

2000—Subsec. (c)(1). Pub. L. 106-398, §1 [[div. A], title XVIII, §1813(1), (2)], redesignated par. (2) as (1) and struck out heading and text of former par. (1). Text read as follows: “Notwithstanding any other provision of law, for any fiscal year before fiscal year 1995, the Secretary shall treat as eligible under subsection (a) or (b) of section 3 of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such subsection was in effect on the day preceding October 20, 1994), and shall forgive the obligation of a local educational agency to repay any amounts that such agency received under such section for such fiscal year based on, any child who would be eligible under such subsections except that such child does not meet the requirements of subsection (a)(1)(B) or (b)(2)(B), respectively, of such section 3, if such child meets the requirements of paragraph (3) of this subsection.”

Subsec. (c)(2). Pub. L. 106-398, §1 [[div. A], title XVIII, §1813(2)], redesignated par. (3) as (2). Former par. (2) redesignated (1).

Subsec. (c)(2)(D). Pub. L. 106-398, §1 [[div. A], title XVIII, §1813(3)(A)], struck out “section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such section was in effect on the day preceding October 20, 1994) or” after “otherwise permitted under”.

Subsec. (c)(2)(E). Pub. L. 106-398, §1 [[div. A], title XVIII, §1813(3)(B)], substituted “1999” for “1994”, struck out “(or such section’s predecessor authority)” after “section 7703(b) of this title”, and substituted “paragraph (1)” for “paragraph (2)”.

Subsec. (c)(3). Pub. L. 106-398, §1 [[div. A], title XVIII, §1813(2)], redesignated par. (3) as (2).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-95 effective Dec. 10, 2015, and effective with respect to appropriations for use under this subchapter beginning fiscal year 2017, except as otherwise provided in such amendment, see section 5 of Pub. L. 114-95, set out as a note under section 6301 of this title.

#### § 7711. Administrative hearings and judicial review

##### (a) Administrative hearings

A local educational agency and a State that is adversely affected by any action of the Secretary under this subchapter shall be entitled to a hearing on such action in the same manner as if such agency were a person under chapter 5 of title 5 if the local educational agency or State, as the case may be, submits to the Secretary a request for the hearing not later than 60 days after the date of the action of the Secretary under this subchapter.

##### (b) Judicial review of secretarial action

###### (1) In general

A local educational agency or a State aggrieved by the Secretary’s final decision following an agency proceeding under subsection (a) may, within 30 working days (as determined by the local educational agency or State) after receiving notice of such decision, file with the United States court of appeals for the circuit in which such agency or State is located a petition for review of that action. The clerk of the court shall promptly transmit a copy of the petition to the Secretary. The Secretary shall then file in the court the record of the proceedings on which the Secretary’s action was based, as provided in section 2112 of title 28.

##### (2) Findings of fact

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

##### (3) Review

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

(Pub. L. 89-10, title VII, §7011, formerly title VIII, §8011, as added Pub. L. 103-382, title I, §101, Oct. 20, 1994, 108 Stat. 3768; amended Pub. L. 106-398, §1 [[div. A], title XVIII, §1814(a)(1), (b)], Oct. 30, 2000, 114 Stat. 1654, 1654A-387; renumbered title VII, §7011, and amended Pub. L. 114-95, title VII, §§7001(c)(2), 7011, Dec. 10, 2015, 129 Stat. 2074, 2087.)

#### Editorial Notes

##### AMENDMENTS

2015—Subsec. (a). Pub. L. 114-95, §7011, struck out “or under the Act of September 30, 1950 (Public Law 874, 81st Congress) (as such Act was in effect on the day preceding October 20, 1994)” after “any action of the Secretary under this subchapter”.

2000—Subsec. (a). Pub. L. 106-398, §1 [[div. A], title XVIII, §1814(a)(1)], inserted “if the local educational agency or State, as the case may be, submits to the Secretary a request for the hearing not later than 60 days after the date of the action of the Secretary under this subchapter” before period at end.

Subsec. (b)(1). Pub. L. 106-398, §1 [[div. A], title XVIII, §1814(b)], substituted “30 working days (as determined by the local educational agency or State)” for “60 days”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-95 effective Dec. 10, 2015, and effective with respect to appropriations for use under this subchapter beginning fiscal year 2017, except as otherwise provided in such amendment, see section 5 of Pub. L. 114-95, set out as a note under section 6301 of this title.

##### EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-398, §1 [[div. A], title XVIII, §1814(a)(2)], Oct. 30, 2000, 114 Stat. 1654, 1654A-387, provided that: “The amendment made by paragraph (1) [amending this section] shall apply with respect to an action of the Secretary under title VIII [now VII] of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7701 et seq.) initiated on or after the date of the enactment of this Act [Oct. 30, 2000].”

#### § 7712. Forgiveness of overpayments

Notwithstanding any other provision of law, the Secretary may forgive the obligation of a local educational agency to repay, in whole or in

part, the amount of any overpayment received under this subchapter, or under this subchapter's predecessor authorities, if the Secretary determines that the overpayment was made as a result of an error made by—

- (1) the Secretary; or
- (2) the local educational agency and repayment of the full amount of the overpayment will result in an undue financial hardship on the agency and seriously harm the agency's educational program.

(Pub. L. 89-10, title VII, §7012, formerly title VIII, §8012, as added Pub. L. 103-382, title I, §101, Oct. 20, 1994, 108 Stat. 3769; amended Pub. L. 106-398, §1 [[div. A], title XVIII, §1815], Oct. 30, 2000, 114 Stat. 1654, 1654A-387; renumbered title VII, §7012, Pub. L. 114-95, title VII, §7001(c)(2), Dec. 10, 2015, 129 Stat. 2074.)

#### Editorial Notes

##### AMENDMENTS

2000—Pub. L. 106-398 substituted “under this subchapter's predecessor authorities” for “under the Act of September 30, 1950 (Public Law 874, 81st Congress) or the Act of September 23, 1950 (Public Law 815, 81st Congress) (as such Acts were in effect on the day preceding October 20, 1994)” in introductory provisions.

#### § 7713. Definitions

For purposes of this subchapter:

##### (1) Armed Forces

The term “Armed Forces” means the Army, Navy, Air Force, Marine Corps, and Coast Guard.

##### (2) Average per-pupil expenditure

The term “average per-pupil expenditure” means—

- (A) the aggregate current expenditures of all local educational agencies in the State; divided by
- (B) the total number of children in average daily attendance for whom such agencies provided free public education.

##### (3) Construction

The term “construction” means—

- (A) the preparation of drawings and specifications for school facilities;
- (B) erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities;
- (C) inspecting and supervising the construction of school facilities; and
- (D) debt service for such activities.

##### (4) Current expenditures

The term “current expenditures” means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but does not include expenditures for community services, capital outlay, and debt service, or any expenditures made from funds awarded under part A of subchapter I. The determination of whether an expenditure for the replacement of equipment

is considered a current expenditure or a capital outlay shall be determined in accordance with generally accepted accounting principles as determined by the State.

#### (5) Federal property

##### (A) In general

Except as provided in subparagraphs (B) through (F), the term “Federal property” means real property that is not subject to taxation by any State or any political subdivision of a State due to Federal agreement, law, or policy, and that is—

- (i) owned by the United States or leased by the United States from another entity;
- (ii)(I) held in trust by the United States for individual Indians or Indian tribes;
- (II) held by individual Indians or Indian tribes subject to restrictions on alienation imposed by the United States;
- (III) conveyed at any time under the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.] to a Native individual, Native group, or village or regional corporation (including single family occupancy properties that may have been subsequently sold or leased to a third party), except that property that is conveyed under such Act—

(aa) that is not taxed is, for the purposes of this paragraph, considered tax-exempt due to Federal law; and

(bb) is considered Federal property for the purpose of this paragraph if the property is located within a Regional Educational Attendance Area that has no taxing power;

(IV) public land owned by the United States that is designated for the sole use and benefit of individual Indians or Indian tribes; or

(V) used for low-rent housing, as described in paragraph (10), that is located on land described in subclause (I), (II), (III), or (IV) of this clause or on land that met one of those descriptions immediately before such property's use for such housing;

(iii)(I) part of a low-rent housing project assisted under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.];

(II) used to provide housing for homeless children at closed military installations pursuant to section 11411 of title 42; or

(III) used for affordable housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.); or

(iv) owned by a foreign government or by an international organization.

##### (B) Schools providing flight training to members of Air Force

The term “Federal property” includes, so long as not subject to taxation by any State or any political subdivision of a State, and whether or not that tax exemption is due to Federal agreement, law, or policy, any school providing flight training to members of the Air Force under contract with the Air Force at an airport owned by a State or political subdivision of a State.