an eligible State not later
25 than 120 days after the Secretary receives a certification

1 from such State in accordance with section 100(b). Not
2 later than 30 days after receipt of grant funds under sec-
3 tion 100(a), a State shall, through the State educational
4 agency, distribute to each targeted school located in such
5 State a percentage of such grant funds that is equal to
6 the number of students attending such targeted school di-
7 vided by the total number of students attending all tar-
8 geted schools in such State.

9 **SEC. 102. MAINTENANCE OF EFFORT.**

10 (a) IN GENERAL.—Beginning with the fiscal year fol-
11 lowing the first fiscal year for which the State receives
12 a grant under section 100(a) for its targeted schools, the
13 State shall use State funds to maintain an investment in
14 an amount equal to such grant amount for its targeted
15 schools, which amount shall be adjusted on an annual
16 basis by the percentage change in the Employment Cost
17 Index for the most recently completed calendar year.

18 (b) REDUCTION OF OTHER FEDERAL FUNDS.—If, in
19 any school year a State fails to satisfy the requirement
20 described in subsection (a)—

21 (1) the Secretary may assist the targeted
22 schools in such State by awarding a local edu-
23 cational agency a grant under section 201 in an
24 amount that the State should have provided under
25 subsection (a); and

1 (2) in a case in which the Secretary of Edu-
2 cation awards such a grant to such State, the Sec-
3 retary of the Treasury shall reduce other Federal
4 funding owed to such State under any Federal as-
5 sistance program (except for than the Medicaid pro-
6 gram under title XIX of the Social Security Act (42
7 U.S.C. 1396 et seq.)), part A of title IV and section
8 1108(b) of the Social Security Act (other than under
9 subsections (a)(3) and (b) of section 403 of such
10 Act), or the special supplemental nutrition program
11 for women, infants, and children under section 17 of
12 the Child Nutrition Act of 1966, on a dollar-for-dol-
13 lar basis, and shall provide an accounting thereof to
14 the such State.

15 **SEC. 103. USE OF GRANT FUNDS BY TARGETED SCHOOLS.**

16 (a) **USE OF GRANT FUNDS.**—A targeted school shall
17 use any grant funds received under this title to create a
18 meaningful educational opportunity for each student at-
19 tending such school, and shall include a combination of
20 one or more of the activities described in subsection (b).

21 (b) **AUTHORIZED USES.**—Grant funds received by a
22 targeted school shall be used for building education capac-
23 ity by implementing systems-based reforms, programs or
24 initiatives that have been demonstrated, in the United
25 States or abroad, to enhance student achievement, learn-

1 ing or critical thinking skills over time. Such reforms, pro-
2 grams or initiatives may include the following:

3 (1) ENHANCING PEDAGOGICAL SKILLS OF EX-
4 TANT TEACHING STAFF.—To support the crucial
5 role teachers play in creating a meaningful edu-
6 cational opportunity—

7 (A) induction, mentoring, training and
8 other professional development programs for
9 teachers that are based on best practices,
10 aligned with college and career ready standards,
11 embedded in daily practice, and that have evi-
12 dence-based support; and

13 (B) collaborative teaching programs across
14 schools and local educational agencies that en-
15 courage teachers to work in groups and share
16 effective strategies.

17 (2) ENHANCING INSTRUCTIONAL CAPACITY.—
18 To provide robust educational resources and pro-
19 gramming—

20 (A) implement extended learning time ini-
21 tiatives pursuant to which the school day or
22 year is extended in conjunction with a plan that
23 incorporates additional substantive learning, tu-
24 toring or enrichment programming dem-
25 onstrated to correlate to enhanced student

1 learning, achievement or development of either
2 critical thinking or social/emotional learning;

3 (B) implement high-quality after-school,
4 summer, and vacation programs;

5 (C) implement social/emotional learning
6 curriculum including all teacher training or pro-
7 fessional development necessary for such imple-
8 mentation to be successful;

9 (D) introduce, supplement or implement
10 fully rigorous academic programming including
11 but not limited to programming needed for ef-
12 fective implementation of the college and career
13 ready standards, advanced placement, honors or
14 gifted programs, and academic tutoring pro-
15 grams, including but not limited to acquisition
16 of all associated textbooks, library materials,
17 computers, smart-boards, electronic tablets or
18 similar devices, lab materials, virtual resources
19 and other technology, pedagogical material or
20 instructional supplies, as well as all professional
21 development necessary for effective implementa-
22 tion thereof;

23 (E) implement effective response to inter-
24 vention programming using appropriately
25 skilled professional staff to target instructional

1 interventions to children's areas of specific need
2 as soon as those needs become apparent;

3 (F) implement appropriate programs and
4 services for English language learners;

5 (G) implement meaningful enrichment pro-
6 gramming that includes cultural, athletic, aca-
7 demic, civic, community service, and other en-
8 richment activities, except that a targeted
9 school shall use no more than 5 percent of the
10 funds received for enrichment programs out-
11 lined in this subparagraph, unless such targeted
12 school receives a waiver of the preceding limit
13 from the Secretary;

14 (H) implement appropriate programs and
15 services for students with disabilities that are
16 not funded under other State or Federal pro-
17 grams;

18 (I) implement compensation programs de-
19 signed to attract and retain highly skilled
20 teachers, particularly those qualified in the
21 areas of science, technology and math and in-
22 struction of English language learners;

23 (J) hire additional, professional, qualified,
24 teaching staff and classroom assistants needed
25 to reduce class sizes in kindergarten through

1 third grade to no more than 15 students, and
2 class sizes for all grades thereafter to no more
3 than 25 students;

4 (K) hire additional nurses, counselors, sup-
5 port staff, certified special education teachers
6 or assistants as required to service the needs of
7 the children attending such targeted school;

8 (L) implement evidence-based, effective
9 strategies for reducing and preventing children
10 from dropping out of school; and

11 (M) implement enhanced technology and
12 vocational instruction.

13 (3) WRAP-AROUND SERVICES.—To ensure chil-
14 dren are provided with the services necessary to re-
15 ceive a meaningful educational opportunity, the pro-
16 vision of necessary and appropriate wrap-around
17 services each student attending such school may
18 need through a program implemented by the school,
19 to the extent feasible, to help coordinate the delivery
20 of all such needed wrap-around services with high-
21 quality providers of such services, except that a tar-
22 geted school shall utilize no more than 5 percent of
23 such grant funds to carry out this paragraph, unless
24 such school receives a waiver from the Secretary.

1 (4) EFFECTIVE LEADERSHIP.—To support the
2 crucial role effective leadership plays in creating a
3 meaningful educational opportunity and to attract,
4 develop, and keep effective principals and other ad-
5 ministrators, providing access to appropriate profes-
6 sional development, mentoring and training pro-
7 grams and implementing a compensation structure
8 necessary to attract highly qualified professionals,
9 except that a school may use no more than 5 percent
10 of such grant funds to carry out this paragraph, un-
11 less such school receives a waiver from the Sec-
12 retary.

13 (5) PARENT ENGAGEMENT.—To encourage in-
14 volvement of parents and guardians in the education
15 of their children, implement or enhance effective
16 parent engagement strategies and programs, includ-
17 ing providing parenting education, after-hours adult
18 education offerings in basic and advanced knowledge
19 and skill areas, professional development that pro-
20 motes mutual engagement between schools and fami-
21 lies, adult English language learner classes targeted
22 to parents of enrolled students, crisis counseling and
23 support for families, and other family-based support
24 services, provided that a school shall use no more
25 than 10 percent of such grant funds to carry out

1 this paragraph, unless such school receives a waiver
2 from the Secretary.

3 (6) OTHER USES.—To account for the evolution
4 of the concept of a meaningful educational oppor-
5 tunity, for purposes not included in paragraphs (1)
6 through (5), if—

7 (A) the State educational agency makes a
8 written request to the Secretary for authoriza-
9 tion to use grant funds for such purpose;

10 (B) such request involves—

11 (i) implementation of an educational
12 practice not enumerated in paragraphs (1)
13 through (5) for which there is research-
14 based evidence that such practice enhances
15 student achievement, learning or critical
16 thinking; or

17 (ii) creation or implementation of a
18 pilot program such State educational agen-
19 cy believes will enhance student achieve-
20 ment, learning or critical thinking; and

21 (C) the Secretary approves such request in
22 writing.

23 **SEC. 104. AUTHORIZATION OF APPROPRIATIONS.**

24 (a) AUTHORIZATION.—For the purpose of carrying
25 out this title, there are authorized to be appropriated such

1 sums as may be necessary for fiscal year 2016 and each
2 of the succeeding fiscal years.

3 (b) Ratable Reduction.—If the amount appro-
4 priated under subsection (a) for a fiscal year is not suffi-
5 cient to award each participating State a grant under this
6 title that is equal to the full amount such State is eligible
7 to receive for such year the Secretary may ratably reduce
8 the amount of each such grant or take other actions nec-
9 essary to ensure an equitable distribution of such amount.

10 **TITLE II—EDUCATING EVERY** 11 **CHILD**

12 **SEC. 200. EDUCATING EVERY CHILD INITIATIVE.**

13 (a) PURPOSE.—The purpose of this title is to ensure
14 that every child in the United States—

15 (1) receives the meaningful educational oppor-
16 tunity necessary for that child to achieve high aca-
17 demic standards, regardless of the investment made
18 in that child’s education by the State or local com-
19 munity in which the child lives; and

20 (2) develop the numeracy and literacy skills
21 needed to be competitive in a modern economy and
22 to be a contributing, engaged citizen in a vibrant de-
23 mocracy

24 (b) AUTHORIZATION.—The Secretary is authorized to
25 carry out a program, known as the “Educating Every

1 Child Initiative”, to make annual grants directly to local
2 educational agencies that include targeted schools if the
3 Secretary determines that the State in which that child
4 lives has failed to invest sufficient resources in that State’s
5 public education system to create a meaningful edu-
6 cational opportunity for all children who attend targeted
7 schools in that State. Grants the Secretary makes under
8 this title shall be referred to as “Educating Every Child
9 Grants.”

10 **SEC. 201. GRANT TERMS.**

11 (a) ELIGIBILITY.—To be eligible to receive a grant
12 under this title, a local educational agency shall submit
13 to the Secretary—

14 (1) a plan for utilization of the grant proceeds,
15 that shall include only permitted uses described in
16 section 103(b); and

17 (2) a certification that all targeted schools re-
18 ceiving Educating Every Child Grants under this
19 title shall utilize such grant funds only for such per-
20 mitted uses.

21 (b) USE OF FUNDS.—A local educational agency re-
22 ceiving such grant under this title shall distribute such
23 funds in the amounts, and directly to, the targeted schools
24 designated by the Secretary.

1 (c) GRANT AMOUNT.—The maximum amount of a
2 grant under this title shall be that amount that, when ag-
3 gregated with all other Federal, State, and local funds re-
4 ceived by the targeted schools in such local education
5 agency that will receive the funds from such grant, is suf-
6 ficient to provide a meaningful educational opportunity to
7 every child who attends such targeted schools (as deter-
8 mined by the Secretary using an evidence-based cost anal-
9 ysis model).

10 (d) MINIMUM INVESTMENT REQUIRED.—The State
11 in which the targeted schools receiving grants under this
12 title are located shall maintain the minimum investment
13 (as defined in section 202) in each year such targeted
14 schools receive such grants.

15 (e) TECHNICAL ASSISTANCE.—The Secretary shall
16 provide each local educational agency that includes tar-
17 geted schools receiving grants under this title annual tech-
18 nical assistance grants of \$100,000 to support such local
19 educational agency’s compliance with the reporting and
20 planning obligations of this title, in each year the Sec-
21 retary makes such grants to targeted schools located in
22 such agency.

23 **SEC. 202. MINIMUM INVESTMENT.**

24 (a) IN GENERAL.—For purposes of this title, the
25 “minimum investment” of a State shall mean the total

1 amount of education funding received by targeted schools
2 in that State from State and local resources in the com-
3 plete school year immediately preceding the first year such
4 targeted schools receive a grant under section 100(a), in-
5 creased annually thereafter by the Employment Cost
6 Index for the then most recently complete calendar year,
7 for each year in which targeted schools in that State re-
8 ceive such grant.

9 (b) REDUCTION OF FUNDING.—If a State fails to
10 satisfy its minimum investment obligation under this title,
11 then the Department of the Treasury shall reduce other
12 Federal funding owed to that State under any Federal
13 program other than the Medicaid program under title XIX
14 of the Social Security Act (42 U.S.C. 1396 et seq.), part
15 A of title IV and section 1108(b) of the Social Security
16 Act (other than under subsections (a)(3) and (b) of section
17 403 of such Act), or the special supplemental nutrition
18 program for women, infants, and children under section
19 17 of the Child Nutrition Act of 1966, on a dollar-for-
20 dollar basis, and shall provide an accounting thereof to
21 the applicable State.

22 **SEC. 203. AUTHORIZATION OF APPROPRIATIONS.**

23 For purposes of carrying out this title, there are au-
24 thorized to be appropriated such sums as may be nec-

1 essary for fiscal year 2016 and each of the 5 succeeding
2 fiscal years.

3 **TITLE III—EQUITABLE AND SUS-**
4 **TAINABLE FISCAL POLICY**
5 **PROGRAM**

6 **SEC. 300. EQUITABLE AND SUSTAINABLE FISCAL POLICY.**

7 (a) PURPOSE.—Recognizing that every State has a
8 unique fiscal system, economy and demographic composi-
9 tion, the purpose of this title is to—

10 (1) provide assistance to particular States to re-
11 form fiscal policies to create adequate State capacity
12 to invest sufficiently in ensuring all of the children
13 in the State receive a meaningful educational oppor-
14 tunity; and

15 (2) to assist States in reforming their tax poli-
16 cies to comport with the principles of fair, responsive
17 and stable taxation, thereby generating the capacity
18 to fund education sufficiently so that all children, in-
19 cluding those attending targeted schools receive a
20 meaningful educational opportunity.

21 (b) AUTHORIZATION.—The Secretary is authorized to
22 establish the “Equitable and Sustainable Fiscal Policy”
23 Program (ESFP), to support efforts by States to reform
24 State fiscal policies to create State capacity to invest suffi-
25 ciently in ensuring all their children receive a meaningful

1 educational opportunity, by comporting with the principles
2 of fairness, responsiveness, and stability required for equi-
3 table and sustainable taxation in a modern economy.

4 **SEC. 301. TECHNICAL ASSISTANCE GRANTS.**

5 Subject to the availability of appropriations, the Sec-
6 retary shall provide technical assistance grants of
7 \$1,000,000 to each State that submits a complete and ac-
8 curate application for a grant under this title. The Gov-
9 ernor of a State that desires to receive such a grant shall
10 submit a written application to the Secretary, that—

11 (1) outlines the fiscal policy reforms that State
12 intends to consider;

13 (2) summarizes that State’s current education
14 funding system;

15 (3) identifies how it intends to enhance State
16 funding of targeted schools to provide a meaningful
17 educational opportunity to children attending such
18 schools; and

19 (4) delineates how the proceeds of the grant re-
20 ceived under this section will be used both to study
21 that State’s fiscal policy and generate popular sup-
22 port for implementing the necessary tax policy re-
23 forms.

1 **SEC. 302. AUTHORIZATION OF APPROPRIATIONS.**

2 For purposes of carrying out this title, there are au-
3 thorized to be appropriated such sums as may be nec-
4 essary for fiscal year 2016 and each of the 5 succeeding
5 fiscal years.

6 **TITLE IV—REPORTING AND**
7 **ACCOUNTABILITY**

8 **SEC. 400. ANNUAL REPORTS REQUIRED.**

9 Each State receiving a grant under title I or local
10 educational agency receiving a grant under title II, shall
11 file annual reports with the Secretary within 60 days of
12 the close of the school year in which the grant is received,
13 regarding the utilization of the proceeds of those grants
14 which, at a minimum shall specify—

15 (1) in detail each targeted school receiving any
16 such grant proceeds and the total grant proceeds
17 distributed to each such targeted school;

18 (2) in detail the specific permitted uses de-
19 scribed in section 102(b) for which all grant pro-
20 ceeds were utilized by each targeted school receiving
21 the same;

22 (3) how funding such permitted uses with grant
23 proceeds received under this Act contributes to or
24 constitutes part of a comprehensive, strategic plan
25 to enhance the capacity of that State's entire edu-
26 cational system to enable it to provide a meaningful

1 educational opportunity to all students—but particu-
2 larly those students attending targeted schools;

3 (4) the demographic breakdown of each tar-
4 geted school and the academic performance of the
5 children attending those targeted schools vis-a-vis
6 each other, the State’s student body overall, and the
7 students attending the 5 percent of schools with the
8 highest per pupil funding levels in that State;

9 (5) the academic performance of racial and eth-
10 nic minority students, Indians, and English lan-
11 guage learners in that State overall and as compared
12 to the performance of non-minority students in that
13 State;

14 (6) specific programming, if any, designed to
15 address any achievement gap that appears in the
16 comparisons required under paragraph (5);

17 (7) per-pupil funding levels in that State broken
18 down by decile covering—

19 (A) income levels per district,

20 (B) property values per district, and

21 (C) targeted schools versus all other
22 schools;

23 (8) professional staffing levels, teacher quali-
24 fications and class sizes by grade level in targeted
25 schools vis-a-vis all other schools in that State;

1 (9) attendance rates, graduation rates and
2 drop-out rates (using definitions thereof agreed upon
3 in writing by the Secretary), percentage of students
4 enrolled in and passing advanced placement courses
5 and tests, and ACT scores in targeted schools versus
6 all other State schools;

7 (10) availability of wrap-around services in the
8 targeted schools to meet the need therefor; and

9 (11) such other data as the Secretary may from
10 time to time require via regulation or request in
11 writing.

12 **SEC. 401. DEVELOPMENT OF ACCOUNTABILITY METRICS.**

13 (a) **ESTABLISHMENT.**—The Secretary shall work
14 with the State educational agencies and local educational
15 agencies receiving grants under this Act to develop the fol-
16 lowing:

17 (1) A series of accountability metrics that will
18 allow the Federal Government to monitor the per-
19 formance of the equity and excellence investments it
20 makes under this Act to ensure those investments
21 are creating a meaningful educational opportunity
22 and ultimately leading to enhanced student achieve-
23 ment. These metrics will be informative in nature,
24 provide adequate data (as determined by the Sec-
25 retary), and provide information that will allow the

1 Department of Education, working in collaboration
2 with State educational agencies, local educational
3 agencies receiving grants under this Act and other
4 stakeholders (such as but not limited to educators
5 and as appropriate community members and par-
6 ents) to develop changes in practice designed to en-
7 hance performance and effectively create the desired
8 meaningful educational opportunity.

9 (2) A series of mechanisms designed to reme-
10 diate practices that are not attaining those goals.

11 All enforcement mechanisms implemented by the Sec-
12 retary pursuant to regulations it issues to accomplish the
13 goals identified in this section will be designed in a manner
14 that changes practice at the State, local educational agen-
15 cy, or targeted school level in a manner that creates a
16 meaningful educational opportunity for all children and
17 shall not take resources away from low income, minority,
18 English language learners, or other children who attend
19 targeted schools and need resources the most.

20 (b) ENHANCED METRICS.—Evaluations of academic
21 performance shall include multiple measures that—

22 (1) may include standardized test scores but
23 shall not be based solely on test scores;

24 (2) to the extent test scores are considered, uti-
25 lize a growth model of evaluation that tracks the

1 academic performance of each child over time rather
2 than simply comparing test scores by grade level of
3 different annual cohorts of students;

4 (3) shall include an evaluation of drop-out rates
5 utilizing a methodology of which has been approved
6 in writing and in advance by the Secretary;

7 (4) may include course passage rates and may
8 include—

9 (A) where available, district developed as-
10 sessments that incorporate sound methodology
11 and best practice as determined by the Sec-
12 retary;

13 (B) where available, AP course taking;

14 (C) when appropriate, portfolio based
15 work; and

16 (D) when appropriate, school environment
17 metrics such as, but not limited to, reduced in-
18 cidents of significant student discipline, devel-
19 opment of collaborative educational practices,
20 and implementation of effective, well-designed
21 teacher and administrator professional develop-
22 ment and induction and mentoring;

23 (5) shall include an evaluation of growth in crit-
24 ical thinking. To the extent standardized tests are
25 utilized to evaluate student achievement, the Sec-

1 retary will work with State educational agencies re-
2 ceiving grants under this Act to ensure such testing
3 provides an accurate measure of student learning
4 and is free of racial, ethnic, gender, income class or
5 other biases; and

6 (6) shall include an analysis of resources (fiscal,
7 facility, and personnel) to determine whether the ap-
8 plicable State and/or local educational agency has
9 the capacity to provide a meaningful educational op-
10 portunity to each child it serves.

11 **SEC. 402. REPORT TO CONGRESS.**

12 Not later than 1 year after the date of enactment
13 of this Act and annually thereafter, the Secretary shall
14 transmit to the Committee on Education and the Work-
15 force of the House of Representatives and the Committee
16 on Health, Education, Labor, and Pensions of the Senate
17 a report that provides National and State-level data on
18 the information collected under this Act and on the
19 progress toward enhancing student achievement in tar-
20 geted schools and creating an equitable and excellent pub-
21 lic education system in the United States.

○