

112TH CONGRESS
1ST SESSION

H. R. 1525

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2011

Mr. POLIS (for himself, Mr. HOLT, Ms. DEGETTE, Ms. BERKLEY, Mr. PAULSEN, Mr. HIMES, and Mr. COFFMAN of Colorado) introduced the following bill; which was referred to the Committee on Education and the Workforce

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 2011” or “All-STAR Act of 2011”.

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 3 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. An eligible entity that received a grant
13 under this section may still be eligible to receive a
14 grant under this section.

15 “(c) APPLICATION REQUIREMENTS.—

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

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

24 “(A) RECORD OF SUCCESS.—Documenta-
25 tion of the record of success of the eligible enti-

1 ty in overseeing or operating public charter
2 schools, including—

3 “(i) the performance of public charter
4 school students on the academic assess-
5 ments described in section 1111(b)(3) of
6 the State where such schools are located,
7 including, if available, a measurement of
8 academic, longitudinal growth on such as-
9 sements (as defined by the Secretary or
10 State law) for all students schoolwide and
11 as disaggregated by—

12 “(I) economic disadvantage;

13 “(II) race and ethnicity;

14 “(III) disability status; and

15 “(IV) status as a student with
16 limited English proficiency;

17 “(ii) demonstrated success in closing
18 historic achievement gaps for the sub-
19 groups of students described in clause (i);

20 “(iii) the status of such schools under
21 section 1116 in making adequate yearly
22 progress or as identified schools; and

23 “(iv) in the case of public charter
24 schools that are secondary schools, the
25 high school graduation rates and rates of

1 college acceptance, enrollment, and persist-
2 ence of students, where possible.

3 “(B) PLAN.—A plan for—

4 “(i) replicating and expanding eligible
5 public charter schools operated or overseen
6 by the eligible entity;

7 “(ii) identifying eligible public charter
8 schools, or networks of eligible public char-
9 ter schools, to receive subgrants under this
10 section;

11 “(iii) increasing the number of open-
12 ings in eligible public charter schools for
13 students attending identified schools and
14 schools with a low graduation rate;

15 “(iv) ensuring that eligible public
16 charter schools receiving a subgrant under
17 this section enroll students through a ran-
18 dom lottery for admission, unless the char-
19 ter school is using the subgrant to expand
20 the school to serve additional grades, in
21 which case such school may reserve seats
22 in the additional grades for—

23 “(I) each student enrolled in the
24 grade preceding each such additional
25 grade;

1 “(II) siblings of students enrolled
2 in the charter school, if such siblings
3 desire to enroll in such grade; and

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

6 “(v)(I) in the case of an eligible entity
7 described in subparagraph (A) or (C) of
8 subsection (k)(4), the manner in which the
9 eligible entity will work with identified
10 schools and schools with a low graduation
11 rate that are eligible to enroll students in
12 a public charter school receiving a
13 subgrant under this section and that are
14 under the eligible entity’s jurisdiction, and
15 the local educational agencies serving such
16 schools, to—

17 “(aa) engage in community out-
18 reach, provide information in a lan-
19 guage that the parents can under-
20 stand, and communicate with parents
21 of students at identified schools and
22 schools with a low graduation rate
23 who are eligible to attend a public
24 charter school receiving a subgrant
25 under this section about the oppor-

1 tunity to enroll in or transfer to such
2 school, in a manner consistent with
3 section 444 of the General Education
4 Provisions Act (commonly known as
5 the ‘Family Educational Rights and
6 Privacy Act of 1974’); and

7 “(bb) ensure that a student can
8 transfer to an eligible public charter
9 school if the public charter school
10 such student was attending in the
11 previous school year is no longer an
12 eligible public charter school;

13 “(II) in the case of an eligible entity
14 described in subparagraph (B) or (D) of
15 subsection (k)(4), the manner in which the
16 eligible entity will work with the local edu-
17 cational agency to carry out the activities
18 described in items (aa) and (bb) of sub-
19 clause (I);

20 “(vi) disseminating to public schools
21 under the jurisdiction or in the service
22 area of the eligible entity, in a manner
23 consistent with section 444 of the General
24 Education Provisions Act (commonly
25 known as the ‘Family Educational Rights

1 and Privacy Act of 1974'), the best prac-
2 tices, programs, or strategies learned by
3 awarding subgrants to eligible public char-
4 ter schools under this section, with par-
5 ticular emphasis on the best practices with
6 respect to—

7 “(I) focusing on closing the
8 achievement gap; or

9 “(II) successfully addressing the
10 education needs of low-income stu-
11 dents; and

12 “(vii) in the case of an eligible entity
13 described in subsection (k)(4)(D)—

14 “(I) supporting the short-term
15 and long-term success of the proposed
16 project, by—

17 “(aa) developing a multi-
18 year financial and operating
19 model for the eligible entity; and

20 “(bb) including, with the
21 plan, evidence of the dem-
22 onstrated commitment of current
23 partners, as of the time of the
24 application, for the proposed
25 project and of broad support

1 from stakeholders critical to the
2 project’s long-term success;

3 “(II) closing public charter
4 schools that do not meet acceptable
5 standards of performance; and

6 “(III) achieving the objectives of
7 the proposed project on time and
8 within budget, which shall include the
9 use of clearly defined responsibilities,
10 timelines, and milestones for accom-
11 plishing project tasks.

12 “(C) CHARTER SCHOOL INFORMATION.—

13 The number of—

14 “(i) eligible public charter schools that
15 are operating in the State in which the eli-
16 gible entity intends to award subgrants
17 under this section;

18 “(ii) public charter schools approved
19 to open or likely to open during the grant
20 period in such State;

21 “(iii) available openings in eligible
22 public charter schools in such State that
23 could be created through the replication or
24 expansion of such schools if the grant is
25 awarded to the eligible entity;

1 “(iv) students on public charter school
2 waiting lists (if such lists are available)
3 in—

4 “(I) the State in which the eligi-
5 ble entity intends to award subgrants
6 under this section; and

7 “(II) each local educational agen-
8 cy serving an eligible public charter
9 school that may receive a subgrant
10 under this section from the eligible
11 entity; and

12 “(v) students, and the percentage of
13 students, in a local educational agency who
14 are attending eligible public charter schools
15 that may receive a subgrant under this
16 section from the eligible entity.

17 “(D) TRADITIONAL PUBLIC SCHOOL IN-
18 FORMATION.—In the case of an eligible entity
19 that is a State educational agency or local edu-
20 cational agency, a list of the identified schools
21 and schools with a low graduation rate under
22 the jurisdiction of the eligible entity, including
23 the name and location of each such school, the
24 number and percentage of students under the
25 jurisdiction of the eligible entity who are at-

1 tending such school, and such demographic and
2 socioeconomic information as the Secretary may
3 require.

4 “(E) ASSURANCE.—In the case of an eligi-
5 ble entity described in subsection (k)(4)(A), an
6 assurance that the eligible entity will include in
7 the notifications provided under section
8 1116(c)(6) to parents of each student enrolled
9 in a school served by a local educational agency
10 identified for school improvement or corrective
11 action under paragraph (1) or (7) of section
12 1116(c), information (in a language that the
13 parents can understand) about the eligible pub-
14 lic charter schools receiving subgrants under
15 this section.

16 “(3) MODIFICATIONS.—The Secretary may
17 modify or waive any information requirement under
18 paragraph (2)(C) for an eligible entity that dem-
19 onstrates that the eligible entity cannot reasonably
20 obtain the information.

21 “(d) PRIORITIES FOR AWARDING GRANTS.—

22 “(1) IN GENERAL.—In awarding grants under
23 this section, the Secretary shall give priority to eligi-
24 ble entities that—

1 “(A) serve or plan to serve a large percent-
2 age of low-income students from identified
3 schools or public schools with a low graduation
4 rate;

5 “(B) oversee or plan to oversee one or
6 more eligible public charter schools;

7 “(C) provide evidence of effective moni-
8 toring of the academic success of students who
9 attend public charter schools under the jurisdic-
10 tion of the eligible entity;

11 “(D) in the case of eligible entities that are
12 local educational agencies under State law, have
13 a cooperative agreement under section
14 1116(b)(11); and

15 “(E) are under the jurisdiction of, or plan
16 to award subgrants under this section in, a
17 State that—

18 “(i) ensures that all public charter
19 schools (including such schools served by a
20 local educational agency and such schools
21 considered to be a local educational agency
22 under State law) receive, in a timely man-
23 ner, the Federal, State, and local funds to
24 which such schools are entitled under ap-
25 plicable law;

1 “(ii) does not have a cap that restricts
2 the growth of public charter schools in the
3 State;

4 “(iii) provides funding (such as cap-
5 ital aid distributed through a formula or
6 access to revenue generated bonds, and in-
7 cluding funding for school facilities) on a
8 per-pupil basis to public charter schools
9 commensurate with the amount of funding
10 (including funding for school facilities)
11 provided to traditional public schools;

12 “(iv) provides strong evidence of sup-
13 port for public charter schools and has in
14 place innovative policies that support aca-
15 demically successful charter school growth;

16 “(v) authorizes public charter schools
17 to offer early childhood education pro-
18 grams, including prekindergarten, in ac-
19 cordance with State law;

20 “(vi) authorizes all public charter
21 schools to serve as school food authorities;

22 “(vii) ensures that each public charter
23 school in the State—

1 “(I) has a high degree of auton-
2 omy over the public charter school’s
3 budget and expenditures;

4 “(II) has a written performance
5 contract with an authorized public
6 chartering agency that ensures that
7 the school has an independent gov-
8 erning board with a high degree of
9 autonomy; and

10 “(III) in the case of an eligible
11 public charter school receiving a
12 subgrant under this section, amends
13 its charter to reflect the growth activi-
14 ties described in subsection (e);

15 “(viii) has an appeals process for the
16 denial of an application for a charter
17 school;

18 “(ix) provides that an authorized pub-
19 lic chartering agency that is not a local
20 educational agency, such as a State char-
21 tering board, is available for each indi-
22 vidual or entity seeking to operate a char-
23 ter school pursuant to such State law;

1 “(x) allows any public charter school
2 to be a local educational agency in accord-
3 ance with State law;

4 “(xi) ensures that each authorized
5 public chartering agency in the State sub-
6 mits annual reports to the State edu-
7 cational agency, and makes such reports
8 available to the public, on the performance
9 of the schools authorized or approved by
10 such public chartering agency, which re-
11 ports shall include—

12 “(I) the authorized public char-
13 tering agency’s strategic plan for au-
14 thorizing or approving public charter
15 schools and any progress toward
16 achieving the objectives of the stra-
17 tegic plan;

18 “(II) the authorized public char-
19 tering agency’s policies for authorizing
20 or approving public charter schools,
21 including how such policies examine a
22 school’s—

23 “(aa) financial plan and
24 policies, including financial con-
25 trols and audit requirements;

1 “(bb) plan for identifying
2 and successfully (in compliance
3 with all applicable laws and regu-
4 lations) serving students with
5 disabilities, students who are
6 English language learners, stu-
7 dents who are academically be-
8 hind their peers, and gifted stu-
9 dents; and

10 “(cc) capacity and capability
11 to successfully launch and subse-
12 quently operate a public charter
13 school, including the backgrounds
14 of the individuals applying to the
15 agency to operate such school
16 and any record of such individ-
17 uals operating a school;

18 “(III) the authorized public char-
19 tering agency’s policies for renewing,
20 not renewing, and revoking a charter
21 school’s charter, including the role of
22 student academic achievement in such
23 decisions;

24 “(IV) the authorized public char-
25 tering agency’s transparent, timely,

1 and effective process for closing down
2 academically unsuccessful public char-
3 ter schools;

4 “(V) the academic performance
5 of each operating public charter
6 school authorized or approved by the
7 authorized public chartering agency,
8 including the information reported by
9 the State in the State annual report
10 card under section 1111(h)(1)(C) for
11 such school;

12 “(VI) the status of the author-
13 ized public chartering agency’s charter
14 school portfolio, by identifying all
15 charter schools served by the public
16 chartering agency in the categories of
17 approved (but not yet open), oper-
18 ating, renewed, transferred, revoked,
19 not renewed, voluntarily closed, or
20 never opened;

21 “(VII) the authorizing functions
22 provided by the authorized public
23 chartering agency to the public char-
24 ter schools it serves, including the
25 agency’s operating costs and expenses

1 as detailed through annually audited
2 financial statements that conform
3 with generally accepted accounting
4 principles; and

5 “(VIII) the services purchased
6 (such as accounting, transportation,
7 and data management and analysis)
8 from the authorized public chartering
9 agency by the public charter schools
10 authorized or approved by such agen-
11 cy, including an itemized accounting
12 of the actual costs of such services;
13 and

14 “(xii) have or will have (within 1 year
15 after receiving a grant under this section)
16 a State policy and process for overseeing
17 and reviewing the effectiveness and quality
18 of the State’s authorized public chartering
19 agencies, including—

20 “(I) a process for reviewing and
21 evaluating the performance of the au-
22 thorized public chartering agencies in
23 authorizing or approving charter
24 schools, including a process that en-
25 ables the authorized public chartering

1 agencies to respond to any State con-
2 cerns; and

3 “(II) any other necessary policies
4 to ensure effective charter school au-
5 thorizing in the State in accordance
6 with the principles of quality charter
7 school authorizing, as determined by
8 the State in consultation with the
9 charter school community and stake-
10 holders.

11 “(2) ADDITIONAL PRIORITIES.—In addition to
12 giving priority for grants under this section to eligi-
13 ble entities that meet the requirements of paragraph
14 (1), the Secretary may also give priority to eligible
15 entities that—

16 “(A) provide online-learning blended with
17 learning in a physical school building; or

18 “(B) propose to replicate or expand a
19 model that serves students with disabilities and
20 students with status as students with limited
21 English proficiency at rates comparable to the
22 rates of such students served in the local edu-
23 cational agencies serving the schools of the eli-
24 gible entities.

1 “(3) SPECIAL RULE.—In awarding grants
2 under this section, the Secretary may determine how
3 the priorities described in paragraph (1) and (2) will
4 apply to the different types of eligible entities de-
5 fined in subsection (k)(4).

6 “(e) USE OF FUNDS.—An eligible entity receiving a
7 grant under this section shall use the grant funds to award
8 subgrants in accordance with paragraph (1), and may use
9 such funds to establish a reserve account in accordance
10 with paragraph (2) or to cover administrative tasks, dis-
11 semination activities, and outreach in accordance with
12 paragraph (3).

13 “(1) SUBGRANTS.—

14 “(A) IN GENERAL.—An eligible entity shall
15 use grant funds under this section to award
16 subgrants, in such amount as the eligible entity
17 determines is appropriate, to eligible public
18 charter schools to replicate or expand such
19 schools.

20 “(B) APPLICATION.—An eligible public
21 charter school desiring to receive a subgrant
22 under this subsection shall submit an applica-
23 tion to the eligible entity at such time, in such
24 manner, and containing such information as the
25 eligible entity may require.

1 “(C) USES OF FUNDS.—An eligible public
2 charter school receiving a subgrant under this
3 subsection shall use the subgrant funds to pro-
4 vide for an increase in the school’s enrollment
5 of students through the replication or expansion
6 of the school, which may include use of funds
7 to—

8 “(i) support the physical expansion of
9 school buildings, including financing the
10 development of new buildings and cam-
11 puses to meet increased enrollment needs;

12 “(ii) pay costs associated with hiring
13 additional teachers to serve additional stu-
14 dents;

15 “(iii) provide transportation to addi-
16 tional students to and from the school, in-
17 cluding providing transportation to stu-
18 dents who transfer to the school under a
19 cooperative agreement established under
20 section 1116(b)(11);

21 “(iv) purchase instructional materials,
22 implement teacher and principal profes-
23 sional development programs, and hire ad-
24 ditional non-teaching staff; and

1 “(v) support any necessary activities
2 associated with the school carrying out the
3 purposes of this section.

4 “(D) PRIORITY.—In awarding subgrants
5 under this subsection, an eligible entity shall
6 give priority to an eligible public charter
7 school—

8 “(i) that has significantly closed any
9 achievement gap on the State academic as-
10 sessments described in section 1111(b)(3)
11 among the groups of students described in
12 section 1111(b)(2)(C)(v) by improving
13 scores;

14 “(ii) that—

15 “(I)(aa) ranks in at least the top
16 25th percentile of the schools in the
17 State, as ranked by the percentage of
18 students in the proficient or advanced
19 level of achievement on the State aca-
20 demic assessments in mathematics
21 and reading or language arts de-
22 scribed in section 1111(b)(3); or

23 “(bb) has an average student
24 score on an examination (chosen by
25 the Secretary) that is at least in the

1 60th percentile in reading and at least
2 in the 75th percentile in mathematics;

3 “(II) has, if available, an average
4 student academic, longitudinal growth
5 on the State academic assessments in
6 mathematics and reading described in
7 section 1111(b)(3) (as defined by the
8 Secretary or State law) that is at or
9 above the State average growth on the
10 assessments from 1 academic year to
11 the next academic year; and

12 “(III) serves a high-need student
13 population and is eligible to partici-
14 pate in a schoolwide program under
15 section 1114, with additional priority
16 given to schools that serve, as com-
17 pared to other schools that have sub-
18 mitted an application under this sub-
19 section—

20 “(aa) a greater percentage
21 of low-income students; and

22 “(bb) a greater percentage
23 of not less than 2 groups of stu-
24 dents described in section
25 1111(b)(2)(C)(v)(II); and

1 “(iii) that meets the criteria described
2 in clause (i) and serves low-income stu-
3 dents who have transferred to such school
4 under a cooperative agreement described in
5 section 1116(b)(11).

6 “(E) DURATION OF SUBGRANT.—A
7 subgrant under this subsection shall be awarded
8 for a period of not more than 3 years, except
9 that an eligible public charter school receiving a
10 subgrant under this subsection may, at the dis-
11 cretion of the eligible entity, continue to expend
12 subgrant funds after the end of the subgrant
13 period.

14 “(2) FACILITY FINANCING AND REVOLVING
15 LOAN FUND.—An eligible entity may use not more
16 than 25 percent of the amount of the grant funds
17 received under this section to establish a reserve ac-
18 count described in subsection (f) to facilitate public
19 charter school facility acquisition and development
20 by—

21 “(A) conducting credit enhancement initia-
22 tives (as referred to in subpart 2) in support of
23 the development of facilities for eligible public
24 charter schools serving students;

1 “(B) establishing a revolving loan fund for
2 use by an eligible public charter school receiving
3 a subgrant under this subsection from the eligi-
4 ble entity under such terms as may be deter-
5 mined by the eligible entity to allow such school
6 to expand to serve additional students;

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

16 “(D) establishing a partnership with 1 or
17 more community development financial institu-
18 tions (as defined in section 103 of the Commu-
19 nity Development Banking and Financial Insti-
20 tutions Act of 1994 (12 U.S.C. 4702)) or other
21 mission-based financial institutions to carry out
22 the activities described in subparagraphs (A),
23 (B), and (C).

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

1 “(A) IN GENERAL.—An eligible entity may
2 use not more than 7.5 percent of the grant
3 funds awarded under this section to cover ad-
4 ministrative tasks, dissemination activities, and
5 outreach.

6 “(B) NONPROFIT ASSISTANCE.—In car-
7 rying out the administrative tasks, dissemina-
8 tion activities, and outreach described in sub-
9 paragraph (A), an eligible entity may contract
10 with an organization described in section
11 501(c)(3) of the Internal Revenue Code of 1986
12 (26 U.S.C. 501(c)(3)) and exempt from tax
13 under section 501(a) of such Code (26 U.S.C.
14 501(a)).

15 “(f) RESERVE ACCOUNT.—

16 “(1) IN GENERAL.—To assist eligible entities in
17 the development of new public charter school build-
18 ings or facilities for eligible public charter schools,
19 an eligible entity receiving a grant under this section
20 may, in accordance with State and local law, directly
21 or indirectly, alone or in collaboration with others,
22 deposit the amount of funds described in subsection
23 (e)(2) in a reserve account established and main-
24 tained by the eligible entity.

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

6 “(3) REINVESTMENT OF EARNINGS.—Any earn-
7 ings on funds received under this subsection shall be
8 deposited in the reserve account established under
9 this section and used in accordance with the purpose
10 described in subsection (a).

11 “(4) RECOVERY OF FUNDS.—

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

15 “(i) all funds in a reserve account es-
16 tablished by an eligible entity under this
17 subsection if the Secretary determines, not
18 earlier than 2 years after the date the eli-
19 gible entity first received funds under this
20 section, that the eligible entity has failed to
21 make substantial progress carrying out the
22 purpose described in paragraph (1); or

23 “(ii) all or a portion of the funds in
24 a reserve account established by an eligible
25 entity under this subsection if the Sec-

1 retary determines that the eligible entity
2 has permanently ceased to use all or a por-
3 tion of funds in such account to accomplish
4 the purpose described in paragraph (1).

5 “(B) EXERCISE OF AUTHORITY.—The Sec-
6 retary shall not exercise the authority provided
7 under subparagraph (A) to collect from any eli-
8 gible entity any funds that are being properly
9 used to achieve such purpose.

10 “(C) PROCEDURES.—Sections 451, 452,
11 and 458 of the General Education Provisions
12 Act shall apply to the recovery of funds under
13 subparagraph (A).

14 “(D) CONSTRUCTION.—This paragraph
15 shall not be construed to impair or affect the
16 authority of the Secretary to recover funds
17 under part D of the General Education Provi-
18 sions Act.

19 “(5) REALLOCATION.—Any funds collected by
20 the Secretary under paragraph (4) shall be awarded
21 to eligible entities receiving grants under this section
22 in the next fiscal year.

23 “(g) FINANCIAL RESPONSIBILITY.—The financial
24 records of each eligible entity and eligible public charter
25 school receiving a grant or subgrant, respectively, under

1 this section shall be maintained in accordance with gen-
2 erally accepted accounting principles and shall be subject
3 to an annual audit by an independent public accountant.

4 “(h) NATIONAL EVALUATION.—

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

12 “(A) student achievement, including
13 achievement on State academic assessments de-
14 scribed in section 1111(b)(3) and, if applicable,
15 longitudinal academic growth on the assess-
16 ments (as defined by the Secretary or State
17 law); 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 2011, 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 2011 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, including a non-
14 profit charter management organization, that
15 has an organizational mission and record of
16 success supporting the replication and expan-
17 sion of high-quality charter schools and is—

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

21 “(ii) exempt from tax under section
22 501(a) of such Code (26 U.S.C. 501(a)).

23 “(5) ELIGIBLE PUBLIC CHARTER SCHOOL.—
24 The term ‘eligible public charter school’ means a

1 charter school, including a public charter school that
2 is being developed by a developer, that—

3 “(A) has made adequate yearly progress
4 for the last 2 of 3 consecutive school years;

5 “(B) has, if available, an average student
6 academic, longitudinal academic growth on
7 State academic assessments in mathematics and
8 reading described in section 1111(b)(3) (as de-
9 fined by the Secretary or State law) that is at
10 or above the State average growth on such as-
11 sessments from 1 academic year to the next
12 academic year; and

13 “(C) in the case of a public charter school
14 that is a secondary school, has, for the most re-
15 cent school year for which data is available, met
16 or exceeded the graduation rate required by the
17 State in order to make adequate yearly progress
18 for such year.

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

23 “(7) LOCAL EDUCATIONAL AGENCY.—The term
24 ‘local educational agency’ includes any charter school

1 that is a local educational agency, as determined by
2 State law.

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

8 “(9) GRADUATION RATE.—The term ‘gradua-
9 tion rate’ has the meaning given the term in section
10 1111(b)(2)(C)(vi), as clarified in section
11 200.19(b)(1) of title 34, Code of Federal Regula-
12 tions.

13 “(10) SCHOOL FOOD AUTHORITY.—The term
14 ‘school food authority’ has the meaning given the
15 term in section 250.3 of title 7, Code of Federal
16 Regulations (or any corresponding similar regulation
17 or ruling), except that the term may include a con-
18 sortium of charter schools.

19 “(11) SCHOOL YEAR.—The term ‘school year’
20 has the meaning given such term in section 12(d) of
21 the Richard B. Russell National School Lunch Act
22 (42 U.S.C. 1760(d)).

23 “(12) TRADITIONAL PUBLIC SCHOOL.—The
24 term ‘traditional public school’ does not include any
25 charter school, as defined in section 5211.”.

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

4 (1) by striking section 5231; and

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

6 **“SEC. 5200. AUTHORIZATION OF APPROPRIATIONS FOR**
7 **SUBPARTS 1 AND 2.**

8 “(a) IN GENERAL.—Of the amounts appropriated for
9 fiscal year 2012 and each of the succeeding 5 years to
10 carry out subparts 1 and 2, the Secretary shall spend no
11 less than 20 percent and no more than 40 percent on rep-
12 lication and expansion of high-quality charter schools.

13 “(b) ALLOCATION.—In allocating funds appropriated
14 under this section for any fiscal year, the Secretary shall
15 consider—

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

19 “(2) the quality of the applications submitted
20 for such programs.”.

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

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

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

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

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

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

11 (d) TABLE OF CONTENTS.—The table of contents of
12 the Elementary and Secondary Education Act of 1965 is
13 amended—

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

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

16 (2) by striking the items relating to sections
17 5210 and 5211; and

18 (3) by inserting after the item relating to sec-
19 tion 5209 the following:

“Sec. 5210. Charter school expansion and replication.

“Sec. 5211. Definitions.”.

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