

1 **TITLE VI—IMPACT AID**
2 **PROGRAM**

3 **SEC. 601. PAYMENTS UNDER SECTION 8002 WITH RESPECT**
4 **TO FISCAL YEARS IN WHICH INSUFFICIENT**
5 **FUNDS ARE APPROPRIATED.**

6 (a) FOUNDATION PAYMENTS FOR PRE-1995 RECIPI-
7 ENTS.—Section 8002(h)(1) (20 U.S.C. 7702(h)(1)) is
8 amended—

9 (1) in subparagraph (A), by striking “and was
10 eligible to receive a payment under section 2 of the
11 Act of September 30, 1950” and inserting “and that
12 filed, or has been determined pursuant to statute to
13 have filed a timely application, and met, or has been
14 determined pursuant to statute to meet, the eligi-
15 bility requirements of section 2(a)(1)(C) of the Act
16 of September 30, 1950”; and

17 (2) in subparagraph (B), by striking “(or if the
18 local educational agency was not eligible to receive a
19 payment under such section 2 for fiscal year 1994”
20 and inserting “(or if the local educational agency did
21 not meet, or has not been determined pursuant to
22 statute to meet, the eligibility requirements of sec-
23 tion 2(a)(1)(C) of the Act of September 30, 1950
24 for fiscal year 1994”.

1 (b) PAYMENTS FOR 1995 RECIPIENTS.—Section
2 8002(h)(2) (20 U.S.C. 7702(h)(2)) is amended—

3 (1) in subparagraph (A), by adding at the end
4 before the period “, or whose application for fiscal
5 year 1995 was determined pursuant to statute to be
6 timely filed for purposes of payments for subsequent
7 fiscal years”; and

8 (2) in subparagraph (B)(ii), by striking “for
9 each local educational agency that received a pay-
10 ment under this section for fiscal year 1995” and in-
11 sserting “for each local educational agency described
12 in subparagraph (A)”.

13 (c) REMAINING FUNDS.—Section 8002(h)(4)(B) (20
14 U.S.C. 7702(h)(4)(B)) is amended—

15 (1) by striking “(in the same manner as per-
16 centage shares are determined for local educational
17 agencies under paragraph (2)(B)(ii))” and inserting
18 “(by dividing the maximum amount that the agency
19 is eligible to receive under subsection (b) by the total
20 of the maximum amounts for all such agencies)”;
21 and

22 (2) by striking “, except that for the purpose of
23 calculating a local educational agency’s assessed
24 value of the Federal property” and inserting “, ex-
25 cept that, for purposes of calculating a local edu-

1 cational agency's maximum amount under sub-
2 section (b)".

3 (d) APPLICATION FOR PAYMENT.—Notwithstanding
4 any other provision of law, the Secretary shall treat as
5 timely filed an application under section 8002 (20 U.S.C.
6 7702) from Academy School District 20, Colorado, for a
7 payment for fiscal year 1999, and shall process that appli-
8 cation from funds appropriated for that section for fiscal
9 year 2001.

10 **SEC. 602. CALCULATION OF PAYMENT UNDER SECTION 8003**
11 **FOR SMALL LOCAL EDUCATIONAL AGENCIES.**

12 Section 8003(b)(3)(B)(iv) (20 U.S.C.
13 7703(b)(3)(B)(iv)) is amended by inserting after "of the
14 State in which the agency is located" the following: "or
15 less than the average per pupil expenditure of all the
16 States".

17 **SEC. 603. CONSTRUCTION.**

18 (a) SCHOOL FACILITY EMERGENCY AND MOD-
19 ERNIZATION GRANTS.—Section 8007(b) (20 U.S.C.
20 7707(b)) is amended to read as follows:

21 "(b) SCHOOL FACILITY EMERGENCY AND MOD-
22 ERNIZATION GRANTS AUTHORIZED.—

23 "(1) IN GENERAL.—From 60 percent of the
24 amount appropriated for each fiscal year under sec-
25 tion 8014(e), the Secretary—

1 “(A) shall award emergency grants in ac-
2 cordance with this subsection to eligible local
3 educational agencies to enable the agencies to
4 carry out emergency repairs of school facilities;
5 and

6 “(B) shall award modernization grants in
7 accordance with this subsection to eligible local
8 educational agencies to enable the agencies to
9 carry out the modernization of school facilities.

10 “(2) PRIORITY.—In approving applications
11 from local educational agencies for emergency grants
12 and modernization grants under this subsection, the
13 Secretary shall give priority to applications for emer-
14 gency grants and, among such applications for emer-
15 gency grants, shall give priority to those applications
16 of local educational agencies based on the severity of
17 the emergency.

18 “(3) ELIGIBILITY REQUIREMENTS.—

19 “(A) EMERGENCY GRANTS.—A local edu-
20 cational agency is eligible to receive an emer-
21 gency grant under this subsection only if—

22 “(i) the agency (or in the case of a
23 local educational agency that does not have
24 the authority to tax or issue bonds, the
25 agency’s fiscal agent)—

[Title VI]

VI-5

1 “(I) has no practical capacity to
2 issue bonds;

3 “(II) has minimal capacity to
4 issue bonds and is at 75 percent of
5 the agency’s limit of bonded indebted-
6 ness; or

7 “(III) does not meet the require-
8 ments of subclauses (I) and (II) but is
9 eligible to receive funds under section
10 8003(b)(2) for the fiscal year; and

11 “(ii) the agency is eligible to receive
12 assistance under subsection (a) for the fis-
13 cal year and has a school facility emer-
14 gency, as determined by the Secretary,
15 that poses a health or safety hazard to the
16 students and school personnel assigned to
17 the school facility.

18 “(B) MODERNIZATION GRANTS.—A local
19 educational agency is eligible to receive a mod-
20 ernization grant under this subsection only if—

21 “(i) the agency (or in the case of a
22 local educational agency that does not have
23 the authority to tax or issue bonds, the
24 agency’s fiscal agent) meets the require-

1 ments of subclause (I), (II), or (III) of
2 subparagraph (A)(i);

3 “(ii) the agency is eligible to receive
4 assistance under section 8002 for the fiscal
5 year and has an assessed value of real
6 property per student that may be taxed for
7 school purposes that is less than the aver-
8 age of the assessed value of real property
9 per student that may be taxed for school
10 purposes in the State in which the local
11 educational agency is located; and

12 “(iii) the agency has facility needs re-
13 sulting from actions of the Federal Gov-
14 ernment, such as enrollment increases due
15 to the expansion of Federal activities,
16 housing privatization, or the acquisition of
17 Federal property.

18 “(C) RULE OF CONSTRUCTION.—For pur-
19 poses of subparagraph (A)(i), a local edu-
20 cational agency—

21 “(i) has no practical capacity to issue
22 bonds if the total assessed value of real
23 property that may be taxed for school pur-
24 poses is less than \$25,000,000; and

1 “(ii) has minimal capacity to issue
2 bonds if the total assessed value of real
3 property that may be taxed for school pur-
4 poses is not less than \$25,000,000 but not
5 more than \$50,000,000.

6 “(4) AWARD CRITERIA.—In awarding emer-
7 gency grants and modernization grants under this
8 subsection, the Secretary shall consider the following
9 factors:

10 “(A) The ability of the local educational
11 agency to respond to the emergency, or to pay
12 for the modernization project, as the case may
13 be, as measured by—

14 “(i) the agency’s level of bonded in-
15 debtedness;

16 “(ii) the assessed value of real prop-
17 erty per student that may be taxed for
18 school purposes compared to the average of
19 the assessed value of real property per stu-
20 dent that may be taxed for school purposes
21 in the State in which the agency is located;

22 “(iii) the agency’s total tax rate for
23 school purposes (or, if applicable, for cap-
24 ital expenditures) compared to the average
25 total tax rate for school purposes (or the

1 average capital expenditure tax rate, if ap-
2 plicable) in the State in which the agency
3 is located; and

4 “(iv) funds that are available to the
5 agency, from any other source, including
6 section 8007(a), that may be used for cap-
7 ital expenditures.

8 “(B) The percentage of property in the
9 agency that is nontaxable due to the presence
10 of the Federal Government.

11 “(C) The number and percentages of chil-
12 dren described in subparagraphs (A), (B), (C),
13 and (D) of section 8003(a)(1) served in the
14 school facility with the emergency or served in
15 the school facility proposed for modernization,
16 as the case may be.

17 “(D) In the case of an emergency grant,
18 the severity of the emergency, as measured by
19 the threat that the condition of the school facil-
20 ity poses to the health, safety, and well-being of
21 students.

22 “(E) In the case of a modernization
23 grant—

[Title VI]

VI-9

1 “(i) the severity of the need for mod-
2 ernization, as measured by such factors
3 as—

4 “(I) overcrowding, as evidenced
5 by the use of portable classrooms; or

6 “(II) the agency’s inability to
7 maximize the use of technology or
8 offer a curriculum in accordance with
9 contemporary State standards due to
10 the physical limitations of the current
11 school facility; and

12 “(ii) the age of the school facility pro-
13 posed for modernization.

14 “(5) OTHER AWARD PROVISIONS.—

15 “(A) GENERAL PROVISIONS.—

16 “(i) LIMITATIONS ON AMOUNT OF
17 FUNDS.—

18 “(I) IN GENERAL.—The amount
19 of funds provided under an emergency
20 grant or a modernization grant
21 awarded under this subsection to a
22 local educational agency that meets
23 the requirements of subclause (II) or
24 (III) of paragraph (3)(A)(i)—

[Title VI]

VI-10

1 “(aa) shall not exceed 50
2 percent of the total cost of the
3 project to be assisted under this
4 subsection; and

5 “(bb) shall not exceed
6 \$3,000,000 during any 5-year pe-
7 riod.

8 “(II) IN-KIND CONTRIBUTIONS.—
9 A local educational agency may use
10 in-kind contributions to meet the
11 matching requirement of subclause
12 (I)(aa).

13 “(ii) PROHIBITIONS ON USE OF
14 FUNDS.—A local educational agency may
15 not use funds provided under an emer-
16 gency grant or modernization grant award-
17 ed under this subsection for—

18 “(I) a project for a school facility
19 for which the agency does not have
20 full title or other interest; or

21 “(II) stadiums or other facilities
22 primarily used for athletic contests,
23 exhibitions, or other events for which
24 admission is charged to the general
25 public.

1 “(iii) SUPPLEMENT NOT SUPPLANT.—

2 A local educational agency shall use funds
3 provided under an emergency grant or
4 modernization grant awarded under this
5 subsection only to supplement the amount
6 of funds that would, in the absence of the
7 Federal funds provided under the grant, be
8 made available from non-Federal sources
9 to carry out emergency repairs of school
10 facilities or to carry out the modernization
11 of school facilities, as the case may be, and
12 not to supplant such funds.

13 “(B) EMERGENCY GRANTS.—

14 “(i) PROHIBITION ON USE OF
15 FUNDS.—A local educational agency that is
16 awarded an emergency grant under this
17 subsection may not use amounts under the
18 grant for the complete or partial replace-
19 ment of an existing school facility unless
20 such replacement is less expensive or more
21 cost-effective to correct the identified emer-
22 gency.

23 “(ii) CARRY-OVER OF CERTAIN APPLI-
24 CATIONS.—In the case of a local edu-
25 cational agency that applies for an emer-

1 agency grant under this subsection for a fis-
2 cal year and does not receive the grant for
3 the fiscal year, the Secretary—

4 “(I) shall, upon the request of
5 the agency, treat the application as an
6 application for an emergency grant
7 under this subsection for the subse-
8 quent fiscal year in accordance with
9 the priority requirements of para-
10 graph (2); and

11 “(II) shall allow the agency to
12 amend or otherwise update the appli-
13 cation, as appropriate.

14 “(6) APPLICATION.—A local educational agency
15 that desires to receive an emergency grant or a mod-
16 ernization grant under this subsection shall submit
17 an application to the Secretary at such time, in such
18 manner, and accompanied by such information as
19 the Secretary may require. Each application shall
20 contain the following:

21 “(A) The information described in clauses
22 (i) through (iv) of paragraph (4)(A) and sub-
23 paragraphs (B) and (C) of paragraph (4).

24 “(B) In the case of an application for an
25 emergency grant—

1 “(i) a description of the school facility
2 deficiency that poses a health or safety
3 hazard to the occupants of the facility and
4 a description of how the deficiency will be
5 repaired; and

6 “(ii) a signed statement from an ap-
7 propriate local official certifying that a de-
8 ficiency in the school facility threatens the
9 health or safety of the occupants of the fa-
10 cility or that prevents the use of all or a
11 portion of the building.

12 “(C) In the case of an application for a
13 modernization grant—

14 “(i) an explanation of the need for the
15 school facility modernization project; and

16 “(ii) the date on which original con-
17 struction of the facility to be modernized
18 was completed.

19 “(D) A description of the project for which
20 a grant under this subsection would be used, in-
21 cluding a cost estimate for the project.

22 “(E) A description of the interest in, or
23 authority over, the school facility involved, such
24 as an ownership interest or a lease arrange-
25 ment.

1 “(F) Such other information and assur-
2 ances as the Secretary may reasonably require.

3 “(7) REPORT.—

4 “(A) IN GENERAL.—Not later than Janu-
5 ary 1 of each year, the Secretary shall prepare
6 and submit to the appropriate congressional
7 committees a report that contains a justifica-
8 tion for each grant awarded under this sub-
9 section for the prior fiscal year.

10 “(B) DEFINITION.—In this paragraph, the
11 term ‘appropriate congressional committees’
12 means—

13 “(i) the Committee on Appropriations
14 and the Committee on Education and the
15 Workforce of the House of Representa-
16 tives; and

17 “(ii) the Committee on Appropriations
18 and the Committee on Health, Education,
19 Labor and Pensions of the Senate.”.

20 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
21 8014(e) (20 U.S.C. 7714(e)) is amended by striking “for
22 each of the three succeeding fiscal years” and inserting
23 “for fiscal year 2001, \$150,000,000 for fiscal year 2002,
24 and such sums as may be necessary for each of the four
25 succeeding fiscal years”.

1 **SEC. 604. STATE CONSIDERATION OF PAYMENTS IN PRO-**
2 **VIDING STATE AID.**

3 Section 8009(b)(1) (20 U.S.C. 7709(b)(1)) is amend-
4 ed by inserting after “section 8003(a)(2)(B)” the fol-
5 lowing: “and, with respect to a local educational agency
6 that receives a payment under section 8003(b)(2), the
7 amount in excess of the amount that the agency would
8 receive if the agency were deemed to be an agency eligible
9 to receive a payment under section 8003(b)(1) and not
10 section 8003(b)(2)”.

11 **SEC. 605. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 8014 (20 U.S.C. 7714) is amended by strik-
13 ing “three succeeding fiscal years” each place it appears
14 and inserting “six succeeding fiscal years”.

15 **SEC. 606. REDESIGNATION OF PROGRAM.**

16 (a) REDESIGNATION.—(1) Title VIII (20 U.S.C.
17 7701 et seq.) is redesignated as title VI.

18 (2) Sections 8001 through 8005 (20 U.S.C. 7701–
19 7705) are redesignated as sections 6001 through 6005,
20 respectively.

21 (3) Sections 8007 through 8014 (20 U.S.C. 7707–
22 7714) are redesignated as sections 6006 through 6013,
23 respectively.

24 (b) CONFORMING AMENDMENTS.—(1) Title VI (as
25 redesignated by subsection (a)) is amended by striking
26 “8002”, “8003”, “8004”, “8005”, “8008”, “8009”,

1 “8011”, “8013”, and “8014” each place such terms ap-
2 pear and inserting “6002”, “6003”, “6004”, “6005”,
3 “6007”, “6008”, “6010”, “6012”, and “6013”, respec-
4 tively.

5 (2) Section 6005 (as redesignated by subsection (a))
6 is amended in the heading by striking “**8002 AND 8003**”
7 and inserting “**6002 AND 6003**”.

8 (3) Section 6009(c)(1) (as redesignated by subsection
9 (a)) is amended in the heading by striking “8003” and in-
10 serting “6003”.

11 (c) SAVINGS PROVISION.—Funds appropriated for
12 title VIII of the Elementary and Secondary Education Act
13 of 1965 (as in effect on the day before the date of the
14 enactment of this Act) shall be available for use under title
15 VI of such Act, as added by this section.