

113TH CONGRESS
1ST SESSION

S. 1083

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

IN THE SENATE OF THE UNITED STATES

MAY 23, 2013

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

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 2013” or “All-STAR Act of 2013”.

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 5211;

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 new openings for stu-
10 dents that could be created in such schools with
11 such grant;

12 “(C) the number of students attending
13 identified schools or schools with a low gradua-
14 tion rate in the State or area where an eligible
15 entity intends to replicate or expand eligible
16 public charter schools; and

17 “(D) the success of the eligible entity in
18 overseeing public charter schools and the likeli-
19 hood of continued or increased success because
20 of the grant under this section.

21 “(3) DURATION OF GRANTS.—

22 “(A) IN GENERAL.—A grant under this
23 section shall be for a period of not more than
24 3 years, except that—

1 “(i) an eligible entity receiving such
2 grant may, at the discretion of the Sec-
3 retary, continue to expend grant funds
4 after the end of the grant period; and

5 “(ii) the Secretary may renew such
6 grant for 1 additional 2-year period, if the
7 Secretary determines that the eligible enti-
8 ty is meeting the goals of the grant.

9 “(B) SUBSEQUENT GRANTS.—An eligible
10 entity that has received a grant under this sec-
11 tion may receive subsequent grants under this
12 section.

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 the students
2 of such public charter schools on the stu-
3 dent academic assessments described in
4 section 1111(b)(3) of the State where such
5 school is located (including a measurement
6 of the students’ average academic longitu-
7 dinal growth at each such school, if such
8 measurement is required by a Federal or
9 State law applicable to the entity),
10 disaggregated by—

11 “(I) economic disadvantage;

12 “(II) race and ethnicity;

13 “(III) disability status; and

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

16 “(ii)(I) the status of such schools in
17 making adequate yearly progress, as de-
18 fined in a State’s plan in accordance with
19 section 1111(b)(2)(C) or, in the case of
20 schools for which the Secretary has waived
21 the applicability of such section pursuant
22 to the authority under section 9401, the
23 status of such schools under the account-
24 ability standards authorized by such waiv-
25 er; and

1 “(II) the status of such schools as
2 identified schools;

3 “(iii) documentation of demonstrated
4 success by such public charter schools in
5 closing historic achievement gaps between
6 groups of students; and

7 “(iv) in the case of such public char-
8 ter schools that are secondary schools—

9 “(I) the number of students en-
10 rolled in dual enrollment, Advanced
11 Placement, International Baccalaureate, or other college level courses;

12 “(II) the number of students
13 earning a professional certificate or li-
14 cense through the school;

15 “(III) student graduation rates;
16 and

17 “(IV) rates of student accept-
18 ance, enrollment, and persistence in
19 institutions of higher education, where
20 possible.

21 “(B) PLAN.—A plan for—

22 “(i) replicating and expanding eligible
23 public charter schools operated or overseen
24 by the eligible entity;
25

1 “(ii) identifying eligible public charter
2 schools, or networks of eligible public char-
3 ter schools, to receive subgrants under this
4 section;

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

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

17 “(I) each student enrolled in the
18 grade preceding each such additional
19 grade;

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

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

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

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

1 the ‘Family Educational Rights and
2 Privacy Act of 1974’); and

3 “(bb) ensure that a student can
4 transfer to an eligible public charter
5 school if the public charter school
6 such student was attending in the
7 previous school year is no longer an
8 eligible public charter school; and

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

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

1 particular emphasis on the best practices with
2 respect to—

3 “(I) focusing on closing achieve-
4 ment gaps; or

5 “(II) successfully addressing the
6 education needs of low-income stu-
7 dents; and

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

10 “(I) supporting the short-term
11 and long-term success of the proposed
12 project, by—

13 “(aa) developing a multi-
14 year financial and operating
15 model for the eligible entity; and

16 “(bb) including, with the
17 plan, evidence of the dem-
18 onstrated commitment of current
19 partners, as of the time of the
20 application, for the proposed
21 project and of broad support
22 from stakeholders critical to the
23 project’s long-term success;

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

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

10 “(C) CHARTER SCHOOL INFORMATION.—

11 The number of—

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

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

19 “(iii) available openings in eligible
20 public charter schools in such State that
21 could be created through the replication or
22 expansion of such schools if the grant is
23 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 described in subparagraph (A) or (C) of sub-
20 section (k)(4), a list of the following schools
21 under the jurisdiction of the eligible entity, in-
22 cluding the name and location of each such
23 school, the number and percentage of students
24 under the jurisdiction of the eligible entity who
25 are attending such school, and such demo-

1 graphic and socioeconomic information as the
2 Secretary may require:

3 “(i) Identified schools.

4 “(ii) Schools with a low graduation
5 rate.

6 “(E) ASSURANCE.—In the case of an eligi-
7 ble entity described in subsection (k)(4)(A), an
8 assurance that the eligible entity will include in-
9 formation (in a language that the parents can
10 understand) about the eligible public charter
11 schools receiving subgrants under this section—

12 “(i) in the notifications provided
13 under section 1116(c)(6) to parents of
14 each student enrolled in a school served by
15 a local educational agency identified for
16 school improvement or corrective action
17 under paragraph (1) or (7) of section
18 1116(e); or

19 “(ii) in any case where the require-
20 ments under section 1116(e) have been
21 waived in whole or in part by the Secretary
22 under the authority of section 9401, to
23 parents of each student enrolled in a
24 school served by a local educational agency
25 that has been identified as in need of addi-

1 tional assistance under any accountability
2 system established under such section.

3 “(3) MODIFICATIONS.—The Secretary may
4 modify or waive any information requirement under
5 paragraph (2)(C) for an eligible entity that dem-
6 onstrates that the eligible entity cannot reasonably
7 obtain the information.

8 “(d) PRIORITIES FOR AWARDING GRANTS.—

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

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

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

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

22 “(D) has established goals, objectives, and
23 outcomes for the proposed project that are
24 clearly specified, measurable, and attainable;

1 “(E) in the case of an eligible entity that
2 is a local educational agency under State law,
3 has a cooperative agreement under section
4 1116(b)(11); and

5 “(F) is under the jurisdiction of, or plans
6 to award subgrants under this section in, a
7 State that—

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

16 “(ii) provides funding (such as capital
17 aid distributed through a formula or access
18 to revenue generated bonds, and including
19 funding for school facilities) on a per-pupil
20 basis to public charter schools commensu-
21 rate with the amount of funding (including
22 funding for school facilities) provided to
23 traditional public schools;

24 “(iii) provides strong evidence of sup-
25 port for public charter schools and has in

1 place innovative policies that support aca-
2 demically successful charter school growth;

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

7 “(v) authorizes or allows public char-
8 ter schools to serve as school food authori-
9 ties;

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

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

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

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

1 “(vii) has an appeals process for the
2 denial of an application for a public char-
3 ter 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 public
9 charter 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 public
6 charter school’s charter, including the
7 role of student academic achievement
8 in such 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 (or any similar reporting
22 requirement authorized by the Sec-
23 retary through a waiver under section
24 9401);

1 “(VI) the status of the author-
2 ized public chartering agency’s charter
3 school portfolio, by identifying all
4 charter schools served by the public
5 chartering agency in each of the fol-
6 lowing categories: approved (but not
7 yet open), operating, renewed, trans-
8 ferred, revoked, not renewed, volun-
9 tarily closed, or never opened;

10 “(VII) the authorizing functions
11 provided by the authorized public
12 chartering agency to the public char-
13 ter schools under its purview, includ-
14 ing such agency’s operating costs and
15 expenses as detailed through annual
16 auditing of financial statements that
17 conform with general accepted ac-
18 counting principles; and

19 “(VIII) the services purchased
20 (such as accounting, transportation,
21 and data management and analysis)
22 from the authorized public chartering
23 agency by the public charter schools
24 authorized or approved by such agen-
25 cy, including an itemized accounting

1 of the actual costs of such services;
2 and

3 “(xi) has or will have (within 1 year
4 after receiving a grant under this section)
5 a State policy and process for overseeing
6 and reviewing the effectiveness and quality
7 of the State’s authorized public chartering
8 agencies, including—

9 “(I) a process for reviewing and
10 evaluating the performance of the au-
11 thORIZED public chartering agencies in
12 authorizing or approving public char-
13 ter schools, including a process that
14 enables the authorized public char-
15 tering agencies to respond to any
16 State concerns; and

17 “(II) any other necessary policies
18 to ensure effective charter school au-
19 thORIZING in the State in accordance
20 with the principles of quality charter
21 school authorizing, as determined by
22 the State in consultation with the
23 charter school community and stake-
24 holders.

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

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

9 “(1) SUBGRANTS.—

10 “(A) IN GENERAL.—An eligible entity shall
11 award subgrants, in such amount as the eligible
12 entity determines is appropriate, to eligible pub-
13 lic charter schools to replicate or expand such
14 schools.

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

21 “(C) USES OF FUNDS.—An eligible public
22 charter school receiving a subgrant under this
23 subsection shall use the subgrant funds to pro-
24 vide for an increase in the school’s enrollment
25 of students through the replication or expansion

1 of the school, which may include use of funds
2 to—

3 “(i) support the physical expansion of
4 school buildings, including financing the
5 development of new buildings and cam-
6 puses to meet increased enrollment needs;

7 “(ii) pay costs associated with hiring
8 additional teachers to serve additional stu-
9 dents;

10 “(iii) provide transportation to addi-
11 tional students to and from the school (in-
12 cluding providing transportation to stu-
13 dents who transfer to the school under a
14 cooperative agreement established under
15 section 1116(b)(11)), as long as the eligi-
16 ble public charter school demonstrates to
17 the eligible entity, in the application re-
18 quired under subparagraph (B), that the
19 public charter school has the capability to
20 continue providing such transportation
21 after the expiration of the subgrant funds;

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

1 “(v) support any necessary activities
2 associated with the school carrying out the
3 purposes of this section, including data col-
4 lection and management.

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

9 “(i)(I) has significantly closed any
10 achievement gaps on the State academic
11 assessments described in section
12 1111(b)(3) among the groups of students
13 described in section 1111(b)(2)(C)(v) by
14 improving scores; or

15 “(II) in the case of a school in a State
16 for which the Secretary has granted a
17 waiver under section 9401, has signifi-
18 cantly closed any achievement gaps among
19 groups of students, as determined by the
20 Secretary in accordance with any account-
21 ability standards that the Secretary has
22 authorized through such waiver; and

23 “(ii) has been in operation for not less
24 than 3 consecutive years and has dem-
25 onstrated overall success, including—

1 “(I) substantial progress in im-
2 proving student achievement, as meas-
3 ured—

4 “(aa) for tested grades and
5 subjects, by a student’s score on
6 State academic assessments re-
7 quired under this Act, and other
8 rigorous measures of student
9 learning that are comparable
10 across classrooms, such as the
11 measures described in item (bb);
12 and

13 “(bb) for non-tested grades
14 and subjects, alternative meas-
15 ures of student learning and per-
16 formance, such as student scores
17 on pretests and end-of-course
18 tests, student performance on
19 English language proficiency as-
20 sessments; and other measures of
21 student achievement that are rig-
22 orous and comparable across
23 classrooms; and

24 “(II) the management and lead-
25 ership necessary to overcome initial

1 start-up problems and establish a
2 thriving, financially viable charter
3 school.

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

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

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

23 “(B) establishing a revolving loan fund for
24 use by an eligible public charter school receiving
25 a subgrant under this subsection from the eligi-

1 ble entity under such terms as may be deter-
2 mined by the eligible entity to allow such school
3 to expand to serve additional students;

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

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

21 “(3) ADMINISTRATIVE TASKS, DISSEMINATION
22 ACTIVITIES, RESEARCH, AND DATA COLLECTION.—

23 “(A) IN GENERAL.—An eligible entity may
24 use not more than 7.5 percent of the grant
25 funds awarded under this section to cover ad-

1 ministrative tasks, dissemination activities, and
2 outreach, including data collection and manage-
3 ment.

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

13 “(f) RESERVE ACCOUNT.—

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

23 “(2) INVESTMENT.—Funds received under this
24 section and deposited in the reserve account estab-
25 lished under this subsection shall be invested in obli-

1 gations issued or guaranteed by the United States or
2 a State, or in other similarly low-risk securities.

3 “(3) REINVESTMENT OF EARNINGS.—Any earn-
4 ings on funds received under this subsection shall be
5 deposited in the reserve account established under
6 this subsection and used in accordance with the pur-
7 pose described in subsection (a).

8 “(4) RECOVERY OF FUNDS.—

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

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

20 “(ii) all or a portion of the funds in
21 a reserve account established by an eligible
22 entity under this subsection if the Sec-
23 retary determines that the eligible entity
24 has permanently ceased to use all or a por-

1 tion of funds in such account to accomplish
2 the purpose described in paragraph (1).

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

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

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

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

21 “(g) FINANCIAL RESPONSIBILITY.—The financial
22 records of each eligible entity and eligible public charter
23 school receiving a grant or subgrant, respectively, under
24 this section shall be maintained in accordance with gen-

1 erally accepted accounting principles and shall be subject
2 to an annual audit by an independent public accountant.

3 “(h) NATIONAL EVALUATION.—

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

11 “(A) student achievement, including State
12 standardized assessment scores and, if avail-
13 able, student academic longitudinal growth (as
14 described in subsection (c)(2)(A)(i)) based on
15 such assessments; and

16 “(B) other areas, as determined by the
17 Secretary.

18 “(2) REPORT.—Not later than 4 years after the
19 date of the enactment of the All Students Achieving
20 through Reform Act of 2013, and biannually there-
21 after, the Secretary shall submit to Congress a re-
22 port on the results of the evaluation described in
23 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 3-year period beginning on the date of en-
11 actment of the All Students Achieving through Re-
12 form Act of 2013 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 subsection (e);

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) of
3 the section, and provides prekindergarten or
4 adult education 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;

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 or

24 “(E) a consortium of organizations de-
25 scribed in subparagraph (D).

1 “(5) ELIGIBLE PUBLIC CHARTER SCHOOL.—

2 The term ‘eligible public charter school’ means a
3 charter school that has no significant compliance
4 issue and shows evidence of strong academic results
5 for the past three years (or over the life of the
6 school if the school has been open for fewer than
7 three years), based on—

8 “(A) increased student academic achieve-
9 ment and attainment for all students, including,
10 as applicable, educationally disadvantaged stu-
11 dents served by the charter school;

12 “(B)(i) demonstrated success in closing
13 historic achievement gaps for the subgroups of
14 students described in section
15 1111(b)(2)(C)(v)(II) at the charter school or, in
16 the case of a school in a State for which the
17 Secretary has granted a waiver under section
18 9401, demonstrated success in closing achieve-
19 ment gaps among groups of students, as deter-
20 mined by the Secretary in accordance with any
21 accountability standards that the Secretary has
22 authorized through such waiver; or

23 “(ii) no significant achievement gaps be-
24 tween any of the subgroups of students de-
25 scribed in section 1111(b)(2)(C)(v)(II) (or as

1 determined by the Secretary in accordance with
2 any accountability standards authorized
3 through a waiver under section 9401) and sig-
4 nificant gains in student achievement with all
5 populations of students served by the charter
6 school; and

7 “(C) results (including, where applicable
8 and available, performance on statewide tests,
9 attendance and retention rates, secondary
10 school graduation rates, and attendance and
11 persistence rates at institutions of higher edu-
12 cation) for low-income and other educationally
13 disadvantaged students served by the charter
14 school that are above the average achievement
15 results for such students in the State.

16 “(6) GRADUATION RATE.—The term ‘gradua-
17 tion rate’ has the meaning given the term in section
18 1111(b)(2)(C)(vi), as clarified in section
19 200.19(b)(1) of title 34, Code of Federal Regula-
20 tions.

21 “(7) IDENTIFIED SCHOOL.—The term ‘identi-
22 fied school’ means a school—

23 “(A) identified for school improvement,
24 corrective action, or restructuring under para-
25 graph (1), (7), or (8) of section 1116(b); or

1 “(B) in the case of a school for which the
2 Secretary has waived the applicability of such
3 paragraphs pursuant to section 9401, identified
4 as a priority school, a focus school, or a school
5 otherwise in need of significant assistance, as
6 determined by the accountability standards au-
7 thorized by such waiver

8 “(8) LOCAL EDUCATIONAL AGENCY.—The term
9 ‘local educational agency’ includes any charter school
10 that is a local educational agency, as determined by
11 State law.

12 “(9) LOW-INCOME STUDENT.—The term ‘low-
13 income student’ means a student eligible for free or
14 reduced price lunches under the Richard B. Russell
15 National School Lunch Act (42 U.S.C. 1751 et
16 seq.).

17 “(10) SCHOOL FOOD AUTHORITY.—The term
18 ‘school food authority’ has the meaning given the
19 term in section 250.3 of title 7, Code of Federal
20 Regulations (or any corresponding similar regulation
21 or ruling).

22 “(11) SCHOOL YEAR.—The term ‘school year’
23 has the meaning given such term in section 12(d) of
24 the Richard B. Russell National School Lunch Act
25 (42 U.S.C. 1760(d)).

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

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

7 (1) by striking section 5231; and

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

9 **“SEC. 5200. AUTHORIZATION OF APPROPRIATIONS FOR**
10 **SUBPARTS 1 AND 2.**

11 “(a) IN GENERAL.—There are authorized to be ap-
12 propriated to carry out subparts 1 and 2, \$700,000,000
13 for fiscal year 2014 and such sums as may be necessary
14 for each of the 5 succeeding fiscal years.

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

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

21 “(2) the quality of the applications submitted
22 for such programs.”.

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

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

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

5 (3) in section 5211(1) (as redesignated by sub-
6 section (a)(2)) (20 U.S.C. 7221i(1)), by striking
7 “The term” and inserting “Except as otherwise pro-
8 vided, the term”;

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

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

13 (d) TABLE OF CONTENTS.—The table of contents in
14 section 2 of the Elementary and Secondary Education Act
15 of 1965 is amended—

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

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

18 (2) by striking the items relating to sections
19 5210 and 5211;

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

“Sec. 5210. Charter school expansion and replication.

“Sec. 5211. Definitions.”;

22 and

- 1 (4) by striking the item relating to section
- 2 5231.

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