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**DEPARTMENTS OF LABOR, HEALTH AND  
HUMAN SERVICES, AND EDUCATION,  
AND RELATED AGENCIES  
APPROPRIATIONS ACT, 2001**

**PUBLIC LAW 106-554**

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## LABOR, HHS, AND EDUCATION APPROPRIATIONS, 2001

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PUBLIC LAW 106-554—DEC. 21, 2000

\*Public Law 106-554  
106th Congress

## An Act

Dec. 21, 2000  
[H.R. 4577]Making consolidated appropriations for the fiscal year ending September 30, 2001,  
and for other purposes.*Be it enacted by the Senate and House of Representatives of  
the United States of America in Congress assembled,*Incorporation by  
reference.SECTION 1. (a) The provisions of the following bills of the  
106th Congress are hereby enacted into law:(1) **H.R. 5656, as introduced on December 14, 2000.**

(2) H.R. 5657, as introduced on December 14, 2000.

(3) H.R. 5658, as introduced on December 14, 2000.

(4) H.R. 5666, as introduced on December 15, 2000, except  
that the text of H.R. 5666, as so enacted, shall not include  
section 123 (relating to the enactment of H.R. 4904).

(5) H.R. 5660, as introduced on December 14, 2000.

(6) H.R. 5661, as introduced on December 14, 2000.

(7) H.R. 5662, as introduced on December 14, 2000.

(8) H.R. 5663, as introduced on December 14, 2000.

(9) H.R. 5667, as introduced on December 15, 2000.

Publication.  
1 USC 112 note.(b) In publishing this Act in slip form and in the United  
States Statutes at Large pursuant to section 112 of title 1, United  
States Code, the Archivist of the United States shall include after  
the date of approval at the end appendixes setting forth the texts  
of the bills referred to in subsection (a) of this section and the  
text of any other bill enacted into law by reference by reason  
of the enactment of this Act.SEC. 2. (a) Notwithstanding Rule 3 of the Budget Scorekeeping  
Guidelines set forth in the joint explanatory statement of the  
committee of conference accompanying Conference Report 105-217,  
legislation enacted in section 505 of the Department of Transpor-  
tation and Related Agencies Appropriations Act, 2001, section 312  
of the Legislative Branch Appropriations Act, 2001, titles X and  
XI of H.R. 5548 (106th Congress) as enacted by H.R. 4942 (106th  
Congress), division B of H.R. 5666 (106th Congress) as enacted  
by this Act, and sections 1(a)(5) through 1(a)(9) of this Act that  
would have been estimated by the Office of Management and Budget  
as changing direct spending or receipts under section 252 of the  
Balanced Budget and Emergency Deficit Control Act of 1985 were  
it included in an Act other than an appropriations Act shall be  
treated as direct spending or receipts legislation, as appropriate,  
under section 252 of the Balanced Budget and Emergency Deficit  
Control Act of 1985.(b) In preparing the final sequestration report required by  
section 254(f)(3) of the Balanced Budget and Emergency Deficit  
Control Act of 1985 for fiscal year 2001, in addition to the informa-  
tion required by that section, the Director of the Office of Manage-  
ment and Budget shall change any balance of direct spending  
and receipts legislation for fiscal year 2001 under section 252 of  
that Act to zero.(c) This Act may be cited as the “Consolidated Appropriations  
Act, 2001”.

**LABOR, HHS, AND EDUCATION APPROPRIATIONS, 2001**

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**APPENDIX A—H.R. 5656**

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; the Women in Apprenticeship and Nontraditional Occupations Act; and the National Skill Standards Act of 1994; \$3,207,805,000 plus reimbursements, of which \$1,808,465,000 is available for obligation for the period July 1, 2001 through June 30, 2002; of which \$1,377,965,000 is available for obligation for the period April 1, 2001 through June 30, 2002, including \$1,102,965,000 to carry out chapter 4 of the Workforce Investment Act and \$275,000,000 to carry out section 169 of such Act; and of which \$20,375,000 is available for the period July 1, 2001 through June 30, 2004 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers: *Provided*, That \$9,098,000 shall be for carrying out section 172 of the Workforce Investment Act, and \$3,500,000 shall be for carrying out the National Skills Standards Act of 1994: *Provided further*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: *Provided further*, That funds provided to carry out section 171(d) of such Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: *Provided further*, That funding provided to carry out projects under section 171 of the Workforce Investment Act of 1998 that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, or the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act: *Provided further*, That funding appropriated herein for Dislocated Worker Employment and Training Activities under section 132(a)(2)(A) of the Workforce Investment Act of 1998 may be distributed for Dislocated Worker Projects under section 171(d) of the Act without regard to the 10 percent limitation contained in section 171(d) of the

\$3,207,805,000

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Act: *Provided further*, That of the funds made available for Job Corps operating expenses in the Department of Labor Appropriations Act, 2000, as enacted by section 1000(a)(4) of Public Law 106-113, \$586,487 shall be paid to the city of Vergennes, Vermont in settlement of the city's claim: *Provided further*, That \$4,600,000 provided herein for dislocated worker employment and training activities shall be made available to the New Mexico Telecommunications Call Center Training Consortium for training in telecommunications-related occupations.

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; \$2,463,000,000 plus reimbursements, of which \$2,363,000,000 is available for obligation for the period October 1, 2001 through June 30, 2002, and of which \$100,000,000 is available for the period October 1, 2001 through June 30, 2004, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.  
[Total, \$5,670,805,000.]

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, \$440,200,000.

## FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, \$406,550,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

## STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, \$193,452,000, together with not to exceed \$3,172,246,000 (including not to exceed \$1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 51 of the Internal Revenue Code of 1986, as amended, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 2001, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2003; and of which \$193,452,000, together with not to exceed \$773,283,000 of the amount which may be expended

<sup>1</sup> Advance appropriation, FY 2002.

from said trust fund, shall be available for obligation for the period July 1, 2001 through June 30, 2002, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose: *Provided*, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2001 is projected by the Department of Labor to exceed 2,396,000, an additional \$28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: *Provided further*, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance programs, may be obligated in contracts, grants, or agreements with non-State entities: *Provided further*, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A-87.

[Total, \$3,365,698,000.]

#### ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2002, \$435,000,000.

\$435,000,000

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2001, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

#### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$110,651,000, including \$6,431,000 to support up to 75 full-time equivalent staff, the majority of which will be term Federal appointments lasting no more than 1 year, to administer welfare-to-work grants, together with not to exceed \$48,507,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

110,651,000

48,507,000

[Total, \$159,158,000.]

[Total, Employment and Training Administration, \$10,477,411,000.]

#### PENSION AND WELFARE BENEFITS ADMINISTRATION

##### SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, \$107,832,000.

107,832,000

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## PENSION BENEFIT GUARANTY CORPORATION

## PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 2001, for such Corporation: *Provided*, That not to exceed \$11,652,000 shall be available for administrative expenses of the Corporation: *Provided further*, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as nonadministrative expenses for the purposes hereof, and excluded from the above limitation.

\$11,652,000

## EMPLOYMENT STANDARDS ADMINISTRATION

## SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$361,491,000, together with \$1,985,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d), and 44(j) of the Longshore and Harbor Workers' Compensation Act: *Provided*, That \$2,000,000 shall be for the development of an alternative system for the electronic submission of reports required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: *Provided further*, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91-0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): *Provided further*, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

361,491,000

1,985,000

[Total, \$363,476,000.]

## SPECIAL BENEFITS

## (INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United

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States Code; continuation of benefits as provided for under the heading “Civilian War Benefits” in the Federal Security Agency Appropriation Act, 1947; the Employees’ Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers’ Compensation Act, as amended, \$56,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: *Provided*, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: *Provided further*, That balances of reimbursements unobligated on September 30, 2000, shall remain available until expended for the payment of compensation, benefits, and expenses: *Provided further*, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2001: *Provided further*, That of those funds transferred to this account from the fair share entities to pay the cost of administration, \$34,910,000 shall be made available to the Secretary as follows: (1) for the operation of and enhancement to the automated data processing systems, including document imaging, medical bill review, and periodic roll management, in support of Federal Employees’ Compensation Act administration, \$23,371,000; (2) for conversion to a paperless office, \$7,005,000; (3) for communications redesign, \$1,750,000; (4) for information technology maintenance and support, \$2,784,000; and (5) the remaining funds shall be paid into the Treasury as miscellaneous receipts: *Provided further*, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

\$56,000,000

## BLACK LUNG DISABILITY TRUST FUND

## (INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, \$1,028,000,000, of which \$975,343,000 shall be available until September 30, 2002, for payment of all benefits as authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which \$30,393,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, \$21,590,000 for transfer to Departmental Management, Salaries and Expenses, \$318,000 for transfer to Departmental Management, Office of Inspector General, and \$356,000 for payment into miscellaneous receipts for the expenses of the Department of the Treasury, for expenses of operation and administration of the Black Lung Benefits program as authorized

1,028,000,000

by section 9501(d)(5) of that Act: *Provided*, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year.

[*Total, Employment Standards Administration, \$1,447,476,000.*]

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

\$425,983,000 For necessary expenses for the Occupational Safety and Health Administration, \$425,983,000, including not to exceed \$88,493,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to \$750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: *Provided*, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2001, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

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(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

*Provided further,* That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, \$246,747,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; including up to \$1,000,000 for mine rescue and recovery activities, which shall be available only to the extent that fiscal year 2001 obligations for these activities exceed \$1,000,000; in addition, not to exceed \$750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; and, in addition, the Mine Safety and Health Administration may retain up to \$1,000,000 from fees collected for the approval and certification of equipment, materials, and explosives for use in mines, and may utilize such sums for such activities; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

\$246,747,000

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, \$374,327,000, together with not to exceed \$67,257,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund; and \$10,000,000 which shall be available for obligation for the period July 1, 2001 through June 30, 2002, for Occupational Employment Statistics.

374,327,000

67,257,000

10,000,000

[Total, \$451,584,000.]

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## DEPARTMENTAL MANAGEMENT

## SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants, or other arrangements of Departmental bilateral and multilateral foreign technical assistance, of which the funds designated to carry out bilateral assistance under the international child labor initiative shall be available for obligation through September 30, 2002, and \$37,000,000 for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software, and related needs which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy, \$380,529,000; together with not to exceed \$310,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: *Provided*, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in *Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding*, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: *Provided further*, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: *Provided further*, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: *Provided further*, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.): *Provided further*, That beginning in fiscal year 2001, there is established in the Department of Labor an office of disability employment policy which shall, under the overall direction of the Secretary, provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities. Such office shall be headed by an Assistant Secretary: *Provided further*, That of amounts provided under this head, not more than \$23,002,000 is for this purpose.

[Total, \$380,839,000.]

## VETERANS EMPLOYMENT AND TRAINING

186,913,000

Not to exceed \$186,913,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100-4110A, 4212, 4214, and 4321-4327, and Public Law 103-353, and which shall be available for obligation by the States through December 31, 2001. To carry out the Stewart B. McKinney Homeless Assistance

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Act and section 168 of the Workforce Investment Act of 1998, \$24,800,000, of which \$7,300,000 shall be available for obligation for the period July 1, 2001 through June 30, 2002. \$24,800,000  
 [Total, \$211,713,000.]

## OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$50,015,000, together with not to exceed 50,015,000  
 \$4,770,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. 4,770,000  
 [Total, \$54,785,000.]  
 [Total, Departmental Management, \$647,337,000.]

## GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

## (TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 103. Section 403(a)(5)(C)(viii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(viii)) (as amended by section 801(b)(1)(A) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106-113)) is amended by striking “3 years” and inserting “5 years”.

SEC. 104. No funds appropriated in this Act or any other Act making appropriations for fiscal year 2001 may be used to implement or enforce the proposed and final regulations appearing in 65 Fed. Reg. 43528-43583, regarding temporary alien labor certification applications and petitions for admission of nonimmigrant workers, or any similar or successor rule with an effective date prior to October 1, 2001: *Provided*, That nothing in this section shall prohibit the development or revision of such a rule, or the publication of any similar or successor proposed or final rule, or the provision of training or technical assistance, or other activities necessary and appropriate in preparing to implement such a rule with an effective date after September 30, 2001.

SEC. 105. Section 218(c)(4) of the Immigration and Nationality Act (8 U.S.C. 1188(c)(4)) is amended by adding at the end the following new sentence: “The determination as to whether the housing furnished by an employer for an H-2A worker meets the requirements imposed by this paragraph must be made prior to the date specified in paragraph (3)(A) by which the Secretary of Labor is required to make a certification described in subsection (a)(1) with respect to a petition for the importation of such worker.”

SEC. 106. Section 286(s)(6) of the Immigration and Naturalization Act (8 U.S.C. 1356(s)(6)) is amended by inserting “and section 212(a)(5)(A)” after the second reference to “section 212(n)(1)”.

SEC. 107. (a) Section 403(a)(5) of the Social Security Act (as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106-113)) is amended by striking subparagraph (E) and redesignating subparagraphs (F) through (K) as subparagraphs (E) through (J), respectively.

(b) The Social Security Act (as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106-113)) is further amended as follows:

(1) Section 403(a)(5)(A)(i) (42 U.S.C. 603(a)(5)(A)(i)) is amended by striking “subparagraph (I)” and inserting “subparagraph (H)”.

(2) Subclause (I) of each of subparagraphs (A)(iv) and (B)(v) of section 403(a)(5) (42 U.S.C. 603(a)(5)(A)(iv)(I) and (B)(v)(I)) is amended—

(A) in item (aa)—

(i) by striking “(I)” and inserting “(H)”; and

(ii) by striking “(G), and (H)” and inserting “and (G)”; and

(B) in item (bb), by striking “(F)” and inserting “(E)”.

(3) Section 403(a)(5)(B)(v) (42 U.S.C. 603(a)(5)(B)(v)) is amended in the matter preceding subclause (I) by striking “(I)” and inserting “(H)”.

(4) Subparagraphs (E), (F), and (G)(i) of section 403(a)(5) (42 U.S.C. 603(a)(5)), as so redesignated by subsection (a) of this section, are each amended by striking “(I)” and inserting “(H)”.

(5) Section 412(a)(3)(A) (42 U.S.C. 612(a)(3)(A)) is amended by striking “403(a)(5)(I)” and inserting “403(a)(5)(H)”.

(c) Section 403(a)(5)(H)(i)(II) of such Act (42 U.S.C. 603(a)(5)(H)(i)(II)) (as redesignated by subsection (a) of this section and as amended by section 806(b) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(4) of Public Law 106-113)) is further amended by striking “\$1,450,000,000” and inserting “\$1,400,000,000”.

(d) The amendments made by subsections (a), (b), and (c) of this section shall take effect on October 1, 2000.

This title may be cited as the “Department of Labor Appropriations Act, 2001”.

[*Total, title I, Department of Labor, \$13,816,022,000.*]

## TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

### HEALTH RESOURCES AND SERVICES ADMINISTRATION

#### HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, the Native Hawaiian Health Care Act of 1988, as amended, and the Poison Control Center Enhancement and Awareness Act, \$5,525,476,000, of which \$226,224,000 shall

\$5,525,476,000

be available for the construction and renovation of health care and other facilities, and of which \$25,000,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act: *Provided*, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: *Provided further*, That of the funds made available under this heading, \$250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: *Provided further*, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: *Provided further*, That fees collected for the full disclosure of information under the "Health Care Fraud and Abuse Data Collection Program," authorized by section 1128E(d)(2) of the Social Security Act, shall be sufficient to recover the full costs of operating the program, and shall remain available until expended to carry out that Act: *Provided further*, That no more than \$5,000,000 is available for carrying out the provisions of Public Law 104-73: *Provided further*, That of the funds made available under this heading, \$253,932,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: *Provided further*, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: *Provided further*, That \$589,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: *Provided further*, That of the amount provided under this heading, \$700,000 shall be for the American Federation of Negro Affairs Education and Research Fund of Philadelphia, \$900,000 shall be for the Des Moines University Osteopathic Medical Center, \$250,000 shall be for the University of Alaska, Anchorage, to train Alaska Natives as psychologists, \$900,000 shall be for Northeastern University in Boston, Massachusetts, to train doctors to serve in low-income communities, \$500,000 shall be for the University of Alaska, Anchorage, to recruit and train nurses in rural areas, and \$230,000 shall be for the Illinois Poison Center: *Provided further*, That, notwithstanding section 502(a)(1) of the Social Security Act, not to exceed \$113,728,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act, of which \$5,000,000 is for Columbia Hospital for Women Medical Center in Washington, D.C., to support community outreach programs for women, \$5,000,000 is for continuation of the traumatic brain injury State demonstration projects, and \$100,000 is for St. Joseph's Health Services of Rhode Island for the Providence Smiles dental program for low-income children.

For special projects of regional and national significance under section 501(a)(2) of the Social Security Act, \$30,000,000, which

<sup>1</sup>\$30,000,000

<sup>1</sup> Advance appropriation, FY 2002.

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shall become available on October 1, 2001, and shall remain available until September 30, 2002: *Provided*, That such amount shall not be counted toward compliance with the allocation required in section 502(a)(1) of such Act: *Provided further*, That such amount shall be used only for making competitive grants to provide abstinence education (as defined in section 510(b)(2) of such Act) to adolescents and for evaluations (including longitudinal evaluations) of activities under the grants and for Federal costs of administering the grants: *Provided further*, That grants shall be made only to public and private entities which agree that, with respect to an adolescent to whom the entities provide abstinence education under such grant, the entities will not provide to that adolescent any other education regarding sexual conduct, except that, in the case of an entity expressly required by law to provide health information or services the adolescent shall not be precluded from seeking health information or services from the entity in a different setting than the setting in which the abstinence education was provided: *Provided further*, That the funds expended for such evaluations may not exceed 3.5 percent of such amount.

## HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, \$3,679,000.

\$3,679,000

## VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: *Provided*, That for necessary administrative expenses, not to exceed \$2,992,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.  
[Total, HRSA, \$5,676,502,000.]

114,355,000

2,992,000

## CENTERS FOR DISEASE CONTROL AND PREVENTION

## DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX, and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act, and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, \$3,868,027,000, of which \$175,000,000 shall remain available until expended for the facilities master plan for equipment and construction and renovation of facilities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account, and of which \$104,527,000 for international HIV/AIDS programs shall remain available until September 30, 2002: *Provided*, That in addition to amounts provided herein, up to

3,868,027,000

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\$71,690,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the National Center for Health Statistics Surveys: *Provided further*, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: *Provided further*, That the Director may redirect the total amount made available under authority of Public Law 101-502, section 3, dated November 3, 1990, to activities the Director may so designate: *Provided further*, That the Congress is to be notified promptly of any such transfer: *Provided further*, That not to exceed \$10,000,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 15 States: *Provided further*, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: *Provided further*, That the solicitation and contract shall contain the clause “availability of funds” found at 48 CFR 52.232-18: *Provided further*, That funds obligated for influenza vaccine stockpile in fiscal year 2000 and fiscal year 2001 shall be considered as appropriated under section 3 of Public Law 101-502.

## NATIONAL INSTITUTES OF HEALTH

## NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, \$3,757,242,000. \$3,757,242,000

## NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, \$2,299,866,000. 2,299,866,000

## NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, \$306,448,000. 306,448,000

## NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, \$1,303,385,000. 1,303,385,000

## NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, \$1,176,482,000. 1,176,482,000

## NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, \$2,043,208,000. 2,043,208,000

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## NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

\$1,535,823,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, \$1,535,823,000.

## NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

976,455,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, \$976,455,000.

## NATIONAL EYE INSTITUTE

510,611,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, \$510,611,000.

## NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

502,549,000 For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, \$502,549,000.

## NATIONAL INSTITUTE ON AGING

786,039,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, \$786,039,000.

## NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

396,687,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, \$396,687,000.

## NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

300,581,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, \$300,581,000.

## NATIONAL INSTITUTE OF NURSING RESEARCH

104,370,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, \$104,370,000.

## NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

340,678,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, \$340,678,000.

## NATIONAL INSTITUTE ON DRUG ABUSE

781,327,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, \$781,327,000.

## NATIONAL INSTITUTE OF MENTAL HEALTH

1,107,028,000 For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, \$1,107,028,000.

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## NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, \$382,384,000. \$382,384,000

## NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, \$817,475,000: *Provided*, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: *Provided further*, That \$75,000,000 shall be for extramural facilities construction grants. 817,475,000

## JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, \$50,514,000. 50,514,000

## NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, \$246,801,000, of which \$4,000,000 shall be available until expended for improvement of information systems: *Provided*, That in fiscal year 2001, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health. 246,801,000

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE  
MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, \$89,211,000. 89,211,000

## NATIONAL CENTER ON MINORITY HEALTH AND HEALTH DISPARITIES

For carrying out section 301 and title IV of the Public Health Service Act with respect to minority health and health disparities research, \$130,200,000. 130,200,000

## OFFICE OF THE DIRECTOR

## (INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, \$213,581,000, of which \$48,271,000 shall be for the Office of AIDS Research: *Provided*, That funding shall be available for the purchase of not to exceed 20 passenger motor vehicles for replacement only: *Provided further*, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: *Provided further*, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: *Provided further*, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in 213,581,000

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National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: *Provided further*, That all funds credited to the National Institutes of Health Management Fund shall remain available for 1 fiscal year after the fiscal year in which they are deposited: *Provided further*, That up to \$500,000 shall be available to carry out section 499 of the Public Health Service Act: *Provided further*, That, notwithstanding section 499(k)(10) of the Public Health Service Act, funds from the Foundation for the National Institutes of Health may be transferred to the National Institutes of Health.

## BUILDINGS AND FACILITIES

\$153,790,000 For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, \$153,790,000, to remain available until expended, of which \$47,300,000 shall be for the National Neuroscience Research Center: *Provided*, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the first phase of the National Neuroscience Research Center may be employed which collectively include the full scope of the project: *Provided further*, That the solicitation and contract shall contain the clause “availability of funds” found at 48 CFR 52.232-18.  
[Total, N.I.H., \$20,312,735,000.]

## SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

## SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

2,958,001,000 For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, \$2,958,001,000, of which \$24,605,000 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

## AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

## HEALTHCARE RESEARCH AND QUALITY

104,963,000 For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, \$104,963,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data shall be credited to this appropriation and shall remain available until expended: *Provided*, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed \$164,980,000.  
[Total, Public Health Service, \$32,890,228,000.]

## HEALTH CARE FINANCING ADMINISTRATION

## GRANTS TO STATES FOR MEDICAID

93,586,251,000 For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, \$93,586,251,000, to remain available until expended.

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For making, after May 31, 2001, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2001 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2002, \$36,207,551,000, to remain available until expended.

<sup>1</sup>\$36,207,551,000

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

## PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97-248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, \$70,381,600,000.

70,381,600,000

## PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed \$2,246,326,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: *Provided*, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: *Provided further*, That \$18,000,000 appropriated under this heading for the managed care system redesign shall remain available until expended: *Provided further*, That \$20,000,000 of the amount available for research, demonstration, and evaluation activities shall be available to continue carrying out demonstration projects on Medicaid coverage of community-based attendant care services for people with disabilities which ensures maximum control by the consumer to select and manage their attendant care services: *Provided further*, That the Secretary of Health and Human Services is directed to enter into an agreement with the Mind-Body Institute of Boston, Massachusetts, to conduct a demonstration of a lifestyle modification program: *Provided further*, That \$2,800,000 of the amount available for research, demonstration, and evaluation activities shall be awarded for administration, evaluation, quality monitoring and peer review of this lifestyle modification demonstration: *Provided further*, That \$2,800,000 of the amount available for research, demonstration, and evaluation activities shall be awarded

2,246,326,000

<sup>1</sup> Advance appropriation, FY 2002.

to a joint application from the University of Pittsburgh, Case Western Reserve in Cleveland, Ohio, and Mt. Sinai Hospital in Miami, Florida, to use integrated nursing services and technology to implement daily monitoring of congestive heart failure patients in underserved populations in accordance with established clinical guidelines: *Provided further*, That \$500,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the University of Pittsburgh Medical Center and University of Pennsylvania for a study of the efficacy of surgical versus non-surgical management of abdominal aneurysms: *Provided further*, That \$650,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Vascular Surgery Outcome Initiative at Dartmouth College: *Provided further*, That up to \$300,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the United States-Mexico Border Counties Coalition for a study to determine the unreimbursed costs incurred to treat undocumented aliens for medical emergencies in southwest border States, their border counties, and hospitals within the jurisdiction of these States and counties: *Provided further*, That \$1,700,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the AIDS Healthcare Foundation in Los Angeles for a demonstration of residential and outpatient treatment facilities: *Provided further*, That \$350,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Cook County, Illinois Bureau of Health for the Asthma Champion Initiative demonstration to reduce morbidity and mortality from asthma in high prevalence areas: *Provided further*, That \$1,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the West Virginia University School of Medicine's Eye Center to test interventions and improve the quality of life for individuals with low vision, with a particular focus on the elderly: *Provided further*, That \$1,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Iowa Department of Public Health for the establishment and operation of a mercantile prescription drug purchasing cooperative or non-profit corporation demonstration: *Provided further*, That \$691,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Ohio State University to determine the benefits of compliance packaging: *Provided further*, That \$855,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Children's Hospice International for a demonstration project to provide a continuum of care for children with life-threatening conditions and their families: *Provided further*, That \$921,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Equip for Equality for a demonstration project to document the impact of an independent investigative unit that will examine deaths or other serious allegations of abuse and neglect of people with disabilities at facilities in Illinois: *Provided further*, That \$1,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Duke University Medical Center to demonstrate the potential savings in the Medicare program of a reimbursement system based on preventative care: *Provided further*, That \$1,843,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Bucks County,

Pennsylvania, for a health improvement project: *Provided further*, That \$255,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the LA Care Health Plan in Los Angeles, California, for a demonstration program to improve clinical data coordination among Medicaid providers: *Provided further*, That \$646,000 of the amount available for research, demonstration, and evaluation activities shall be for the Shelby County Regional Medical Center to establish a Master Patient Index to determine patient Medicaid/TennCare eligibility: *Provided further*, That the Secretary of Health and Human Services is directed to collect fees in fiscal year 2001 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act.

[*Total, Health Care Financing Administration, \$202,421,728,000.*]

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE  
FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 2001, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND  
FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), \$2,441,800,000, to remain available until expended; and for such purposes for the first quarter of fiscal year 2002, \$1,000,000,000, to remain available until expended.

\$2,888,800,000

<sup>1</sup>1,000,000,000

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV-A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: *Provided*, That the sum of the amounts available to a State with respect to expenditures under such title IV-A in fiscal year 1997 under this appropriation and under such title IV-A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

[*Total, \$3,888,800,000.*]

<sup>1</sup> Advance appropriation, FY 2002.

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## LOW INCOME HOME ENERGY ASSISTANCE

\$300,000,000 For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, in addition to amounts already appropriated for fiscal year 2001, \$300,000,000.

300,000,000 For making payments under title XXVI of the Omnibus Reconciliation Act of 1981, \$300,000,000: *Provided*, That these funds are hereby designated by the Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That these funds shall be made available only after submission to the Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in such Act.

[*Total, \$600,000,000.*]

## REFUGEE AND ENTRANT ASSISTANCE

423,109,000 For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), \$423,109,000: *Provided*, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act for fiscal year 2001 shall be available for the costs of assistance provided and other activities through September 30, 2003: *Provided further*, That up to \$5,000,000 is available to carry out the Trafficking Victims Protection Act of 2000.

10,000,000 For carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105-320), \$10,000,000.

[*Total, \$433,109,000.*]

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT  
BLOCK GRANT

817,328,000 For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), in addition to amounts already appropriated for fiscal year 2001, \$817,328,000, such funds shall be used to supplement, not supplant State general revenue funds for child care assistance for low-income families: *Provided*, That of the funds appropriated for fiscal year 2001, \$19,120,000 shall be available for child care resource and referral and school-aged child care activities, of which \$1,000,000 shall be for the Child Care Aware toll free hotline: *Provided further*, That of the funds appropriated for fiscal year 2001, in addition to the amounts required to be reserved by the States under section 658G, \$272,672,000 shall be reserved by the States for activities authorized under section 658G, of which \$100,000,000 shall be for activities that improve the quality of infant and toddler child care: *Provided further*, That of the funds appropriated for fiscal year 2001, \$10,000,000 shall be for use by the Secretary for child care research, demonstration, and evaluation activities.

## SOCIAL SERVICES BLOCK GRANT

1,725,000,000 For making grants to States pursuant to section 2002 of the Social Security Act, \$1,725,000,000: *Provided*, That notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 2001 shall be \$1,725,000,000: *Provided further*, That, notwithstanding subparagraph (B) of section 404(d)(2) of such Act, the applicable percent

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specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent.

## CHILDREN AND FAMILIES SERVICES PROGRAMS

## (INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, the Native American Programs Act of 1974, title II of Public Law 95-266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105-89), the Abandoned Infants Assistance Act of 1988, the Early Learning Opportunities Act, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act, and sections 40155, 40211, and 40241 of Public law 103-322; for making payments under the Community Services Block Grant Act, section 473A of the Social Security Act, and title IV of Public Law 105-285, and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105-320), sections 40155, 40211, and 40241 of Public Law 103-322 and section 126 and titles IV and V of Public Law 100-485, \$7,956,345,000, of which \$43,000,000, to remain available until September 30, 2002, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670-679) and may be made for adoptions completed in fiscal years 1999 and 2000; of which \$682,876,000 shall be for making payments under the Community Services Block Grant Act; and of which \$6,200,000,000 shall be for making payments under the Head Start Act, of which \$1,400,000,000 shall become available October 1, 2001 and remain available through September 30, 2002: *Provided*, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: *Provided further*, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant.

[Total, \$7,956,345,000.]

Funds appropriated for fiscal year 2001 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by \$6,000,000.

Funds appropriated for fiscal year 2001 under section 413(h)(1) of the Social Security Act shall be reduced by \$15,000,000.

\$6,556,345,000

<sup>1</sup>1,400,000,000<sup>2</sup> - 6,000,000<sup>2</sup> - 15,000,000

<sup>1</sup> Advance appropriation, FY 2002.

<sup>2</sup> Total rescission of - \$21,000,000.

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## PROMOTING SAFE AND STABLE FAMILIES

For carrying out section 430 of the Social Security Act,  
\$305,000,000 \$305,000,000.

## PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities  
4,863,100,000 under title IV-E of the Social Security Act, \$4,863,100,000.

For making payments to States or other non-Federal entities  
1,735,900,000 under title IV-E of the Social Security Act, for the first quarter  
of fiscal year 2002, \$1,735,900,000.

[Total, payments to States for foster care, \$6,599,000,000.]

[Total, Administration for Children and Families,  
\$22,303,582,000.]

## ADMINISTRATION ON AGING

## AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the  
1,103,135,000 Older Americans Act of 1965, as amended, and section 398 of  
the Public Health Service Act, \$1,103,135,000, of which \$5,000,000  
shall be available for activities regarding medication management,  
screening, and education to prevent incorrect medication and  
adverse drug reactions: *Provided*, That notwithstanding section  
308(b)(1) of the Older Americans Act of 1965, as amended, the  
amounts available to each State for administration of the State  
plan under title III of such Act shall be reduced not more than  
5 percent below the amount that was available to such State for  
such purpose for fiscal year 1995.

## OFFICE OF THE SECRETARY

## GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general  
departmental management, including hire of six sedans, and for  
carrying out titles III, XVII, and XX of the Public Health Service  
Act, and the United States-Mexico Border Health Commission Act,  
285,224,000 \$285,224,000, together with \$5,851,000, to be transferred and  
5,851,000 expended as authorized by section 201(g)(1) of the Social Security  
Act from the Hospital Insurance Trust Fund and the Supplemental  
Medical Insurance Trust Fund: *Provided further*, That of the funds  
made available under this heading for carrying out title XX of  
the Public Health Service Act, \$10,377,000 shall be for activities  
specified under section 2003(b)(2), of which \$10,157,000 shall be  
for prevention service demonstration grants under section 510(b)(2)  
of title V of the Social Security Act, as amended, without application  
of the limitation of section 2010(c) of said title XX: *Provided further*,  
That no funds shall be obligated for minority AIDS prevention  
and treatment activities until the Department of Health and Human  
Services submits an operating plan to the House and Senate  
Committees on Appropriations.

[Total, \$291,075,000.]

## OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General  
33,849,000 in carrying out the provisions of the Inspector General Act of  
1978, as amended, \$33,849,000: *Provided*, That of such amount,  
necessary sums are available for providing protective services to  
the Secretary and investigating non-payment of child support cases

<sup>1</sup> Advance appropriation, FY 2002.

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for which non-payment is a Federal offense under 18 U.S.C. 228, each of which activities is hereby authorized in this and subsequent fiscal years.

## OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, \$24,742,000, together with not to exceed \$3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

[Total, \$28,056,000.]

## POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, \$16,738,000.

## RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

## PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For expenses necessary to support activities related to countering potential biological, disease and chemical threats to civilian populations, \$241,231,000: *Provided*, That this amount is distributed as follows: Centers for Disease Control and Prevention, \$181,131,000, of which \$32,000,000 shall be for the Health Alert Network and \$18,040,000 shall be for the continued study of the anthrax vaccine; and Office of Emergency Preparedness, \$60,100,000.

[Total, Office of the Secretary, \$830,721,000.]

## GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed \$37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103-43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary

of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level I.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

(TRANSFER OF FUNDS)

SEC. 206. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 207. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: *Provided*, That the Congress is promptly notified of the transfer.

SEC. 208. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the "Office of AIDS Research" account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 209. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 210. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: *Provided*, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): *Provided further*, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

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SEC. 211. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 212. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101-167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking “1997, 1998, 1999, and 2000” and inserting “1997, 1998, 1999, 2000, and 2001”; and

(B) in subsection (e), by striking “October 1, 2000” each place it appears and inserting “October 1, 2001”; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking “September 30, 2000” and inserting “September 30, 2001”.

SEC. 213. None of the funds provided in this Act or in any other Act making appropriations for fiscal year 2001 may be used to administer or implement in Arizona or in the Kansas City, Missouri or in the Kansas City, Kansas area the Medicare Competitive Pricing Demonstration Project (operated by the Secretary of Health and Human Services).

SEC. 214. (a) Except as provided by subsection (e) none of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x-26) if such State certifies to the Secretary of Health and Human Services by March 1, 2001 that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State’s substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act.

(c) The State is to maintain State expenditures in fiscal year 2001 for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for fiscal year 2000, and adding to that level the additional funds for tobacco compliance activities required under subsection (a). The State is to submit a report to the Secretary on all fiscal year 2000 State expenditures and all fiscal year 2001 obligations for tobacco prevention and compliance activities by program activity by July 31, 2001.

(d) The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subsection (a) as late as July 31, 2001.

(e) None of the funds appropriated by this Act may be used to withhold substance abuse funding pursuant to section 1926 from a territory that receives less than \$1,000,000.

SEC. 215. Section 448 of the Public Health Service Act (42 U.S.C. 285g) is amended by inserting “gynecologic health,” after “with respect to”.

SEC. 216. None of the funds appropriated under this Act shall be expended by the National Institutes of Health on a contract for the care of the 288 chimpanzees acquired by the National Institutes of Health from the Coulston Foundation, unless the contractor is accredited by the Association for the Assessment and Accreditation of Laboratory Animal Care International or has a Public Health Services assurance, and has not been charged multiple times with egregious violations of the Animal Welfare Act: *Provided*, That the requirements of section 481(A)(e)(1) shall not apply to funds awarded to nonhuman primate research facilities of special interest to NIH.

SEC. 217. No grants may be awarded under the first paragraph under the heading “Department of Health and Human Services, Health Resources and Services Administration, Health Resources and Services” in chapter 4 of title II of the Emergency Supplemental Act, 2000 (Public Law 106-246, division B) until March 1, 2001.

SEC. 218. (a) The second sentence of section 5948(d) of title 5, United States Code, is amended to read as follows: “No agreement shall be entered into under this section later than September 30, 2005, nor shall any agreement cover a period of service extending beyond September 30, 2007.”.

(b) Section 3 of the Federal Physicians Comparability Allowance Act of 1978 (5 U.S.C. 5948 note) is amended by striking “September 30, 2002” and inserting “September 30, 2007”.

SEC. 219. (a) Congress makes the following findings:

(1) Organ procurement organizations play an important role in the effort to increase organ donation in the United States.

(2) The current process for the certification and recertification of organ procurement organizations conducted by the Department of Health and Human Services has created a level of uncertainty that is interfering with the effectiveness of organ procurement organizations in raising the level of organ donation.

(3) The General Accounting Office, the Institute of Medicine, and the Harvard School of Public Health have identified substantial limitations in the organ procurement organization certification and recertification process and have recommended changes in that process.

(4) The limitations in the recertification process include:

(A) An exclusive reliance on population-based measures of performance that do not account for the potential in the population for organ donation and do not permit consideration of other outcome and process standards that would more accurately reflect the relative capability and performance of each organ procurement organization.

(B) A lack of due process to appeal to the Secretary of Health and Human Services for recertification on either substantive or procedural grounds.

(5) The Secretary of Health and Human Services has the authority under section 1138(b)(1)(A)(i) of the Social Security Act (42 U.S.C. 1320b-8(b)(1)(A)(i)) to extend the period for recertification of an organ procurement organization from 2

to 4 years on the basis of its past practices in order to avoid the inappropriate disruption of the nation's organ system.

(6) The Secretary of Health and Human Services can use the extended period described in paragraph (5) for recertification of all organ procurement organizations to—

(A) develop improved performance measures that would reflect organ donor potential and interim outcomes, and to test these measures to ensure that they accurately measure performance differences among the organ procurement organizations; and

(B) improve the overall certification process by incorporating process as well as outcome performance measures, and developing equitable processes for appeals.

(b) Section 371(b)(1) of the Public Health Service Act (42 U.S.C. 273(b)(1)) is amended—

(1) by redesignating subparagraphs (D) through (G) as subparagraphs (E) through (H), respectively;

(2) by realigning the margin of subparagraph (F) (as so redesignated) so as to align with subparagraph (E) (as so redesignated); and

(3) by inserting after subparagraph (C) the following:

“(D) notwithstanding any other provision of law, has met the other requirements of this section and has been certified or recertified by the Secretary within the previous 4-year period as meeting the performance standards to be a qualified organ procurement organization through a process that either—

“(i) granted certification or recertification within such 4-year period with such certification or recertification in effect as of January 1, 2000, and remaining in effect through the earlier of—

“(I) January 1, 2002; or

“(II) the completion of recertification under the requirements of clause (ii); or

“(ii) is defined through regulations that are promulgated by the Secretary by not later than January 1, 2002, that—

“(I) require recertifications of qualified organ procurement organizations not more frequently than once every 4 years;

“(II) rely on outcome and process performance measures that are based on empirical evidence, obtained through reasonable efforts, of organ donor potential and other related factors in each service area of qualified organ procurement organizations;

“(III) use multiple outcome measures as part of the certification process; and

“(IV) provide for a qualified organ procurement organization to appeal a decertification to the Secretary on substantive and procedural grounds;”.

SEC. 220. (a) In order for the Centers for Disease Control and Prevention to carry out international HIV/AIDS and other infectious disease, chronic and environmental disease, and other health activities abroad during fiscal year 2001, the Secretary of Health and Human Services is authorized to—

(1) utilize the authorities contained in subsection 2(c) of the State Department Basic Authorities Act of 1956, as amended, subject to the limitations set forth in subsection (b), and

(2) enter into reimbursable agreements with the Department of State using any funds appropriated to the Department of Health and Human Services, for the purposes for which the funds were appropriated in accordance with authority granted to the Secretary of Health and Human Services or under authority governing the activities of the Department of State.

(b) In exercising the authority set forth in subsection (a)(1), the Secretary of Health and Human Services—

(1) shall not award contracts for performance of an inherently governmental function; and

(2) shall follow otherwise applicable Federal procurement laws and regulations to the maximum extent practicable.

SEC. 221. Notwithstanding any other provision of law, the Director, National Institutes of Health, may enter into and administer a long-term lease for facilities for the purpose of providing laboratory, office and other space for biomedical and behavioral research at the Bayview Campus in Baltimore, Maryland: *Provided*, That the House and Senate Appropriations Committees will be notified of the terms and conditions of the lease upon its execution.

SEC. 222. Of the funds appropriated in this Act for the National Institutes of Health, \$5,800,000 shall be transferred to the Office of the Secretary, General Departmental Management to support the newly established Office for Human Research Protections.

SEC. 223. Section 487E(a)(1) of the Public Health Service Act is amended by striking “as employees of the National Institutes of Health”.

SEC. 224. Notwithstanding any other provision of law relating to vacancies in offices for which appointments must be made by the President, including any time limitation on serving in an acting capacity, the Acting Director of the National Institutes of Health as of January 12, 2000, may serve in that position until a new Director of the National Institutes of Health is confirmed by the Senate.

SEC. 225. The National Neuroscience Research Center to be constructed on the National Institutes of Health Bethesda campus is hereby named the John Edward Porter Neuroscience Research Center.

This title may be cited as the “Department of Health and Human Services Appropriations Act, 2001”.

[*Net total, title II, Department of Health and Human Services, \$259,579,394,000.*]

### TITLE III—DEPARTMENT OF EDUCATION

#### EDUCATION REFORM

For carrying out activities authorized by title IV of the Goals 2000: Educate America Act as in effect prior to September 30, 2000, and sections 3122, 3132, 3136, and 3141, parts B, C, and D of title III, and section 10105 and part I of title X of the Elementary and Secondary Education Act of 1965, \$1,880,710,000, of which \$38,000,000 shall be for the Goals 2000: Educate America Act, and of which \$191,950,000 shall be for section 3122: *Provided*, That up to one-half of 1 percent of the amount available under section 3132 shall be set aside for the outlying areas, to be distributed on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program: *Provided further*, That if any State educational agency does not apply for a grant under section 3132, that State’s allotment under section

\$1,880,710,000

3131 shall be reserved by the Secretary for grants to local educational agencies in that State that apply directly to the Secretary according to the terms and conditions published by the Secretary in the Federal Register: *Provided further*, That with respect to all funds appropriated to carry out section 10901 et seq. in this Act, the Secretary shall strongly encourage applications for grants that are to be submitted jointly by a local educational agency (or a consortium of local educational agencies) and a community-based organization that has experience in providing before- and after-school services and all applications submitted to the Secretary shall contain evidence that the project contains elements that are designed to assist students in meeting or exceeding State and local standards in core academic subjects, as appropriate to the needs of participating children: *Provided further*, That \$125,000,000, which shall become available on July 1, 2001, and remain available through September 30, 2002, shall be available to support activities under section 10105 of part A of title X of the Elementary and Secondary Education Act of 1965, of which up to 6 percent shall become available October 1, 2000, and be available for evaluation, technical assistance, school networking, peer review of applications, and program outreach activities: *Provided further*, That funds made available to local educational agencies under this section shall be used only for activities related to establishing smaller learning communities in high schools: *Provided further*, That \$46,328,000 of the funds available to carry out section 3136 of the Elementary and Secondary Education Act of 1965, \$8,768,000 of the funds available to carry out part B of title III of that Act and \$20,614,000 of the funds available to carry out part I of title X of that Act shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

EDUCATION FOR THE DISADVANTAGED

<p>For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act of 1965, \$9,532,621,000, of which \$2,731,921,000 shall become available on July 1, 2001, and shall remain available through September 30, 2002, and of which \$6,758,300,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002, for academic year 2001–2002: <i>Provided</i>, That \$7,332,721,000 shall be available for basic grants under section 1124: <i>Provided further</i>, That \$225,000,000 of these funds shall be allocated among the States in the same proportion as funds are allocated among the States under section 1122, to carry out section 1116(c): <i>Provided further</i>, That 100 percent of these funds shall be allocated by States to local educational agencies for the purposes of carrying out section 1116(c): <i>Provided further</i>, That all local educational agencies receiving an allocation under the preceding proviso, and all other local educational agencies that are within a State that receives funds under part A of title I of the Elementary and Secondary Education Act of 1965 (other than a local educational agency within a State receiving a minimum grant under section 1124(d) or 1124A(a)(1)(B) of such Act), shall provide all students enrolled in a school identified under section 1116(c) with the option to transfer to another public school within the local educational agency, including a public charter school, that has not been identified for school improvement under section</p>	<p>\$2,774,321,000</p> <p><sup>1</sup>6,758,300,000</p>
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<sup>1</sup> Advance appropriation, FY 2002.

1116(c), unless such option to transfer is prohibited by State law, or local law, which includes school board-approved local educational agency policy: *Provided further*, That if the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency lacks the capacity to provide all students with the option to transfer to another public school, and after giving notice to the parents of children affected that it is not possible, consistent with State and local law, to accommodate the transfer request of every student, the local educational agency shall permit as many students as possible (who shall be selected by the local educational agency on an equitable basis) to transfer to a public school that has not been identified for school improvement under section 1116(c): *Provided further*, That up to \$3,500,000 of these funds shall be available to the Secretary on October 1, 2000, to obtain updated local educational agency level census poverty data from the Bureau of the Census: *Provided further*, That \$1,364,000,000 shall be available for concentration grants under section 1124A: *Provided further*, That grant awards under sections 1124 and 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be not less than the greater of 100 percent of the amount each State and local educational agency received under this authority for fiscal year 2000 or the amount such State and local educational agency would receive if \$6,883,503,000 for Basic Grants and \$1,222,397,000 for Concentration Grants were allocated in accordance with section 1122(c)(3) of title I: *Provided further*, That notwithstanding any other provision of law, grant awards under section 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to those local educational agencies that received a Concentration Grant under the Department of Education Appropriations Act, 2000, but are not eligible to receive such a grant for fiscal year 2001: *Provided further*, That the Secretary shall not take into account the hold harmless provisions in this section in determining State allocations under any other program administered by the Secretary in any fiscal year: *Provided further*, That \$8,900,000 shall be available for evaluations under section 1501 and not more than \$8,500,000 shall be reserved for section 1308, of which not more than \$3,000,000 shall be reserved for section 1308(d): *Provided further*, That \$210,000,000 shall be available under section 1002(g)(2) to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this activity in the statement of the managers on the conference report accompanying Public Law 105-78 and in the statement of the managers on the conference report accompanying Public Law 105-277: *Provided further*, That in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children served by title I to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement.

[Total, \$9,532,621,000.]

#### IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, \$993,302,000, of which \$882,000,000 shall be for basic support payments under section

\$993,302,000

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8003(b), \$50,000,000 shall be for payments for children with disabilities under section 8003(d), \$12,802,000 shall be for construction under section 8007, \$40,500,000 shall be for Federal property payments under section 8002, and \$8,000,000, to remain available until expended, shall be for facilities maintenance under section 8008: *Provided*, That \$6,802,000 of the funds for section 8007 shall be available for the local educational agencies and in the amounts specified in the statement of the managers on the conference report accompanying this Act: *Provided further*, That from the amount appropriated for section 8002, the Secretary shall treat as timely filed, and shall process for payment, an application for a fiscal year 1999 payment from Academy School District 20, Colorado, under that section if the Secretary has received that application not later than 30 days after the enactment of this Act: *Provided further*, That the Secretary of Education shall consider the local educational agency serving the Kadoka School District, 35-1, in South Dakota, eligible for payments under section 8002 for fiscal year 2001 and each succeeding fiscal year, with respect to land in Washabaugh and Jackson Counties, South Dakota, that is owned by the Department of Defense and used as a bombing range: *Provided further*, That from the amount appropriated for section 8002, the Secretary shall first increase the payment of any local educational agency that was denied funding or had its payment reduced under that section for fiscal year 1998 due to section 8002(b)(1)(C) to the amount that would have been made without the limitation of that section: *Provided further*, That from the amount appropriated for section 8002, \$500,000 shall be for subsection 8002(j).

## SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV, V-A and B, VI, IX, X, and XIII of the Elementary and Secondary Education Act of 1965 (“ESEA”); the McKinney-Vento Homeless Assistance Act; and the Civil Rights Act of 1964 and part B of title VIII of the Higher Education Amendments of 1998; \$4,872,084,000, of which \$2,403,750,000 shall become available on July 1, 2001, and remain available through September 30, 2002, and of which \$1,765,000,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002 for academic year 2001–2002: *Provided*, That \$485,000,000 shall be available for Eisenhower professional development State grants under part B of title II of the Elementary and Secondary Education Act of 1965: *Provided further*, That each local educational agency shall use funds in excess of the allocation it received under such part for the preceding fiscal year to improve teacher quality by reducing the percentage of teachers who do not have State certification or are certified through emergency or provisional means; are teaching out of field in some or all of the subject areas and grade levels in which they teach; or who lack sufficient content knowledge to teach effectively in the areas they teach to obtain that knowledge: *Provided further*, That the local educational agency may also use such excess funds for: activities authorized under section 2210 of the Elementary and Secondary Education Act of 1965; mentoring programs for new teachers; providing opportunities for teachers to attend multi-week institutes, such as those provided in the summer months, that provide intensive professional development in partnership with local educational agencies; and carrying out initiatives to promote the retention of

\$3,107,084,000

<sup>1</sup>1,765,000,000

<sup>1</sup> Advance appropriation, FY 2002.

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highly qualified teachers who have a record of success in helping low-achieving students improve their academic success: *Provided further*, That each State educational agency may use such excess funds to carry out activities under section 2207 of the Elementary and Secondary Education Act of 1965: *Provided further*, That each State agency for higher education may use such excess funds to carry out activities under section 2211 of the Elementary and Secondary Education Act of 1965: *Provided further*, That both State educational agencies and State agencies for higher education may also use such excess funds for multi-week institutes, such as those provided in the summer months, that provide intensive professional development in partnership with local educational agencies; and grants to partnerships of such entities as local educational agencies, institutions of higher education, and private business, to recruit, and prepare, and provide professional development to, and help retain, school principals and superintendents, especially for such individuals who serve, or are preparing to serve, in high-poverty, low-performing schools and local educational agencies: *Provided further*, That such activities may be undertaken in consortium with other States: *Provided further*, That of the funds appropriated for part B of title II of the Elementary and Secondary Education Act of 1965, \$45,000,000 shall be available to States and allocated in accordance with section 2202(b) of that Act (except that the requirements of section 2203 shall not apply): *Provided further*, That notwithstanding any other provision of law, each State shall use the amount made available under the preceding proviso to support efforts to meet the requirements for State eligibility for the Ed-Flex Partnership Act of 1999 or the requirements under section 1111 of title I of the Elementary and Secondary Education Act of 1965: *Provided further*, That \$44,000,000 shall be available for national activities under section 2102 of the Elementary and Secondary Education Act of 1965: *Provided further*, That of the amount available in the preceding proviso, \$3,000,000 shall be made available to the Secretary for the Troops-to-Teachers Program for transfer to the Defense Activity for Non-Traditional Education Support of the Department of Defense: *Provided further*, That the funds transferred under the preceding proviso shall be used by the Secretary of Defense to administer the Troops-to-Teachers Program, including the selection of participants in the Program under the Troops-to-Teachers Program Act of 1999 (title XVII of Public Law 106-65; 20 U.S.C. 9301 et seq.): *Provided further*, That for purposes of sections 1702(b) and (c) of the Troops-to-Teachers Program Act of 1999, the Secretary of Education shall be the administering Secretary and may, at the Secretary's discretion, carry out the activities under section 1702(c) of that Act and retain a portion of the funds made available for the Troops-to-Teachers Program to carry out section 1702(b) and (c) of that Act: *Provided further*, That of the amount made available under this heading for national activities under section 2102 of the Elementary and Secondary Education Act of 1965, the Secretary is authorized to use a portion of such funds to carry out activities to improve the knowledge and skills of early childhood educators and caregivers who work in urban or rural communities with high concentrations of young children living in poverty: *Provided further*, That of the amount appropriated, \$3,208,000,000 shall be for title VI of the Elementary and Secondary Education Act of 1965 and to carry out activities under part B of the Individuals with Disabilities

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Education Act (20 U.S.C. 1411 et seq.): *Provided further*, That of the amount made available for title VI, \$1,623,000,000 shall be available, notwithstanding any other provision of law, in accordance with section 306 of this Act in order to reduce class size, particularly in the early grades, using highly qualified teachers to improve educational achievement for regular and special needs children: *Provided further*, That of the amount made available for title VI, \$1,200,000,000 shall be available, notwithstanding any other provision of law, for grants for school repair and renovation, activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), and technology activities, in accordance with section 321 of this Act: *Provided further*, That funds made available under this heading to carry out section 6301(b) of the Elementary and Secondary Education Act of 1965 shall be available for education reform projects that provide same gender schools and classrooms, consistent with applicable law: *Provided further*, That of the amount made available to carry out activities authorized under part C of title IX of the Elementary and Secondary Education Act of 1965, \$1,000,000 shall be for the Alaska Humanities Forum for operation of the Rose student exchange program and \$1,000,000 shall be for the Alaska Native Heritage Center to support its program of cultural education activities: *Provided further*, That of the amount made available for subpart 2 of part A of title IV of the Elementary and Secondary Education Act of 1965, \$10,000,000, to remain available until expended, shall be for Project School Emergency Response to Violence to provide education-related services to local educational agencies in which the learning environment has been disrupted due to a violent or traumatic crisis.

[Total, \$4,872,084,000.]

## READING EXCELLENCE

For necessary expenses to carry out the Reading Excellence Act, \$91,000,000, which shall become available on July 1, 2001 and shall remain available through September 30, 2002 and \$195,000,000 which shall become available on October 1, 2001 and remain available through September 30, 2002.	\$91,000,000 <sup>1</sup> 195,000,000
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[Total, \$286,000,000.]

## INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, \$115,500,000.	115,500,000
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## BILINGUAL AND IMMIGRANT EDUCATION

For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act of 1965, \$460,000,000: <i>Provided</i> , That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies.	460,000,000
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## SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act, \$7,439,948,000, of which \$2,090,452,000 shall become available for obligation on July 1, 2001, and shall remain available through September 30, 2002, and of which \$5,072,000,000 shall become	2,367,948,000 <sup>1</sup> 5,072,000,000
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<sup>1</sup> Advance appropriation, FY 2002

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available on October 1, 2001 and shall remain available through September 30, 2002, for academic year 2001-2002: *Provided*, That \$9,500,000 shall be for Recording for the Blind and Dyslexic to support the development, production, and circulation of recorded educational materials: *Provided further*, That \$1,500,000 shall be for the recipient of funds provided by Public Law 105-78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: *Provided further*, That \$7,353,000 of the funds for section 672 of the Act shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

[Total, \$7,439,948,000.]

## REHABILITATION SERVICES AND DISABILITY RESEARCH

\$2,805,339,000 For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, \$2,805,339,000: *Provided*, That the funds provided for title I of the Assistive Technology Act of 1998 (“the AT Act”) shall be allocated notwithstanding section 105(b)(1) of the AT Act: *Provided further*, That each State shall be provided \$50,000 for activities under section 102 of the AT Act: *Provided further*, That \$15,000,000 shall be used to support grants for up to 3 years to States under title III of the AT Act, of which the Federal share shall not exceed 75 percent in the first year, 50 percent in the second year, and 25 percent in the third year, and that the requirements in section 301(c)(2) and section 302 of that Act shall not apply to such grants: *Provided further*, That \$4,600,000 of the funds for section 303 of the Rehabilitation Act of 1973 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: *Provided further*, That \$400,000 of the funds for title II of the Rehabilitation Act of 1973 shall be for the Cerebral Palsy Research Foundation in Wichita, Kansas for the establishment of a Rehabilitation Research and Training Center to study and recommend incentives for employers to hire persons with significant disabilities.

## SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

## AMERICAN PRINTING HOUSE FOR THE BLIND

12,000,000 For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), \$12,000,000.

## NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

53,376,000 For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), \$53,376,000, of which \$5,376,000 shall be for construction and shall remain available until expended: *Provided*, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

## GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet

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University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), \$89,400,000: *Provided*, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

[*Total, \$154,776,000.*]

## VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Technical Education Act, the Adult Education and Family Literacy Act, and title VIII-D of the Higher Education Act of 1965, as amended, and Public Law 102-73, \$1,825,600,000, of which \$1,000,000 shall remain available until expended, and of which \$1,028,000,000 shall become available on July 1, 2001 and shall remain available through September 30, 2002 and of which \$791,000,000 shall become available on October 1, 2001 and shall remain available through September 30, 2002: *Provided*, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, \$5,600,000 shall be for tribally controlled postsecondary vocational and technical institutions under section 117: *Provided further*, That \$9,000,000 shall be for carrying out section 118 of such Act: *Provided further*, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, \$5,000,000 shall be for demonstration activities authorized by section 207: *Provided further*, That of the amount provided for Adult Education State Grants, \$70,000,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: *Provided further*, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the Adult Education and Family Literacy Act, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the Immigration and Naturalization Service data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which Immigration and Naturalization Service data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: *Provided further*, That of the amounts made available for the Adult Education and Family Literacy Act, \$14,000,000 shall be for national leadership activities under section 243 and \$6,500,000 shall be for the National Institute for Literacy under section 242: *Provided further*, That \$22,000,000 shall be for Youth Offender Grants, of which \$5,000,000 shall be used in accordance with section 601 of Public Law 102-73 as that section was in effect prior to the enactment of Public Law 105-220.

[*Total, \$1,825,600,000.*]

## STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3, and 4 of part A, section 428K, part C and part E of title IV of the Higher Education Act of 1965, as amended, \$10,674,000,000, which shall remain available through September 30, 2002.

The maximum Pell Grant for which a student shall be eligible during award year 2001-2002 shall be \$3,750: *Provided*, That notwithstanding section 401(g) of the Act, if the Secretary determines,

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prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 2000 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.

## FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

\$48,000,000 For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act of 1965, as amended, \$48,000,000.

## HIGHER EDUCATION

1,911,710,000 For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, and VII of the Higher Education Act of 1965, as amended, section 1543 of the Higher Education Amendments of 1992 and title VIII of the Higher Education Amendments of 1998, and the Mutual Educational and Cultural Exchange Act of 1961, \$1,911,710,000, of which \$10,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended: *Provided*, That \$10,000,000, to remain available through September 30, 2002, shall be available to fund fellowships for academic year 2002-2003 under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1: *Provided further*, That \$3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results Act of 1993: *Provided further*, That \$15,000,000 shall be available for tribally controlled colleges and universities under section 316 of the Higher Education Act of 1965, of which \$5,000,000 shall be used for construction and renovation: *Provided further*, That \$250,000 shall be for the Web-Based Education Commission to continue activities authorized under part J of title VIII of the Higher Education Amendments of 1998: *Provided further*, That \$115,487,000 of the funds for part B of title VII of the Higher Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

## HOWARD UNIVERSITY

232,474,000 For partial support of Howard University (20 U.S.C. 121 et seq.), \$232,474,000, of which not less than \$3,600,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.

## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

762,000 For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, \$762,000 to carry out

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activities related to existing facility loans entered into under the Higher Education Act of 1965.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING  
PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed \$357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, \$208,000.

\$208,000

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 2102 of title II, parts A, B, K, and L and sections 10102 and 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103-227, \$732,721,000: *Provided*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, \$5,000,000 shall be made available for a high school reform program of grants to State educational agencies to improve academic performance and provide technical skills training: *Provided further*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, \$5,000,000 shall be made available to carry out part L of title X of the Act: *Provided further*, That of the amount available for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, \$5,000,000 shall be available for grants to State and local educational agencies, in collaboration with other agencies and organizations, for school dropout prevention programs designed to address the needs of populations or communities with the highest dropout rates: *Provided further*, That of the amount made available for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, \$50,000,000 shall be made available to enable the Secretary of Education to award grants to develop, implement, and strengthen programs to teach American history (not social studies) as a separate subject within school curricula: *Provided further*, That \$53,000,000 of the amount available for the national education research institutes shall be allocated notwithstanding section 912(m)(1)(B-F) and subparagraphs (B) and (C) of section 931(c)(2) of Public Law 103-227 and \$20,000,000 of that \$53,000,000 shall be made available for the Interagency Education Research Initiative: *Provided further*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act, as amended, \$50,000,000 shall be available to demonstrate effective approaches to comprehensive school reform, to be allocated and expended in accordance with the instructions relating to this activity in the statement of managers on the conference report accompanying Public Law 105-78 and in the statement of the managers on the conference

732,721,000

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report accompanying Public Law 105-277: *Provided further*, That the funds made available for comprehensive school reform shall become available on July 1, 2001, and remain available through September 30, 2002, and in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: *Provided further*, That \$139,624,000 of the funds for section 10101 of the Elementary and Secondary Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: *Provided further*, That of the funds appropriated under section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, \$2,000,000 shall be used to conduct a violence prevention demonstration program: *Provided further*, That of the funds available for section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, \$150,000 shall be awarded to the Center for Educational Technologies to complete production and distribution of an effective CD-ROM product that would complement the “We the People: The Citizen and the Constitution” curriculum: *Provided further*, That, of the funds for title VI of Public Law 103-227 and notwithstanding the provisions of section 601(c)(1)(C) of that Act, \$1,200,000 shall be available to the Center for Civic Education to conduct a civic education program with Northern Ireland and the Republic of Ireland and, consistent with the civics and Government activities authorized in section 601(c)(3) of Public Law 103-227, to provide civic education assistance to democracies in developing countries. The term “developing countries” shall have the same meaning as the term “developing country” in the Education for the Deaf Act.

## DEPARTMENTAL MANAGEMENT

## PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, \$413,184,000.

\$413,184,000

## OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, \$76,000,000.

76,000,000

## OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, \$36,500,000.

36,500,000

[Total, \$525,684,000.]

## GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial

imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 305. The Comptroller General of the United States shall evaluate the extent to which funds made available under part A of title I of the Elementary and Secondary Education Act of 1965 are allocated to schools and local educational agencies with the greatest concentrations of school-age children from low-income families, the extent to which allocations of such funds adjust to shifts in concentrations of pupils from low-income families in different regions, States, and substate areas, the extent to which the allocation of such funds encourages the targeting of State funds to areas with higher concentrations of children from low-income families, and the implications of current distribution methods for such funds, shall make formula and other policy recommendations to improve the targeting of such funds to more effectively serve low-income children in both rural and urban areas, and shall prepare interim and final reports based on the results of the study, to be submitted to Congress not later than February 1, 2001, and April 1, 2001.

SEC. 306. (a) From the amount appropriated for title VI of the Elementary and Secondary Education Act of 1965 in accordance with this section, the Secretary of Education—

(1) shall make available a total of \$6,000,000 to the Secretary of the Interior (on behalf of the Bureau of Indian Affairs) and the outlying areas for activities under this section; and

(2) shall allocate the remainder by providing each State the same percentage of that remainder as it received of the funds allocated to States under section 307(a)(2) of the Department of Education Appropriations Act, 1999.

(b)(1) Each State that receives funds under this section shall distribute 100 percent of such funds to local educational agencies, of which—

(A) 80 percent of such amount shall be allocated to such local educational agencies in proportion to the number of children, aged 5 to 17, who reside in the school district served by such local educational agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available compared to the number of such individuals who reside in the school districts served by all the local educational agencies in the State for that fiscal year; and

(B) 20 percent of such amount shall be allocated to such local educational agencies in accordance with the relative enrollments of children, aged 5 to 17, in public and private nonprofit elementary and secondary schools within the boundaries of such agencies.

(2) Notwithstanding paragraph (1), if the award to a local educational agency under this section is less than the starting salary for a new fully qualified teacher in that agency, who is certified within the State (which may include certification through State or local alternative routes), has a baccalaureate degree, and demonstrates the general knowledge, teaching skills, and subject matter knowledge required to teach in his or her content areas, that agency may use funds under this section to (A) help pay the salary of a full- or part-time teacher hired to reduce class size, which may be in combination with other Federal, State, or local funds; or (B) pay for activities described in subsection (c)(2)(A)(iii) which may be related to teaching in smaller classes.

(c)(1) The basic purpose and intent of this section is to reduce class size with fully qualified teachers. Each local educational agency that receives funds under this section shall use such funds to carry out effective approaches to reducing class size with fully qualified teachers who are certified within the State, including teachers certified through State or local alternative routes, and who demonstrate competency in the areas in which they teach, to improve educational achievement for both regular and special needs children, with particular consideration given to reducing class size in the early elementary grades for which some research has shown class size reduction is most effective.

(2)(A) Each such local educational agency may use funds under this section for—

(i) recruiting (including through the use of signing bonuses, and other financial incentives), hiring, and training fully qualified regular and special education teachers (which may include hiring special education teachers to team-teach with regular teachers in classrooms that contain both children with disabilities and non-disabled children) and teachers of special-needs children who are certified within the State, including teachers certified through State or local alternative routes, have a baccalaureate degree and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in their content areas;

(ii) testing new teachers for academic content knowledge and to meet State certification requirements that are consistent with title II of the Higher Education Act of 1965; and

(iii) providing professional development (which may include such activities as those described in section 2210 of the Elementary and Secondary Education Act of 1965, opportunities for teachers to attend multi-week institutes, such as those made available during the summer months that provide intensive professional development in partnership with local educational agencies and initiatives that promote retention and mentoring), to teachers, including special education teachers and teachers of special-needs children, in order to meet the goal of ensuring that all instructional staff have the subject matter knowledge, teaching knowledge, and teaching skills necessary to teach effectively in the content area or areas in which they provide instruction, consistent with title II of the Higher Education Act of 1965.

(B)(i) Except as provided under clause (ii), a local educational agency may use not more than a total of 25 percent of the award received under this section for activities described in clauses (ii) and (iii) of subparagraph (A).

(ii) A local educational agency in which 10 percent or more of teachers in elementary schools, as defined by section 14101(14) of the Elementary and Secondary Education Act of 1965, have not met applicable State and local certification requirements (including certification through State or local alternative routes), or if such requirements have been waived, may use more than 25 percent of the funds it receives under this section for activities described in subparagraph (A)(iii) to help teachers who are not certified by the State become certified, including through State or local alternative routes, or to help teachers affected by class size reduction who lack sufficient content knowledge to teach effectively in the areas they teach to obtain that knowledge, if the local educational agency notifies the State educational agency of the percentage of the funds that it will use for the purpose described in this clause.

(C) A local educational agency that has already reduced class size in the early grades to 18 or less children (or has already reduced class size to a State or local class size reduction goal that was in effect on the day before the enactment of the Department of Education Appropriations Act, 2000, if that State or local educational agency goal is 20 or fewer children) may use funds received under this section—

(i) to make further class size reductions in grades kindergarten through 3;

(ii) to reduce class size in other grades; or

(iii) to carry out activities to improve teacher quality including professional development.

(D) If a local educational agency has already reduced class size in the early grades to 18 or fewer children and intends to use funds provided under this section to carry out professional development activities, including activities to improve teacher quality, then the State shall make the award under subsection (b) to the local educational agency.

(3) Each such agency shall use funds under this section only to supplement, and not to supplant, State and local funds that,

in the absence of such funds, would otherwise be spent for activities under this section.

(4) No funds made available under this section may be used to increase the salaries or provide benefits, other than participation in professional development and enrichment programs, to teachers who are not hired under this section. Funds under this section may be used to pay the salary of teachers hired under section 307 of the Department of Education Appropriations Act, 1999, or under section 310 of the Department of Education Appropriations Act, 2000.

(d)(1) Each State receiving funds under this section shall report on activities in the State under this section, consistent with section 6202(a)(2) of the Elementary and Secondary Education Act of 1965.

(2) Each State and local educational agency receiving funds under this section shall publicly report to parents on its progress in reducing class size, increasing the percentage of classes in core academic areas taught by fully qualified teachers who are certified within the State and demonstrate competency in the content areas in which they teach, and on the impact that hiring additional highly qualified teachers and reducing class size, has had, if any, on increasing student academic achievement.

(3) Each school receiving funds under this section shall provide to parents, upon request, the professional qualifications of their child's teacher.

(e) If a local educational agency uses funds made available under this section for professional development activities, the agency shall ensure for the equitable participation of private non-profit elementary and secondary schools in such activities. Section 6402 of the Elementary and Secondary Education Act of 1965 shall not apply to other activities under this section.

(f) A local educational agency that receives funds under this section may use not more than 3 percent of such funds for local administrative costs.

(g) Each local educational agency that desires to receive funds under this section shall include in the application required under section 6303 of the Elementary and Secondary Education Act of 1965 a description of the agency's program to reduce class size by hiring additional highly qualified teachers.

(h) No funds under this section may be used to pay the salary of any teacher hired with funds under section 307 of the Department of Education Appropriations Act, 1999, unless, by the start of the 2001-2002 school year, the teacher is certified within the State (which may include certification through State or local alternative routes) and demonstrates competency in the subject areas in which he or she teaches.

(i) Not later than 30 days after the date of the enactment of this Act, the Secretary shall provide specific notification to each local educational agency eligible to receive funds under this part regarding the flexibility provided under subsection (c)(2)(B)(ii) and the ability to use such funds to carry out activities described in subsection (c)(2)(A)(iii).

SEC. 307. Section 412 of the National Education Statistics Act of 1994 (Public Law 103-382) is amended—

(1) in subsection 412(c)(1), after “period of” and before “years,” by striking “3” and inserting “4”; and

(2) after “expiration of such term.”, by adding the following new subsection:

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“(4) CONFORMING PROVISION.—Members of the Board previously granted 3 year terms, whose terms are in effect on the date of enactment of the Department of Education Appropriations Act, 2001, shall have their terms extended by 1 year.”.

SEC. 308. (a) Section 435(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1085(a)(2)) is amended by adding at the end thereof the following new subparagraph:

“(D) Notwithstanding the first sentence of subparagraph (A), the Secretary shall restore the eligibility to participate in a program under subpart 1 of part A, part B, or part D of an institution that did not appeal its loss of eligibility within 30 days of receiving notification if the Secretary determines, on a case-by-case basis, that the institution’s failure to appeal was substantially justified under the circumstances, and that—

“(i) the institution made a timely request that the appropriate guaranty agency correct errors in the draft data used to calculate the institution’s cohort default rate;

“(ii) the guaranty agency did not correct the erroneous data in a timely fashion; and

“(iii) the institution would have been eligible if the erroneous data had been corrected by the guaranty agency.”.

(b) The amendment made by subsection (a) of this section shall be effective for cohort default rate calculations for fiscal years 1997 and 1998.

SEC. 309. Section 439(r)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(r)(2)) is amended—

(1) in clause (A)(i), by striking “auditors and examiners” and inserting “and fix the compensation of such auditors and examiners as may be necessary”; and

(2) by inserting at the end of subparagraph (E) the following new subparagraph:

“(F) COMPENSATION OF AUDITORS AND EXAMINERS.—

“(i) RATES OF PAY.—Rates of basic pay for all auditors and examiners appointed pursuant to subparagraph (A) may be set and adjusted by the Secretary of the Treasury without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

“(ii) COMPARABILITY.—

“(I) IN GENERAL.—Subject to section 5373 of title 5, United States Code, the Secretary of the Treasury may provide additional compensation and benefits to auditors and examiners appointed pursuant to subparagraph (A) if the same type of compensation or benefits are then being provided by any agency referred to in section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation.

“(II) CONSULTATION.—In setting and adjusting the total amount of compensation and benefits for auditors and examiners appointed pursuant to subparagraph (A), the Secretary of the Treasury shall consult with, and seek to maintain comparability with, the agencies referred to in section

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1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).”.

SEC. 310. Section 117(i) of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2327(i)) is amended by inserting “such sums as may be necessary for” before “each of the 4 succeeding fiscal years.”.

SEC. 311. Section 432(m)(1) of the Higher Education Act of 1965 (20 U.S.C. 1082(m)(1)) is amended—

- (1) by striking clause (iv) of subparagraph (D); and
- (2) by adding at the end the following new subparagraph:

“(E) PERFECTION OF SECURITY INTERESTS IN STUDENT LOANS.—

“(i) IN GENERAL.—Notwithstanding the provisions of any State law to the contrary, including the Uniform Commercial Code as in effect in any State, a security interest in loans made under this part, on behalf of any eligible lender (as defined in section 435(d)) shall attach, be perfected, and be assigned priority in the manner provided by the applicable State’s law for perfection of security interests in accounts, as such law may be amended from time to time (including applicable transition provisions). If any such State’s law provides for a statutory lien to be created in such loans, such statutory lien may be created by the entity or entities governed by such State law in accordance with the applicable statutory provisions that created such a statutory lien.

“(ii) COLLATERAL DESCRIPTION.—In addition to any other method for describing collateral in a legally sufficient manner permitted under the laws of the State, the description of collateral in any financing statement filed pursuant to this subparagraph shall be deemed legally sufficient if it lists such loans, or refers to records (identifying such loans) retained by the secured party or any designee of the secured party identified in such financing statement, including the debtor or any loan servicer.

“(iii) SALES.—Notwithstanding clauses (i) and (ii) and any provisions of any State law to the contrary, other than any such State’s law providing for creation of a statutory lien, an outright sale of loans made under this part shall be effective and perfected automatically upon attachment as defined in the Uniform Commercial Code of such State.”.

SEC. 312. Section 435(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1085(a)(5)) is amended—

- (1) in subparagraph (A)(i), by striking “July 1, 2002,” and inserting “July 1, 2004,”; and

- (2) in subparagraph (B), by striking “1999, 2000, and 2001” and inserting “1999 through 2003”.

SEC. 313. From the amounts made available for the “Fund for the Improvement of Education” under the heading “Education Research, Statistics, and Improvement”, \$10,000,000, to remain available until expended, shall be available to the Secretary of Education to be transferred to the Secretary of the Interior for

an award to the National Constitution Center for construction activities authorized under Public Law 100-433.

SEC. 314. Section 4116(b)(4) of the Elementary and Secondary Education Act of 1965 is amended by striking subparagraph (D) and inserting in lieu thereof: “(D) the development and implementation of character education and training programs that reflect the values of parents, teachers, and local communities, and incorporate elements of good character, including honesty, citizenship, courage, justice, respect, personal responsibility, and trustworthiness; and”.

SEC. 315. The Secretary of Education shall review the nursing program operated by Graceland University in Lamoni, Iowa, and may exercise the waiver authority provided in section 102(a)(3)(B) of the Higher Education Act of 1965, without regard to the provisions of 34 CFR 600.7(b)(3)(ii), if the Secretary determines that such a waiver is appropriate.

SEC. 316. Section 415 of the Higher Education Act of 1965 is amended—

(1) in section 415A(a)(2), by striking “section 415F” and inserting “section 415E”; and

(2) in section 415E, by striking 415E(c) and inserting in lieu thereof the following:

“(c) AUTHORIZED ACTIVITIES.—Each State receiving a grant under this section may use the grant funds for—

“(1) making awards that—

“(A) supplement grants received under section 415C(b)(2) by eligible students who demonstrate financial need; or

“(B) provide grants under section 415C(b)(2) to additional eligible students who demonstrate financial need;

“(2) providing scholarships for eligible students—

“(A) who demonstrate financial need; and

“(B) who—

“(i) desire to enter a program of study leading to a career in—

“(I) information technology;

“(II) mathematics, computer science, or engineering;

“(III) teaching; or

“(IV) another field determined by the State to be critical to the State’s workforce needs; or

“(ii) demonstrate merit or academic achievement;

and

“(3) making awards that—

“(A) supplement community service work-study awards received under section 415C(b)(2) by eligible students who demonstrate financial need; or

“(B) provide community service work-study awards under section 415C(b)(2) to additional eligible students who demonstrate financial need.”.

(3) in section 415E, adding at the end the following new subsections:

“(f) SPECIAL RULE.—Notwithstanding subsection (d), for purposes of determining a State’s share of the cost of the authorized activities described in subsection (c), the State shall consider only those expenditures from non-Federal sources that exceed its total expenditures for need-based grants, scholarships, and work-study

assistance for fiscal year 1999 (including any such assistance provided under this subpart).

“(g) USE OF FUNDS FOR ADMINISTRATIVE COSTS PROHIBITED.—A State receiving a grant under this section shall not use any of the grant funds to pay administrative costs associated with any of the authorized activities described in subsection (c).”.

SEC. 317. (a) Section 402D of the Higher Education Act of 1965 (20 U.S.C. 1070a-14) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

“(c) SPECIAL RULE.—

“(1) USE FOR STUDENT AID.—A recipient of a grant that undertakes any of the permissible services identified in subsection (b) may, in addition, use such funds to provide grant aid to students. A grant provided under this paragraph shall not exceed the maximum appropriated Pell Grant or, be less than the minimum appropriated Pell Grant, for the current academic year. In making grants to students under this subsection, an institution shall ensure that adequate consultation takes place between the student support service program office and the institution’s financial aid office.

“(2) ELIGIBLE STUDENTS.—For purposes of receiving grant aid under this subsection, eligible students shall be current participants in the student support services program offered by the institution and be—

“(A) students who are in their first 2 years of postsecondary education and who are receiving Federal Pell Grants under subpart 1; or

“(B) students who have completed their first 2 years of postsecondary education and who are receiving Federal Pell Grants under subpart 1 if the institution demonstrates to the satisfaction of the Secretary that—

“(i) these students are at high risk of dropping out; and

“(ii) it will first meet the needs of all its eligible first- and second-year students for services under this paragraph.

“(3) DETERMINATION OF NEED.—A grant provided to a student under paragraph (1) shall not be considered in determining that student’s need for grant or work assistance under this title, except that in no case shall the total amount of student financial assistance awarded to a student under this title exceed that student’s cost of attendance, as defined in section 472.

“(4) MATCHING REQUIRED.—A recipient of a grant who uses such funds for the purpose described in paragraph (1) shall match the funds used for such purpose, in cash, from non-Federal funds, in an amount that is not less than 33 percent of the total amount of funds used for that purpose. This paragraph shall not apply to any grant recipient that is an institution of higher education eligible to receive funds under part A or B of title III or title V.

“(5) RESERVATION.—In no event may a recipient use more than 20 percent of the funds received under this section for grant aid.

“(6) SUPPLEMENT, NOT SUPPLANT.—Funds received by a grant recipient that are used under this subsection shall be

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used to supplement, and not supplant, non-Federal funds expended for student support services programs.”.

(b) The amendments made by subsection (a) shall apply with respect to student support services grants awarded on or after the date of enactment of this Act.

SEC. 318. (a) Subparagraph (B) of section 427A(c)(4) of the Higher Education Act of 1965 (20 U.S.C. 1077a(c)(4)) is amended to read as follows:

“(B)(i) For any 12-month period beginning on July 1 and ending on or before June 30, 2001, the rate determined under this subparagraph is determined on the preceding June 1 and is equal to—

“(I) the bond equivalent rate of 52-week Treasury bills auctioned at the final auction held prior to such June 1; plus

“(II) 3.25 percent.

“(ii) For any 12-month period beginning on July 1 of 2001 or any succeeding year, the rate determined under this subparagraph is determined on the preceding June 26 and is equal to—

“(I) the weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before such June 26; plus

“(II) 3.25 percent.”.

(b) Subparagraph (A) of section 455(b)(4) of such Act (20 U.S.C. 1087e(b)(4)) is amended to read as follows:

“(A)(i) For Federal Direct PLUS Loans for which the first disbursement is made on or after July 1, 1994, the applicable rate of interest shall, during any 12-month period beginning on July 1 and ending on or before June 30, 2001, be determined on the preceding June 1 and be equal to—

“(I) the bond equivalent rate of 52-week Treasury bills auctioned at final auction held prior to such June 1; plus

“(II) 3.1 percent,

except that such rate shall not exceed 9 percent.

“(ii) For any 12-month period beginning on July 1 of 2001 or any succeeding year, the applicable rate of interest determined under this subparagraph shall be determined on the preceding June 26 and be equal to—

“(I) the weekly average 1-year constant maturity Treasury yield, as published by the Board of Governors of the Federal Reserve System, for the last calendar week ending on or before such June 26; plus

“(II) 3.1 percent,

except that such rate shall not exceed 9 percent.”.

SEC. 319. Section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is amended by adding at the end the following new subsection:

“(e) DESIGNATION.—Scholarships awarded under this section shall be known as ‘B.J. Stupak Olympic Scholarships’.”.

SEC. 320. (a) Subject to subsection (c), the Secretary of Education shall release the reversionary interests that were retained by the United States, as part of the conveyance of certain real property situated in the County of Marin, State of California, in

an April 3, 1978 Quitclaim Deed, which was filed for record on June 5, 1978, in Book 3384, at page 33, of the official Records of Marin County, California.

(b) The Secretary shall execute the release of the reversionary interests under subsection (a) without consideration.

(c) The Secretary shall execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instruments effectuating the release of the reversionary interests under subsection (a). In all other respects the provisions of the April 3, 1978 Quitclaim Deed shall remain intact.

SEC. 321. (a) GRANTS TO NATIVE AMERICAN SCHOOLS AND STATE EDUCATIONAL AGENCIES.—

(1) ALLOCATION OF FUNDS.—Of the amount made available under the heading “School improvement programs” for grants made in accordance with this section for school repair and renovation, activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), and technology activities, the Secretary of Education shall allocate—

(A) \$75,000,000 for grants to impacted local educational agencies (as defined in paragraph (3)) for school repair, renovation, and construction;

(B) \$3,250,000 for grants to outlying areas for school repair and renovation in high-need schools and communities, allocated on such basis, and subject to such terms and conditions, as the Secretary determines appropriate;

(C) \$25,000,000 for grants to public entities, private nonprofit entities, and consortia of such entities, for use in accordance with subpart 2 of part C of title X of the Elementary and Secondary Education Act of 1965; and

(D) the remainder to State educational agencies in proportion to the amount each State received under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for fiscal year 2000, except that no State shall receive less than 0.5 percent of the amount allocated under this subparagraph.

(2) DETERMINATION OF GRANT AMOUNT.—

(A) DETERMINATION OF WEIGHTED STUDENT UNITS.—For purposes of computing the grant amounts under paragraph (1)(A) for fiscal year 2001, the Secretary shall determine the results obtained by the computation made under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) with respect to children described in subsection (a)(1)(C) of such section and computed under subsection (a)(2)(B) of such section for such year—

(i) for each impacted local educational agency that receives funds under this section; and

(ii) for all such agencies together.

(B) COMPUTATION OF PAYMENT.—For fiscal year 2001, the Secretary shall calculate the amount of a grant to an impacted local educational agency by—

(i) dividing the amount described in paragraph (1)(A) by the results of the computation described in subparagraph (A)(ii); and

(ii) multiplying the number derived under clause (i) by the results of the computation described in subparagraph (A)(i) for such agency.

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(3) DEFINITION.—For purposes of this section, the term “impacted local educational agency” means, for fiscal year 2001—

(A) a local educational agency that receives a basic support payment under section 8003(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)) for such fiscal year; and

(B) with respect to which the number of children determined under section 8003(a)(1)(C) of such Act for the preceding school year constitutes at least 50 percent of the total student enrollment in the schools of the agency during such school year.

(b) WITHIN-STATE ALLOCATIONS.—

(1) ADMINISTRATIVE COSTS.—

(A) STATE EDUCATIONAL AGENCY ADMINISTRATION.—Except as provided in subparagraph (B), each State educational agency may reserve not more than 1 percent of its allocation under subsection (a)(1)(D) for the purpose of administering the distribution of grants under this subsection.

(B) STATE ENTITY ADMINISTRATION.—If the State educational agency transfers funds to a State entity described in paragraph (2)(A), the agency shall transfer to such entity 0.75 of the amount reserved under this paragraph for the purpose of administering the distribution of grants under this subsection.

(2) RESERVATION FOR COMPETITIVE SCHOOL REPAIR AND RENOVATION GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency shall distribute 75 percent of such funds to local educational agencies or, if such State educational agency is not responsible for the financing of education facilities, the agency shall transfer such funds to the State entity responsible for the financing of education facilities (referred to in this section as the “State entity”) for distribution by such entity to local educational agencies in accordance with this paragraph, to be used, consistent with subsection (c), for school repair and renovation.

(B) COMPETITIVE GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(i) IN GENERAL.—The State educational agency or State entity shall carry out a program of competitive grants to local educational agencies for the purpose described in subparagraph (A). Of the total amount available for distribution to such agencies under this paragraph, the State educational agency or State entity, shall, in carrying out the competition—

(I) award to high poverty local educational agencies described in clause (ii), in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such local educational agencies received under part A of title I of the Elementary and Secondary Education Act of 1965 for fiscal year 2000 bears to the aggregate amount received for such fiscal year

under such part by all local educational agencies in the State;

(II) award to rural local educational agencies in the State, in the aggregate, at least an amount which bears the same relationship to such total amount as the aggregate amount such rural local educational agencies received under part A of title I of the Elementary and Secondary Education Act of 1965 for fiscal year 2000 bears to the aggregate amount received for such fiscal year under such part by all local educational agencies in the State; and

(III) award the remaining funds to local educational agencies not receiving an award under subclause (I) or (II), including high poverty and rural local educational agencies that did not receive such an award.

(ii) HIGH POVERTY LOCAL EDUCATIONAL AGENCIES.—A local educational agency is described in this clause if—

(I) the percentage described in subparagraph (C)(i) with respect to the agency is 30 percent or greater; or

(II) the number of children described in such subparagraph with respect to the agency is at least 10,000.

(C) CRITERIA FOR AWARDING GRANTS.—In awarding competitive grants under this paragraph, a State educational agency or State entity shall take into account the following criteria:

(i) The percentage of poor children 5 to 17 years of age, inclusive, in a local educational agency.

(ii) The need of a local educational agency for school repair and renovation, as demonstrated by the condition of its public school facilities.

(iii) The fiscal capacity of a local educational agency to meet its needs for repair and renovation of public school facilities without assistance under this section, including its ability to raise funds through the use of local bonding capacity and otherwise.

(iv) In the case of a local educational agency that proposes to fund a repair or renovation project for a charter school or schools, the extent to which the school or schools have access to funding for the project through the financing methods available to other public schools or local educational agencies in the State.

(v) The likelihood that the local educational agency will maintain, in good condition, any facility whose repair or renovation is assisted under this section.

(D) POSSIBLE MATCHING REQUIREMENT.—

(i) IN GENERAL.—A State educational agency or State entity may require local educational agencies to match funds awarded under this subsection.

(ii) MATCH AMOUNT.—The amount of a match described in clause (i) may be established by using a sliding scale that takes into account the relative

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poverty of the population served by the local educational agency.

(3) RESERVATION FOR COMPETITIVE IDEA OR TECHNOLOGY GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—Subject to the reservation under paragraph (1), of the funds allocated to a State educational agency under subsection (a)(1)(D), the State educational agency shall distribute 25 percent of such funds to local educational agencies through competitive grant processes, to be used for the following:

(i) To carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(ii) For technology activities that are carried out in connection with school repair and renovation, including—

- (I) wiring;
- (II) acquiring hardware and software;
- (III) acquiring connectivity linkages and resources; and
- (IV) acquiring microwave, fiber optics, cable, and satellite transmission equipment.

(B) CRITERIA FOR AWARDED IDEA GRANTS.—In awarding competitive grants under subparagraph (A) to be used to carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), a State educational agency shall take into account the following criteria:

(i) The need of a local educational agency for additional funds for a student whose individually allocable cost for expenses related to the Individuals with Disabilities Education Act substantially exceeds the State's average per-pupil expenditure (as defined in section 14101(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(2))).

(ii) The need of a local educational agency for additional funds for special education and related services under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(iii) The need of a local educational agency for additional funds for assistive technology devices (as defined in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401)) or assistive technology services (as so defined) for children being served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(iv) The need of a local educational agency for additional funds for activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) in order for children with disabilities to make progress toward meeting the performance goals and indicators established by the State under section 612(a)(16) of such Act (20 U.S.C. 1412).

(C) CRITERIA FOR AWARDED TECHNOLOGY GRANTS.—In awarding competitive grants under subparagraph (A) to be used for technology activities that are carried out in connection with school repair and renovation, a State

educational agency shall take into account the need of a local educational agency for additional funds for such activities, including the need for the activities described in subclauses (I) through (IV) of subparagraph (A)(ii).

(c) RULES APPLICABLE TO SCHOOL REPAIR AND RENOVATION.—With respect to funds made available under this section that are used for school repair and renovation, the following rules shall apply:

(1) PERMISSIBLE USES OF FUNDS.—School repair and renovation shall be limited to one or more of the following:

(A) Emergency repairs or renovations to public school facilities only to ensure the health and safety of students and staff, including—

(i) repairing, replacing, or installing roofs, electrical wiring, plumbing systems, or sewage systems;

(ii) repairing, replacing, or installing heating, ventilation, or air conditioning systems (including insulation); and

(iii) bringing public schools into compliance with fire and safety codes.

(B) School facilities modifications necessary to render public school facilities accessible in order to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

(C) School facilities modifications necessary to render public school facilities accessible in order to comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(D) Asbestos abatement or removal from public school facilities.

(E) Renovation, repair, and acquisition needs related to the building infrastructure of a charter school.

(2) IMPERMISSIBLE USES OF FUNDS.—No funds received under this section may be used for—

(A) payment of maintenance costs in connection with any projects constructed in whole or in part with Federal funds provided under this section;

(B) the construction of new facilities, except for facilities for an impacted local educational agency (as defined in subsection (a)(3)); or

(C) stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public.

(3) CHARTER SCHOOLS.—A public charter school that constitutes a local educational agency under State law shall be eligible for assistance under the same terms and conditions as any other local educational agency (as defined in section 14101(18) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18))).

(4) SUPPLEMENT, NOT SUPPLANT.—Excluding the uses described in subparagraphs (B) and (C) of paragraph (1), a local educational agency shall use Federal funds subject to this subsection only to supplement the amount of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for school repair and renovation.

(d) SPECIAL RULE.—Each local educational agency that receives funds under this section shall ensure that, if it carries out repair

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or renovation through a contract, any such contract process ensures the maximum number of qualified bidders, including small, minority, and women-owned businesses, through full and open competition.

(e) PUBLIC COMMENT.—Each local educational agency receiving funds under paragraph (2) or (3) of subsection (b)—

(1) shall provide parents, educators, and all other interested members of the community the opportunity to consult on the use of funds received under such paragraph;

(2) shall provide the public with adequate and efficient notice of the opportunity described in paragraph (1) in a widely read and distributed medium; and

(3) shall provide the opportunity described in paragraph (1) in accordance with any applicable State and local law specifying how the comments may be received and how the comments may be reviewed by any member of the public.

(f) REPORTING.—

(1) LOCAL REPORTING.—Each local educational agency receiving funds under subsection (a)(1)(D) shall submit a report to the State educational agency, at such time as the State educational agency may require, describing the use of such funds for—

(A) school repair and renovation (and construction, in the case of an impacted local educational agency (as defined in subsection (a)(3)));

(B) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); and

(C) technology activities that are carried out in connection with school repair and renovation, including the activities described in subclauses (I) through (IV) of subsection (b)(3)(A)(ii).

(2) STATE REPORTING.—Each State educational agency shall submit to the Secretary of Education, not later than December 31, 2002, a report on the use of funds received under subsection (a)(1)(D) by local educational agencies for—

(A) school repair and renovation (and construction, in the case of an impacted local educational agency (as defined in subsection (a)(3)));

(B) activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); and

(C) technology activities that are carried out in connection with school repair and renovation, including the activities described in subclauses (I) through (IV) of subsection (b)(3)(A)(ii).

(3) ADDITIONAL REPORTS.—Each entity receiving funds allocated under subsection (a)(1)(A) or (B) shall submit to the Secretary, not later than December 31, 2002, a report on its uses of funds under this section, in such form and containing such information as the Secretary may require.

(g) APPLICABILITY OF PART B OF IDEA.—If a local educational agency uses funds received under this section to carry out activities under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), such part (including provisions respecting the participation of private school children), and any other provision of law that applies to such part, shall apply to such use.

(h) REALLOCATION.—If a State educational agency does not apply for an allocation of funds under subsection (a)(1)(D) for fiscal

year 2001, or does not use its entire allocation for such fiscal year, the Secretary may reallocate the amount of the State educational agency's allocation (or the remainder thereof, as the case may be) to the remaining State educational agencies in accordance with subsection (a)(1)(D).

(i) PARTICIPATION OF PRIVATE SCHOOLS.—

(1) IN GENERAL.—Section 6402 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7372) shall apply to subsection (b)(2) in the same manner as it applies to activities under title VI of such Act, except that—

(A) such section shall not apply with respect to the title to any real property renovated or repaired with assistance provided under this section;

(B) the term “services” as used in section 6402 of such Act with respect to funds under this section shall be provided only to private, nonprofit elementary or secondary schools with a rate of child poverty of at least 40 percent and may include for purposes of subsection (b)(2) only—

(i) modifications of school facilities necessary to meet the standards applicable to public schools under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(ii) modifications of school facilities necessary to meet the standards applicable to public schools under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

(iii) asbestos abatement or removal from school facilities; and

(C) notwithstanding the requirements of section 6402(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7372(b)), expenditures for services provided using funds made available under subsection (b)(2) shall be considered equal for purposes of such section if the per-pupil expenditures for services described in subparagraph (B) for students enrolled in private nonprofit elementary and secondary schools that have child poverty rates of at least 40 percent are consistent with the per-pupil expenditures under this section for children enrolled in the public schools in the school district of the local educational agency receiving funds under this section.

(2) REMAINING FUNDS.—If the expenditure for services described in paragraph (1)(B) is less than the amount calculated under paragraph (1)(C) because of insufficient need for such services, the remainder shall be available to the local educational agency for renovation and repair of public school facilities.

(3) APPLICATION.—If any provision of this section, or the application thereof, to any person or circumstances is judicially determined to be invalid, the provisions of the remainder of the section and the application to other persons or circumstances shall not be affected thereby.

(j) DEFINITIONS.—For purposes of this section:

(1) CHARTER SCHOOL.—The term “charter school” has the meaning given such term in section 10310(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8066(1)).

(2) **ELEMENTARY SCHOOL.**—The term “elementary school” has the meaning given such term in section 14101(14) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14)).

(3) **LOCAL EDUCATIONAL AGENCY.**—The term “local educational agency” has the meaning given such term in subparagraphs (A) and (B) of section 14101(18) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18)).

(4) **OUTLYING AREA.**—The term “outlying area” has the meaning given such term in section 14101(21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(21)).

(5) **POOR CHILDREN AND CHILD POVERTY.**—The terms “poor children” and “child poverty” refer to children 5 to 17 years of age, inclusive, who are from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant (42 U.S.C. 9902(2)) applicable to a family of the size involved for the most recent fiscal year for which data satisfactory to the Secretary are available.

(6) **RURAL LOCAL EDUCATIONAL AGENCY.**—The term “rural local educational agency” means a local educational agency that the State determines is located in a rural area using objective data and a commonly employed definition of the term “rural”.

(7) **SECONDARY SCHOOL.**—The term “secondary school” has the meaning given such term in section 14101(25) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(25)).

(8) **STATE.**—The term “State” means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 322. (a) Part C of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.) is amended—

(1) by inserting after the part heading the following:

**“Subpart 1—Basic Charter School Grant  
Program”;**

and

(2) by adding at the end the following:

**“Subpart 2—Credit Enhancement Initiatives To  
Assist Charter School Facility Acquisition, Con-  
struction, and Renovation**

**“SEC. 10321. PURPOSE.**

“The purpose of this subpart is to provide one-time grants to eligible entities to permit them to demonstrate innovative credit enhancement initiatives that assist charter schools to address the cost of acquiring, constructing, and renovating facilities.

**“SEC. 10322. GRANTS TO ELIGIBLE ENTITIES.**

“(a) **IN GENERAL.**—The Secretary shall use 100 percent of the amount available to carry out this subpart to award not less than

three grants to eligible entities having applications approved under this subpart to demonstrate innovative methods of assisting charter schools to address the cost of acquiring, constructing, and renovating facilities by enhancing the availability of loans or bond financing.

“(b) GRANTEE SELECTION.—The Secretary shall evaluate each application submitted, and shall make a determination of which are sufficient to merit approval and which are not. The Secretary shall award at least one grant to an eligible entity described in section 10330(2)(A), at least one grant to an eligible entity described in section 10330(2)(B), and at least one grant to an eligible entity described in section 10330(2)(C), if applications are submitted that permit the Secretary to do so without approving an application that is not of sufficient quality to merit approval.

“(c) GRANT CHARACTERISTICS.—Grants under this subpart shall be of a sufficient size, scope, and quality so as to ensure an effective demonstration of an innovative means of enhancing credit for the financing of charter school acquisition, construction, or renovation.

“(d) SPECIAL RULE.—In the event the Secretary determines that the funds available are insufficient to permit the Secretary to award not less than three grants in accordance with subsections (a) through (c), such three-grant minimum and the second sentence of subsection (b) shall not apply, and the Secretary may determine the appropriate number of grants to be awarded in accordance with subsection (c).

**“SEC. 10323. APPLICATIONS.**

“(a) IN GENERAL.—To receive a grant under this subpart, an eligible entity shall submit to the Secretary an application in such form as the Secretary may reasonably require.

“(b) CONTENTS.—An application under subsection (a) shall contain—

“(1) a statement identifying the activities proposed to be undertaken with funds received under this subpart, including how the applicant will determine which charter schools will receive assistance, and how much and what types of assistance charter schools will receive;

“(2) a description of the involvement of charter schools in the application’s development and the design of the proposed activities;

“(3) a description of the applicant’s expertise in capital market financing;

“(4) a description of how the proposed activities will leverage the maximum amount of private-sector financing capital relative to the amount of government funding used and otherwise enhance credit available to charter schools;

“(5) a description of how the applicant possesses sufficient expertise in education to evaluate the likelihood of success of a charter school program for which facilities financing is sought;

“(6) in the case of an application submitted by a State governmental entity, a description of the actions that the entity has taken, or will take, to ensure that charter schools within the State receive the funding they need to have adequate facilities; and

“(7) such other information as the Secretary may reasonably require.

**“SEC. 10324. CHARTER SCHOOL OBJECTIVES.**

“An eligible entity receiving a grant under this subpart shall use the funds deposited in the reserve account established under section 10325(a) to assist one or more charter schools to access private sector capital to accomplish one or both of the following objectives:

“(1) The acquisition (by purchase, lease, donation, or otherwise) of an interest (including an interest held by a third party for the benefit of a charter school) in improved or unimproved real property that is necessary to commence or continue the operation of a charter school.

“(2) The construction of new facilities, or the renovation, repair, or alteration of existing facilities, necessary to commence or continue the operation of a charter school.

**“SEC. 10325. RESERVE ACCOUNT.**

“(a) USE OF FUNDS.—To assist charter schools to accomplish the objectives described in section 10324, an eligible entity receiving a grant under this subpart shall, in accordance with State and local law, directly or indirectly, alone or in collaboration with others, deposit the funds received under this subpart (other than funds used for administrative costs in accordance with section 10326) in a reserve account established and maintained by the entity for this purpose. Amounts deposited in such account shall be used by the entity for one or more of the following purposes:

“(1) Guaranteeing, insuring, and reinsuring bonds, notes, evidences of debt, loans, and interests therein, the proceeds of which are used for an objective described in section 10324.

“(2) Guaranteeing and insuring leases of personal and real property for an objective described in section 10324.

“(3) Facilitating financing by identifying potential lending sources, encouraging private lending, and other similar activities that directly promote lending to, or for the benefit of, charter schools.

“(4) Facilitating the issuance of bonds by charter schools, or by other public entities for the benefit of charter schools, by providing technical, administrative, and other appropriate assistance (including the recruitment of bond counsel, underwriters, and potential investors and the consolidation of multiple charter school projects within a single bond issue).

“(b) INVESTMENT.—Funds received under this subpart and deposited in the reserve account shall be invested in obligations issued or guaranteed by the United States or a State, or in other similarly low-risk securities.

“(c) REINVESTMENT OF EARNINGS.—Any earnings on funds received under this subpart shall be deposited in the reserve account established under subsection (a) and used in accordance with such subsection.

**“SEC. 10326. LIMITATION ON ADMINISTRATIVE COSTS.**

“An eligible entity may use not more than 0.25 percent of the funds received under this subpart for the administrative costs of carrying out its responsibilities under this subpart.

**“SEC. 10327. AUDITS AND REPORTS.**

“(a) FINANCIAL RECORD MAINTENANCE AND AUDIT.—The financial records of each eligible entity receiving a grant under this subpart shall be maintained in accordance with generally accepted

accounting principles and shall be subject to an annual audit by an independent public accountant.

“(b) REPORTS.—

“(1) GRANTEE ANNUAL REPORTS.—Each eligible entity receiving a grant under this subpart annually shall submit to the Secretary a report of its operations and activities under this subpart.

“(2) CONTENTS.—Each such annual report shall include—

“(A) a copy of the most recent financial statements, and any accompanying opinion on such statements, prepared by the independent public accountant reviewing the financial records of the eligible entity;

“(B) a copy of any report made on an audit of the financial records of the eligible entity that was conducted under subsection (a) during the reporting period;

“(C) an evaluation by the eligible entity of the effectiveness of its use of the Federal funds provided under this subpart in leveraging private funds;

“(D) a listing and description of the charter schools served during the reporting period;

“(E) a description of the activities carried out by the eligible entity to assist charter schools in meeting the objectives set forth in section 10324; and

“(F) a description of the characteristics of lenders and other financial institutions participating in the activities undertaken by the eligible entity under this subpart during the reporting period.

“(3) SECRETARIAL REPORT.—The Secretary shall review the reports submitted under paragraph (1) and shall provide a comprehensive annual report to Congress on the activities conducted under this subpart.

“**SEC. 10328. NO FULL FAITH AND CREDIT FOR GRANTEE OBLIGATIONS.**

“No financial obligation of an eligible entity entered into pursuant to this subpart (such as an obligation under a guarantee, bond, note, evidence of debt, or loan) shall be an obligation of, or guaranteed in any respect by, the United States. The full faith and credit of the United States is not pledged to the payment of funds which may be required to be paid under any obligation made by an eligible entity pursuant to any provision of this subpart.

“**SEC. 10329. RECOVERY OF FUNDS.**

“(a) IN GENERAL.—The Secretary, in accordance with chapter 37 of title 31, United States Code, shall collect—

“(1) all of the funds in a reserve account established by an eligible entity under section 10325(a) if the Secretary determines, not earlier than 2 years after the date on which the entity first received funds under this subpart, that the entity has failed to make substantial progress in carrying out the purposes described in section 10325(a); or

“(2) all or a portion of the funds in a reserve account established by an eligible entity under section 10325(a) if the Secretary determines that the eligible entity has permanently ceased to use all or a portion of the funds in such account to accomplish any purpose described in section 10325(a).

“(b) EXERCISE OF AUTHORITY.—The Secretary shall not exercise the authority provided in subsection (a) to collect from any eligible

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entity any funds that are being properly used to achieve one or more of the purposes described in section 10325(a).

“(c) PROCEDURES.—The provisions of sections 451, 452, and 458 of the General Education Provisions Act (20 U.S.C. 1234 et seq.) shall apply to the recovery of funds under subsection (a).

“(d) CONSTRUCTION.—This section shall not be construed to impair or affect the authority of the Secretary to recover funds under part D of the General Education Provisions Act (20 U.S.C. 1234 et seq.).

**“SEC. 10330. DEFINITIONS.**

“In this subpart:

“(1) The term ‘charter school’ has the meaning given such term in section 10310.

“(2) The term ‘eligible entity’ means—

“(A) a public entity, such as a State or local governmental entity;

“(B) a private nonprofit entity; or

“(C) a consortium of entities described in subparagraphs (A) and (B).

**“SEC. 10331. AUTHORIZATION OF APPROPRIATIONS.**

“For the purpose of carrying out this subpart, there are authorized to be appropriated \$100,000,000 for fiscal year 2001.”.

(b) Part C of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.) is amended in each of the following provisions by striking “part” each place such term appears and inserting “subpart”:

(1) Sections 10301 through 10305.

(2) Section 10307.

(3) Sections 10309 through 10311.

SEC. 323. (a) Section 8003(b)(2)(F) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(2)(F)) is amended—

(1) by striking “the Secretary shall use” and inserting “the Secretary—

“(i) shall use”;

(2) by striking the period at the end and inserting “; and”;

and

(3) by adding at the end the following:

“(ii) except as provided in subparagraph (C)(i)(I), shall include all of the children described in subparagraphs (F) and (G) of subsection (a)(1) enrolled in schools of the local educational agency in determining (I) the eligibility of the agency for assistance under this paragraph, and (II) the amount of such assistance if the number of such children meet the requirements of subsection (a)(3).”.

(b) Section 8003(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(2)) is amended by adding at the end the following:

“(G) DETERMINATION OF AVERAGE TAX RATES FOR GENERAL FUND PURPOSES.—For the purpose of determining average tax rates for general fund purposes for local educational agencies in a State under this paragraph (except under subparagraph (C)(i)(II)(bb)), the Secretary shall use either—

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“(i) the average tax rate for general fund purposes for comparable local educational agencies, as determined by the Secretary in regulations; or

“(ii) the average tax rate of all the local educational agencies in the State.”.

This title may be cited as the “Department of Education Appropriations Act, 2001”.

[Total, title III, Department of Education, \$44,491,439,000.]

## TITLE IV—RELATED AGENCIES

## ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, \$69,832,000, of which \$9,832,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: *Provided*, That, notwithstanding any other provision of law, a single contract or related contracts for development and construction, to include construction of a long-term care facility at the United States Naval Home, may be employed which collectively include the full scope of the project: *Provided further*, That the solicitation and contract shall contain the clause “availability of funds” found at 48 CFR 52.232-18 and 252.232-7007, Limitation of Government Obligations.

## CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

## DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, \$303,850,000: *Provided*, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by part E of title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level.

## CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2003, \$365,000,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: *Provided further*, That in addition to the amounts provided above, \$20,000,000, to remain available until expended, shall be for digitalization, pending enactment of authorizing legislation.

<sup>1</sup> Advance appropriation, FY 2003.

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## FEDERAL MEDIATION AND CONCILIATION SERVICE

## SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171-180, 182-183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. ch. 71), \$38,200,000, including \$1,500,000, to remain available through September 30, 2002, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): *Provided*, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: *Provided further*, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: *Provided further*, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

\$38,200,000

## FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

## SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), \$6,320,000.

6,320,000

## INSTITUTE OF MUSEUM AND LIBRARY SERVICES

## OFFICE OF LIBRARY SERVICES: GRANTS AND ADMINISTRATION

For carrying out subtitle B of the Museum and Library Services Act, \$207,219,000: *Provided*, That of the amount provided, \$1,000,000 shall be awarded to the National Museum of Women in the Arts in Washington, D.C., \$700,000 shall be awarded to the University of Idaho Institute for the Historic Study of Jazz, \$2,600,000 shall be awarded to Southeast Missouri State University River Campus and Museum, \$900,000 shall be awarded to the Heritage Harbor Museum in Rhode Island, \$500,000 shall be awarded to the Alaska Native Heritage Center, \$576,000 shall be awarded to the Franklin Institute in Philadelphia, \$925,000 shall be awarded to the Please Touch Museum, \$250,000 shall be awarded to the Pittsburgh Children's Museum, \$510,000 shall be awarded to the Temple University Library, \$1,800,000 shall be awarded to Franklin Pierce College in New Hampshire, \$500,000 shall be awarded to the Louisville Zoo in Kentucky, \$150,000 shall be awarded to the Oregon Historical Society, \$1,200,000 shall be awarded to the Mississippi River Museum and Discovery Center in Dubuque, Iowa, \$650,000 shall be awarded to the Salisbury House Foundation in Des Moines, Iowa, \$150,000 shall be awarded to the History Center for the Linn County Historical Museum in Iowa, \$4,000,000 shall be awarded to the Newslines for the

207,219,000

Blind, of which \$100,000 shall be awarded to the Iowa Newslite for the Blind and \$100,000 shall be awarded to the West Virginia Newslite for the Blind, \$1,000,000 shall be awarded to the Clay Center for the Arts and Sciences, \$650,000 shall be awarded to Bishops Museum in Hawaii, \$500,000 shall be awarded to the Wisconsin Maritime Museum, \$250,000 shall be awarded to the Natural History Museum of Los Angeles, \$400,000 shall be awarded to the Perkins Geology Museum at the University of Vermont, \$400,000 shall be awarded to the Walt Whitman Cultural Arts Center in Camden, New Jersey, \$400,000 shall be awarded to the Plainfield Public Library in Plainfield, New Jersey, \$150,000 shall be awarded to the Ducktown Arts District in Atlantic City, New Jersey, \$400,000 shall be awarded to the Lake Champlain Science Center in Vermont, \$250,000 shall be awarded to the Foundation for the Arts, Music, and Entertainment of Shreveport-Bossier, Inc., \$100,000 shall be awarded to Bryant College in Rhode Island, \$120,000 shall be awarded to the Fenton Historical Museum of Jamestown, New York, \$921,000 shall be awarded to the Mariners' Museum in Newport News, Virginia, \$461,000 shall be awarded to DuPage County Children's Museum in Naperville, Illinois, \$369,000 shall be awarded to the National Baseball Hall of Fame Library in Cooperstown, New York, \$92,000 shall be awarded to the City of Corona, Riverside, California, \$6,000 shall be awarded to the City of Murrieta, California Public Library, \$1,382,000 shall be awarded to the Sierra Madre, California Public Library, \$23,000 shall be awarded to the Brooklyn Public Library in Brooklyn, New York, \$46,000 shall be awarded to the New York Public Library Staten Island branch, \$266,000 shall be awarded to the Edward H. Nabb Research Center at Salisbury State University in Salisbury, Maryland, \$461,000 shall be awarded to Texas Tech University, \$230,000 shall be awarded to the City of Ontario, California Public Library, \$461,000 shall be awarded to the Southern Oregon University in Ashland, Oregon, \$1,106,000 shall be awarded to Christopher Newport University in Newport News, Virginia, \$128,000 shall be awarded to the Nassau County Museum of Art in Roslyn Harbor, New York, \$850,000 shall be awarded to the Children's Museum of Los Angeles, \$43,000 shall be awarded to Sumter County Library in Sumter, South Carolina, \$298,000 shall be awarded to Columbia College Center for Black Music Research in Chicago, Illinois, \$723,000 shall be awarded to Old Sturbridge Village in Sturbridge, Massachusetts, \$723,000 shall be awarded to New Bedford Whaling Museum in Massachusetts, \$298,000 shall be awarded to Mystic Seaport Museum of America and the Sea in Connecticut, \$468,000 shall be awarded to the City of Houston Public Library, \$128,000 shall be awarded to the Roberson Museum and Science Center in Binghamton, New York, \$850,000 shall be awarded to Berman Museum of Art at Ursinus College in Collegeville, Pennsylvania, \$680,000 shall be awarded to AMISTAD Research Center at Tulane University, \$2,125,000 shall be awarded to Silas Bronson Library in Waterbury, Connecticut, \$213,000 shall be awarded to Fitchburg Art Museum in Fitchburg, Massachusetts, \$128,000 shall be awarded to North Carolina Museum of Life and Science, \$2,435,000 shall be awarded to New York Public Library, \$85,000 shall be awarded to the New York Botanical Garden in Bronx, New York, \$170,000 shall be awarded to George Eastman House in Rochester, New York, \$425,000 shall be awarded to The National Aviary in Pittsburgh,

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Pennsylvania, \$723,000 shall be awarded to the George C. Page Museum in Los Angeles, California, \$461,000 shall be awarded to the Abraham Lincoln Bicentennial Commission, and \$410,000 shall be awarded to the AE Seaman Mineral Museum in Houghton, Michigan.

## MEDICARE PAYMENT ADVISORY COMMISSION

## SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, \$8,000,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds. \$8,000,000

## NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

## SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345, as amended), \$1,495,000. 1,495,000

## NATIONAL COUNCIL ON DISABILITY

## SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, \$2,615,000. 2,615,000

## NATIONAL EDUCATION GOALS PANEL

For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, \$1,500,000. 1,500,000

## NATIONAL LABOR RELATIONS BOARD

## SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, \$216,438,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes. 216,438,000

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## NATIONAL MEDIATION BOARD

## SALARIES AND EXPENSES

\$10,400,000 For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, \$10,400,000.

## OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

## SALARIES AND EXPENSES

8,720,000 For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), \$8,720,000.

## RAILROAD RETIREMENT BOARD

## DUAL BENEFITS PAYMENTS ACCOUNT

160,000,000 For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, \$160,000,000, which shall include amounts becoming available in fiscal year 2001 pursuant to section 224(c)(1)(B) of Public Law 98-76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds \$160,000,000: *Provided*, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.  
<sup>1</sup> - 10,000,000 [Total, \$150,000,000.]

## FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

150,000 For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, \$150,000, to remain available through September 30, 2002, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98-76.

## LIMITATION ON ADMINISTRATION

95,000,000 For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, \$95,000,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

## LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

5,700,000 For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than \$5,700,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: *Provided*, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or

<sup>1</sup> Less income tax receipts on dual benefits.

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award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

[*Total, Railroad Retirement Board, \$250,850,000.*]

## SOCIAL SECURITY ADMINISTRATION

## PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, \$20,400,000.

\$20,400,000

## SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, \$365,748,000, to remain available until expended.

365,748,000

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 2002, \$114,000,000, to remain available until expended.

<sup>1</sup> 114,000,000

[*Total, special benefits for disabled coal miners, \$479,748,000.*]

## SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$23,043,000,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

23,043,000,000

In addition, \$210,000,000, to remain available until September 30, 2002, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

210,000,000

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

<sup>2</sup> 91,000,000

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2002, \$10,470,000,000, to remain available until expended.

<sup>1</sup> 10,470,000,000

[*Total, supplemental security income program, \$33,814,000,000.*]

## LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed \$10,000 for official reception and representation expenses, not more than \$6,583,000,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That not less than \$1,800,000 shall be for the Social

7,124,000,000

<sup>1</sup> Advance appropriation, FY 2002.

<sup>2</sup> User fee activities.

Security Advisory Board: *Provided further*, That unobligated balances at the end of fiscal year 2001 not needed for fiscal year 2001 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: *Provided further*, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

From funds provided under the previous paragraph, notwithstanding the provision under this heading in Public Law 106-113 regarding unobligated balances at the end of fiscal year 2000 not needed for such fiscal year, an amount not to exceed \$50,000,000 from such unobligated balances shall, in addition to funding already available under this heading for fiscal year 2001, be available for necessary expenses.

From funds provided under the first paragraph, not less than \$200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, \$450,000,000, to remain available until September 30, 2002, for continuing disability reviews as authorized by section 103 of Public Law 104-121 and section 10203 of Public Law 105-33. The term “continuing disability reviews” means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

In addition, \$91,000,000 to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93-66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2001 exceed \$91,000,000, the amounts shall be available in fiscal year 2002 only to the extent provided in advance in appropriations Acts.

From funds previously appropriated for this purpose, any unobligated balances at the end of fiscal year 2000 shall be available to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

From funds provided under the first paragraph, up to \$6,000,000 shall be available for implementation, development, evaluation, and other costs associated with administration of section 302 of the Ticket to Work and Work Incentives Improvement Act.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of

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1978, as amended, \$16,944,000, together with not to exceed \$52,500,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

\$16,944,000  
52,500,000

[*Total, Office of Inspector General, \$69,444,000.*]

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the “Limitation on Administrative Expenses”, Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: *Provided*, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

<sup>1</sup> - 2,650,000,000

[*Total, Social Security Administration, \$38,857,592,000.*]

## UNITED STATES INSTITUTE OF PEACE

## OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, \$15,000,000.

15,000,000

[*Total, title IV, Related agencies, \$40,383,031,000.*]

## TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed \$20,000 and \$15,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed \$2,500 from the funds available for “Salaries and expenses, Federal Mediation and Conciliation Service”; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed \$2,500 from funds available for “Salaries and expenses, National Mediation Board”.

<sup>1</sup> Trust fund transfers from general revenues.

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 506. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering

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abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

SEC. 510. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term “human embryo or embryos” includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 511. (a) None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. (a) Section 403(a)(5)(H)(iii) of the Social Security Act (42 U.S.C. 603(a)(5)(H)(iii)) is amended by striking “2001” and inserting “2005”.

(b) Section 403(a)(5)(H) of such Act (42 U.S.C. 603(a)(5)(G)) is amended by adding at the end the following:

“(iv) INTERIM REPORT.—Not later than January 1, 2002, the Secretary shall submit to the Congress an interim report on the evaluations referred to in clause (i).”.

SEC. 514. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d-2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 515. Section 410(b) of The Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170) is amended by striking “2009” both places it appears and inserting “2001”.

SEC. 516. (a) HUMAN PAPILLOMAVIRUS.—Part B of title III of the Public Health Services Act (42 U.S.C. 243 et seq.) is amended by inserting before section 318 the following section:

“HUMAN PAPILLOMAVIRUS

“SEC. 317P. (a) SURVEILLANCE.—

“(1) IN GENERAL.—The Secretary, acting through the Centers for Disease Control and Prevention, shall—

“(A) enter into cooperative agreements with States and other entities to conduct sentinel surveillance or other special studies that would determine the prevalence in various age groups and populations of specific types of human papillomavirus (referred to in this section as ‘HPV’) in different sites in various regions of the United States, through collection of special specimens for HPV using a variety of laboratory-based testing and diagnostic tools; and

“(B) develop and analyze data from the HPV sentinel surveillance system described in subparagraph (A).

“(2) REPORT.—The Secretary shall make a progress report to the Congress with respect to paragraph (1) no later than 1 year after the effective date of this section.

“(b) PREVENTION ACTIVITIES; EDUCATION PROGRAM.—

“(1) IN GENERAL.—The Secretary, acting through the Centers for Disease Control and Prevention, shall conduct prevention research on HPV, including—

“(A) behavioral and other research on the impact of HPV-related diagnosis on individuals;

“(B) formative research to assist with the development of educational messages and information for the public, for patients, and for their partners about HPV;

“(C) surveys of physician and public knowledge, attitudes, and practices about genital HPV infection; and

“(D) upon the completion of and based on the findings under subparagraphs (A) through (C), develop and disseminate educational materials for the public and health care providers regarding HPV and its impact and prevention.

“(2) REPORT; FINAL PROPOSAL.—The Secretary shall make a progress report to the Congress with respect to paragraph (1) not later than 1 year after the effective date of this section, and shall develop a final report not later than 3 years after such effective date, including a detailed summary of the significant findings and problems and the best strategies to prevent future infections, based on available science.

“(c) HPV EDUCATION AND PREVENTION.—

“(1) IN GENERAL.—The Secretary shall prepare and distribute educational materials for health care providers and the public that include information on HPV. Such materials shall address—

“(A) modes of transmission;

“(B) consequences of infection, including the link between HPV and cervical cancer;

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“(C) the available scientific evidence on the effectiveness or lack of effectiveness of condoms in preventing infection with HPV; and

“(D) the importance of regular Pap smears, and other diagnostics for early intervention and prevention of cervical cancer purposes in preventing cervical cancer.

“(2) **MEDICALLY ACCURATE INFORMATION.**—Educational material under paragraph (1), and all other relevant educational and prevention materials prepared and printed from this date forward for the public and health care providers by the Secretary (including materials prepared through the Food and Drug Administration, the Centers for Disease Control and Prevention, and the Health Resources and Services Administration), or by contractors, grantees, or subgrantees thereof, that are specifically designed to address STDs including HPV shall contain medically accurate information regarding the effectiveness or lack of effectiveness of condoms in preventing the STD the materials are designed to address. Such requirement only applies to materials mass produced for the public and health care providers, and not to routine communications.”.

(b) **LABELING OF CONDOMS.**—The Secretary of Health and Human Services shall reexamine existing condom labels that are authorized pursuant to the Federal Food, Drug, and Cosmetic Act to determine whether the labels are medically accurate regarding the overall effectiveness or lack of effectiveness of condoms in preventing sexually transmitted diseases, including HPV.

SEC. 517. Section 403(o) of the Food, Drug, and Cosmetic Act (21 U.S.C. 343(o)) is repealed. Subsections (c) and (d) of section 4 of the Saccharin Study and Labeling Act are repealed.

SEC. 518. (a) Title VIII of the Social Security Act is amended by inserting after section 810 (42 U.S.C. 1010) the following new section:

**“SEC. 810A. OPTIONAL FEDERAL ADMINISTRATION OF STATE RECOGNITION PAYMENTS.**

“(a) **IN GENERAL.**—The Commissioner of Social Security may enter into an agreement with any State (or political subdivision thereof) that provides cash payments on a regular basis to individuals entitled to benefits under this title under which the Commissioner of Social Security shall make such payments on behalf of such State (or subdivision).

“(b) **AGREEMENT TERMS.**—

“(1) **IN GENERAL.**—Such agreement shall include such terms as the Commissioner of Social Security finds necessary to achieve efficient and effective administration of both this title and the State program.

“(2) **FINANCIAL TERMS.**—Such agreement shall provide for the State to pay the Commissioner of Social Security, at such times and in such installments as the parties may specify—

“(A) an amount equal to the expenditures made by the Commissioner of Social Security pursuant to such agreement as payments to individuals on behalf of such State; and

“(B) an administration fee to reimburse the administrative expenses incurred by the Commissioner of Social Security in making payments to individuals on behalf of the State.

“(c) SPECIAL DISPOSITION OF ADMINISTRATION FEES.—Administration fees, upon collection, shall be credited to a special fund established in the Treasury of the United States for State recognition payments for certain World War II veterans. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out this title.”.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents of title VIII of the Social Security Act is amended by inserting after

“Sec. 810. Other administrative provisions.”

the following:

“Sec. 810A. Optional Federal administration of State recognition payments.”.

(2) Section 1129A(e) of the Social Security Act (42 U.S.C. 1320a-8a(e)) is amended—

(A) by inserting “VIII or” after “benefits under”;

(B) by inserting “810A or” after “agreement under section”;

(C) by inserting “1010A or” before “1382(e)(a)”; and

(D) by inserting “, as the case may be” immediately before the period.

SEC. 519. Section 1612(a)(1) of the Social Security Act (42 U.S.C. 1382(a)) is amended—

(1) in subparagraph (A), by inserting “but without the application of section 210(j)(3)” immediately before the semicolon; and

(2) in subparagraph (B), by—

(A) striking “and the last” and inserting “the last”;

and

(B) inserting “, and section 210(j)(3)” after “subsection (a)”.

SEC. 520. Amounts made available under this Act for the administrative and related expenses for departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education shall be reduced on a pro rata basis by \$25,000,000: *Provided*, That this provision shall not apply to the Food and Drug Administration and the Indian Health Service.

## TITLE VI—ASSETS FOR INDEPENDENCE

### SEC. 601. SHORT TITLE.

This title may be cited as the “Assets for Independence Act Amendments of 2000”.

### SEC. 602. MATCHING CONTRIBUTIONS UNAVAILABLE FOR EMERGENCY WITHDRAWALS.

Section 404(5)(A)(v) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “, or enabling the eligible individual to make an emergency withdrawal”.

<sup>1</sup> This reduction was included in “Other adjustments” section.

**SEC. 603. ADDITIONAL QUALIFIED ENTITIES.**

Section 404(7)(A) of the Assets for Independence Act (42 U.S.C. 604 note) is amended—

- (1) in clause (i), by striking “or” at the end thereof;
- (2) in clause (ii), by striking the period at the end and inserting “; or”; and

- (3) by adding at the end the following new clause:

“(iii) an entity that—

“(I) is—

“(aa) a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA); or

“(bb) an organization designated as a community development financial institution by the Secretary of the Treasury (or the Community Development Financial Institutions Fund); and

“(II) can demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.”.

**SEC. 604. HOME PURCHASE COSTS.**

Section 404(8)(B)(i) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “100” and inserting “120”.

**SEC. 605. INCREASED SET-ASIDE FOR ECONOMIC LITERACY TRAINING AND ADMINISTRATIVE COSTS.**

Section 407(c)(3) of the Assets for Independence Act (42 U.S.C. 604 note) is amended—

- (1) by striking “9.5” and inserting “15”; and

- (2) by inserting after the first sentence the following: “Of the total amount specified in this paragraph, not more than 7.5 percent shall be used for administrative functions under paragraph (1)(C), including program management, reporting requirements, recruitment and enrollment of individuals, and monitoring. The remainder of the total amount specified in this paragraph (not including the amount specified for use for the purposes described in paragraph (1)(D)) shall be used for nonadministrative functions described in paragraph (1)(A), including case management, budgeting, economic literacy, and credit counseling. If the cost of nonadministrative functions described in paragraph (1)(A) is less than 5.5 percent of the total amount specified in this paragraph, such excess funds may be used for administrative functions.”.

**SEC. 606. ALTERNATIVE ELIGIBILITY CRITERIA.**

Section 408(a)(1) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “does not exceed” and inserting “is equal to or less than 200 percent of the poverty line (as determined by the Office of Management and Budget) or”.

**SEC. 607. REVISED ANNUAL PROGRESS REPORT DEADLINE.**

(a) IN GENERAL.—Section 412(c) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “calendar” and inserting “project”.

(b) **TRANSITIONAL DEADLINE.**—Notwithstanding the amendment made by subsection (a), the submission of the initial report of a qualified entity under section 412(c) shall not be required prior to the date that is 90 days after the date of enactment of this title.

**SEC. 608. REVISED INTERIM EVALUATION REPORT DEADLINE.**

(a) **IN GENERAL.**—Section 414(d)(1) of the Assets for Independence Act (42 U.S.C. 604 note) is amended by striking “calendar” and inserting “project”.

(b) **TRANSITIONAL DEADLINE.**—Notwithstanding the amendment made by subsection (a), the submission of the initial interim report of the Secretary under section 412(c) shall not be required prior to the date that is 90 days after the date of enactment of this title.

**SEC. 609. INCREASED APPROPRIATIONS FOR EVALUATION EXPENSES.**

Subsection (e) of section 414 of the Assets for Independence Act (42 U.S.C. 604 note) is amended to read as follows:

“(e) **EVALUATION EXPENSES.**—Of the amount appropriated under section 416 for a fiscal year, the Secretary may expend not more than \$500,000 for such fiscal year to carry out the objectives of this section.”

**SEC. 610. NO REDUCTION IN BENEFITS.**

Section 415 of the Assets for Independence Act (42 U.S.C. 604 note) is amended to read as follows:

**“SEC. 415. NO REDUCTION IN BENEFITS.**

“Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of one or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this Act shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.”

**TITLE VII—PHYSICAL EDUCATION FOR PROGRESS ACT**

**SEC. 701. PHYSICAL EDUCATION FOR PROGRESS.** Title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8001 et seq.) is amended by adding at the end the following:

**“PART L—PHYSICAL EDUCATION FOR PROGRESS**

**“SEC. 10999A. SHORT TITLE.**

“This part may be cited as the ‘Physical Education for Progress Act’.

**“SEC. 10999B. PURPOSE.**

“The purpose of this part is to award grants and contracts to local educational agencies to enable the local educational agencies to initiate, expand and improve physical education programs for all kindergarten through 12th grade students.

**“SEC. 10999C. FINDINGS.**

“Congress makes the following findings:

“(1) Physical education is essential to the development of growing children.

“(2) Physical education helps improve the overall health of children by improving their cardiovascular endurance, muscular strength and power, and flexibility, and by enhancing weight regulation, bone development, posture, skillful moving, active lifestyle habits, and constructive use of leisure time.

“(3) Physical education helps improve the self esteem, interpersonal relationships, responsible behavior, and independence of children.

“(4) Children who participate in high quality daily physical education programs tend to be more healthy and physically fit.

“(5) The percentage of young people who are overweight has more than doubled in the 30 years preceding 1999.

“(6) Low levels of activity contribute to the high prevalence of obesity among children in the United States.

“(7) Obesity related diseases cost the United States economy more than \$100,000,000,000 every year.

“(8) Inactivity and poor diet cause at least 300,000 deaths a year in the United States.

“(9) Physically fit adults have significantly reduced risk factors for heart attacks and stroke.

“(10) Children are not as active as they should be and fewer than one in four children get 20 minutes of vigorous activity every day of the week.

“(11) The Surgeon General’s 1996 Report on Physical Activity and Health, and the Centers for Disease Control and Prevention, recommend daily physical education for all students in kindergarten through grade 12.

“(12) Twelve years after Congress passed House Concurrent Resolution 97, 100th Congress, agreed to December 11, 1987, encouraging State and local governments and local educational agencies to provide high quality daily physical education programs for all children in kindergarten through grade 12, little progress has been made.

“(13) Every student in our Nation’s schools, from kindergarten through grade 12, should have the opportunity to participate in quality physical education. It is the unique role of quality physical education programs to develop the health-related fitness, physical competence, and cognitive understanding about physical activity for all students so that the students can adopt healthy and physically active lifestyles.

**“SEC. 10999D. PROGRAM AUTHORIZED.**

“The Secretary is authorized to award grants to, and enter into contracts with, local educational agencies to pay the Federal share of the costs of initiating, expanding, and improving physical education programs for kindergarten through grade 12 students by—

“(1) providing equipment and support to enable students to actively participate in physical education activities; and

“(2) providing funds for staff and teacher training and education.

**“SEC. 10999E. APPLICATIONS; PROGRAM ELEMENTS.**

“(a) APPLICATIONS.—Each local educational agency desiring a grant or contract under this part shall submit to the Secretary an application that contains a plan to initiate, expand, or improve physical education programs in the schools served by the agency in order to make progress toward meeting State standards for physical education.

“(b) PROGRAM ELEMENTS.—A physical education program described in any application submitted under subsection (a) may provide—

“(1) fitness education and assessment to help children understand, improve, or maintain their physical well-being;

“(2) instruction in a variety of motor skills and physical activities designed to enhance the physical, mental, and social or emotional development of every child;

“(3) development of cognitive concepts about motor skill and physical fitness that support a lifelong healthy lifestyle;

“(4) opportunities to develop positive social and cooperative skills through physical activity participation;

“(5) instruction in healthy eating habits and good nutrition; and

“(6) teachers of physical education the opportunity for professional development to stay abreast of the latest research, issues, and trends in the field of physical education.

“(c) SPECIAL RULE.—For the purpose of this part, extra-curricular activities such as team sports and Reserve Officers’ Training Corps (ROTC) program activities shall not be considered as part of the curriculum of a physical education program assisted under this part.

**“SEC. 10999F. PROPORTIONALITY.**

“The Secretary shall ensure that grants awarded and contracts entered into under this part shall be equitably distributed between local educational agencies serving urban and rural areas, and between local educational agencies serving large and small numbers of students.

**“SEC. 10999G. PRIVATE SCHOOL STUDENTS AND HOME-SCHOOLED STUDENTS.**

“An application for funds under this part may provide for the participation, in the activities funded under this part, of—

“(1) home-schooled children, and their parents and teachers; or

“(2) children enrolled in private nonprofit elementary schools or secondary schools, and their parents and teachers.

**“SEC. 10999H. REPORT REQUIRED FOR CONTINUED FUNDING.**

“As a condition to continue to receive grant or contract funding after the first year of a multiyear grant or contract under this part, the administrator of the grant or contract for the local educational agency shall submit to the Secretary an annual report that describes the activities conducted during the preceding year and demonstrates that progress has been made toward meeting State standards for physical education.

**“SEC. 10999I. REPORT TO CONGRESS.**

“The Secretary shall submit a report to Congress not later than June 1, 2003, that describes the programs assisted under

this part, documents the success of such programs in improving physical fitness, and makes such recommendations as the Secretary determines appropriate for the continuation and improvement of the programs assisted under this part.

**“SEC. 10999J. ADMINISTRATIVE COSTS.**

“Not more than 5 percent of the grant or contract funds made available to a local educational agency under this part for any fiscal year may be used for administrative costs.

**“SEC. 10999K. FEDERAL SHARE; SUPPLEMENT NOT SUPPLANT.**

“(a) FEDERAL SHARE.—The Federal share under this part may not exceed—

“(1) 90 percent of the total cost of a project for the first year for which the project receives assistance under this part; and

“(2) 75 percent of such cost for the second and each subsequent such year.

“(b) SUPPLEMENT NOT SUPPLANT.—Funds made available under this part shall be used to supplement and not supplant other Federal, State and local funds available for physical education activities.

**“SEC. 10999L. AUTHORIZATION OF APPROPRIATIONS.**

“There are authorized to be appropriated \$30,000,000 for fiscal year 2001, \$70,000,000 for fiscal year 2002, and \$100,000,000 for each of the fiscal years 2003 through 2005, to carry out this part. Such funds shall remain available until expended.”.

**TITLE VIII—EARLY LEARNING OPPORTUNITIES**

**SEC. 801. SHORT TITLE; FINDINGS.**

(a) SHORT TITLE.—This title may be cited as the “Early Learning Opportunities Act”.

(b) FINDINGS.—Congress finds that—

(1) medical research demonstrates that adequate stimulation of a young child’s brain between birth and age 5 is critical to the physical development of the young child’s brain;

(2) parents are the most significant and effective teachers of their children, and they alone are responsible for choosing the best early learning opportunities for their child;

(3) parent education and parent involvement are critical to the success of any early learning program or activity;

(4) the more intensively parents are involved in their child’s early learning, the greater the cognitive and noncognitive benefits to their children;

(5) many parents have difficulty finding the information and support the parents seek to help their children grow to their full potential;

(6) each day approximately 13,000,000 young children, including 6,000,000 infants or toddlers, spend some or all of their day being cared for by someone other than their parents;

(7) quality early learning programs, including those designed to promote effective parenting, can increase the literacy rate, the secondary school graduation rate, the employment rate, and the college enrollment rate for children who have participated in voluntary early learning programs and activities;

(8) early childhood interventions can yield substantial advantages to participants in terms of emotional and cognitive development, education, economic well-being, and health, with the latter two advantages applying to the children's families as well;

(9) participation in quality early learning programs, including those designed to promote effective parenting, can decrease the future incidence of teenage pregnancy, welfare dependency, at-risk behaviors, and juvenile delinquency for children;

(10) several cost-benefit analysis studies indicate that for each \$1 invested in quality early learning programs, the Federal Government can save over \$5 by reducing the number of children and families who participate in Federal Government programs like special education and welfare;

(11) for children placed in the care of others during the workday, the low salaries paid to the child care staff, the lack of career progression for the staff, and the lack of child development specialists involved in early learning and child care programs, make it difficult to attract and retain the quality of staff necessary for a positive early learning experience;

(12) Federal Government support for early learning has primarily focused on out-of-home care programs like those established under the Head Start Act, the Child Care and Development Block Grant of 1990, and part C of the Individuals with Disabilities Education Act, and these programs—

(A) serve far fewer than half of all eligible children;

(B) are not primarily designed to provide support for parents who care for their young children in the home; and

(C) lack a means of coordinating early learning opportunities in each community; and

(13) by helping communities increase, expand, and better coordinate early learning opportunities for children and their families, the productivity and creativity of future generations will be improved, and the Nation will be prepared for continued leadership in the 21st century.

**SEC. 802. PURPOSES.**

The purposes of this title are—

(1) to increase the availability of voluntary programs, services, and activities that support early childhood development, increase parent effectiveness, and promote the learning readiness of young children so that young children enter school ready to learn;

(2) to support parents, child care providers, and caregivers who want to incorporate early learning activities into the daily lives of young children;

(3) to remove barriers to the provision of an accessible system of early childhood learning programs in communities throughout the United States;

(4) to increase the availability and affordability of professional development activities and compensation for caregivers and child care providers; and

(5) to facilitate the development of community-based systems of collaborative service delivery models characterized by resource sharing, linkages between appropriate supports, and local planning for services.

**SEC. 803. DEFINITIONS.**

In this title:

(1) **CAREGIVER.**—The term “caregiver” means an individual, including a relative, neighbor, or family friend, who regularly or frequently provides care, with or without compensation, for a child for whom the individual is not the parent.

(2) **CHILD CARE PROVIDER.**—The term “child care provider” means a provider of non-residential child care services (including center-based, family-based, and in-home child care services) for compensation who or that is legally operating under State law, and complies with applicable State and local requirements for the provision of child care services.

(3) **EARLY LEARNING.**—The term “early learning”, used with respect to a program or activity, means learning designed to facilitate the development of cognitive, language, motor, and social-emotional skills for, and to promote learning readiness in, young children.

(4) **EARLY LEARNING PROGRAM.**—The term “early learning program” means—

(A) a program of services or activities that helps parents, caregivers, and child care providers incorporate early learning into the daily lives of young children; or

(B) a program that directly provides early learning to young children.

(5) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) **LOCAL COUNCIL.**—The term “Local Council” means a Local Council established or designated under section 814(a) that serves one or more localities.

(7) **LOCALITY.**—The term “locality” means a city, county, borough, township, or area served by another general purpose unit of local government, an Indian tribe, a Regional Corporation, or a Native Hawaiian entity.

(8) **PARENT.**—The term “parent” means a biological parent, an adoptive parent, a stepparent, a foster parent, or a legal guardian of, or a person standing in loco parentis to, a child.

(9) **POVERTY LINE.**—The term “poverty line” means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(10) **REGIONAL CORPORATION.**—The term “Regional Corporation” means an entity listed in section 419(4)(B) of the Social Security Act (42 U.S.C. 619(4)(B)).

(11) **SECRETARY.**—The term “Secretary” means the Secretary of Health and Human Services.

(12) **STATE.**—The term “State” means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(13) **TRAINING.**—The term “training” means instruction in early learning that—

(A) is required for certification under State and local laws, regulations, and policies;

(B) is required to receive a nationally or State recognized credential or its equivalent;

(C) is received in a postsecondary education program focused on early learning or early childhood development in which the individual is enrolled; or

(D) is provided, certified, or sponsored by an organization that is recognized for its expertise in promoting early learning or early childhood development.

(14) YOUNG CHILD.—The term “young child” means any child from birth to the age of mandatory school attendance in the State where the child resides.

**SEC. 804. PROHIBITIONS.**

(a) PARTICIPATION NOT REQUIRED.—No person, including a parent, shall be required to participate in any program of early childhood education, early learning, parent education, or developmental screening pursuant to the provisions of this title.

(b) RIGHTS OF PARENTS.—Nothing in this title shall be construed to affect the rights of parents otherwise established in Federal, State, or local law.

(c) PARTICULAR METHODS OR SETTINGS.—No entity that receives funds under this title shall be required to provide services under this title through a particular instructional method or in a particular instructional setting to comply with this title.

(d) NONDUPLICATION.—No funds provided under this title shall be used to carry out an activity funded under another provision of law providing for Federal child care or early learning programs, unless an expansion of such activity is identified in the local needs assessment and performance goals under this title.

**SEC. 805. AUTHORIZATION AND APPROPRIATION OF FUNDS.**

There are authorized to be appropriated to the Department of Health and Human Services to carry out this title—

(1) \$750,000,000 for fiscal year 2001;

(2) \$1,000,000,000 for fiscal year 2002;

(3) \$1,500,000,000 for fiscal year 2003; and

(4) such sums as may be necessary for each of the fiscal years 2004 and 2005.

**SEC. 806. COORDINATION OF FEDERAL PROGRAMS.**

(a) COORDINATION.—The Secretary and the Secretary of Education shall develop mechanisms to resolve administrative and programmatic conflicts between Federal programs that would be a barrier to parents, caregivers, service providers, or children related to the coordination of services and funding for early learning programs.

(b) USE OF EQUIPMENT AND SUPPLIES.—In the case of a collaborative activity funded under this title and another provision of law providing for Federal child care or early learning programs, the use of equipment and nonconsumable supplies purchased with funds made available under this title or such provision shall not be restricted to children enrolled or otherwise participating in the program carried out under this title or such provision, during a period in which the activity is predominately funded under this title or such provision.

**SEC. 807. PROGRAM AUTHORIZED.**

(a) GRANTS.—From amounts appropriated under section 805 the Secretary shall award grants to States to enable the States to award grants to Local Councils to pay the Federal share of

the cost of carrying out early learning programs in the locality served by the Local Council.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost described in subsections (a) and (e) shall be 85 percent for the first and second years of the grant, 80 percent for the third and fourth years of the grant, and 75 percent for the fifth and subsequent years of the grant.

(2) NON-FEDERAL SHARE.—The non-Federal share of the cost described in subsections (a) and (e) may be contributed in cash or in kind, fairly evaluated, including facilities, equipment, or services, which may be provided from State or local public sources, or through donations from private entities. For the purposes of this paragraph the term “facilities” includes the use of facilities, but the term “equipment” means donated equipment and not the use of equipment.

(c) MAINTENANCE OF EFFORT.—The Secretary shall not award a grant under this title to any State unless the Secretary first determines that the total expenditures by the State and its political subdivisions to support early learning programs (other than funds used to pay the non-Federal share under subsection (b)(2)) for the fiscal year for which the determination is made is equal to or greater than such expenditures for the preceding fiscal year.

(d) SUPPLEMENT NOT SUPPLANT.—Amounts received under this title shall be used to supplement and not supplant other Federal, State, and local public funds expended to promote early learning.

(e) SPECIAL RULE.—If funds appropriated to carry out this title are less than \$150,000,000 for any fiscal year, the Secretary shall award grants for the fiscal year directly to Local Councils, on a competitive basis, to pay the Federal share of the cost of carrying out early learning programs in the locality served by the Local Council. In carrying out the preceding sentence—

(1) subsection (c), subsections (b) and (c) of section 810, and paragraphs (1), (2), and (3) of section 811(a) shall not apply;

(2) State responsibilities described in section 811(d) shall be carried out by the Local Council with regard to the locality;

(3) the Secretary shall provide such technical assistance and monitoring as necessary to ensure that the use of the funds by Local Councils and the distribution of the funds to Local Councils are consistent with this title; and

(4) subject to paragraph (1), the Secretary shall assume the responsibilities of the Lead State Agency under this title, as appropriate.

#### SEC. 808. USES OF FUNDS.

(a) IN GENERAL.—Subject to section 810, grant funds under this title shall be used to pay for developing, operating, or enhancing voluntary early learning programs that are likely to produce sustained gains in early learning.

(b) LIMITED USES.—Subject to section 810, Lead State Agencies and Local Councils shall ensure that funds made available under this title to the agencies and Local Councils are used for three or more of the following activities:

(1) Helping parents, caregivers, child care providers, and educators increase their capacity to facilitate the development of cognitive, language comprehension, expressive language,

social-emotional, and motor skills, and promote learning readiness.

- (2) Promoting effective parenting.
- (3) Enhancing early childhood literacy.
- (4) Developing linkages among early learning programs within a community and between early learning programs and health care services for young children.
- (5) Increasing access to early learning opportunities for young children with special needs, including developmental delays, by facilitating coordination with other programs serving such young children.
- (6) Increasing access to existing early learning programs by expanding the days or times that the young children are served, by expanding the number of young children served, or by improving the affordability of the programs for low-income families.
- (7) Improving the quality of early learning programs through professional development and training activities, increased compensation, and recruitment and retention incentives, for early learning providers.
- (8) Removing ancillary barriers to early learning, including transportation difficulties and absence of programs during non-traditional work times.

(c) REQUIREMENTS.—Each Lead State Agency designated under section 810(c) and Local Councils receiving a grant under this title shall ensure—

- (1) that Local Councils described in section 814 work with local educational agencies to identify cognitive, social, emotional, and motor developmental abilities which are necessary to support children's readiness for school;
- (2) that the programs, services, and activities assisted under this title will represent developmentally appropriate steps toward the acquisition of those abilities; and
- (3) that the programs, services, and activities assisted under this title collectively provide benefits for children cared for in their own homes as well as children placed in the care of others.

(d) SLIDING SCALE PAYMENTS.—States and Local Councils receiving assistance under this title shall ensure that programs, services, and activities assisted under this title which customarily require a payment for such programs, services, or activities, adjust the cost of such programs, services, and activities provided to the individual or the individual's child based on the individual's ability to pay.

**SEC. 809. RESERVATIONS AND ALLOTMENTS.**

(a) RESERVATION FOR INDIAN TRIBES, ALASKA NATIVES, AND NATIVE HAWAIIANS.—The Secretary shall reserve 1 percent of the total amount appropriated under section 805 for each fiscal year, to be allotted to Indian tribes, Regional Corporations, and Native Hawaiian entities, of which—

- (1) 0.5 percent shall be available to Indian tribes; and
- (2) 0.5 percent shall be available to Regional Corporations and Native Hawaiian entities.

(b) ALLOTMENTS.—From the funds appropriated under this title for each fiscal year that are not reserved under subsection (a), the Secretary shall allot to each State the sum of—

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(1) an amount that bears the same ratio to 50 percent of such funds as the number of children 4 years of age and younger in the State bears to the number of such children in all States; and

(2) an amount that bears the same ratio to 50 percent of such funds as the number of children 4 years of age and younger living in families with incomes below the poverty line in the State bears to the number of such children in all States.

(c) **MINIMUM ALLOTMENT.**—No State shall receive an allotment under subsection (b) for a fiscal year in an amount that is less than .40 percent of the total amount appropriated for the fiscal year under this title.

(d) **AVAILABILITY OF FUNDS.**—Any portion of the allotment to a State that is not expended for activities under this title in the fiscal year for which the allotment is made shall remain available to the State for two additional years, after which any unexpended funds shall be returned to the Secretary. The Secretary shall use the returned funds to carry out a discretionary grant program for research-based early learning demonstration projects.

(e) **DATA.**—The Secretary shall make allotments under this title on the basis of the most recent data available to the Secretary.

**SEC. 810. GRANT ADMINISTRATION.**

(a) **FEDERAL ADMINISTRATIVE COSTS.**—The Secretary may use not more than 3 percent of the amount appropriated under section 805 for a fiscal year to pay for the administrative costs of carrying out this title, including the monitoring and evaluation of State and local efforts.

(b) **STATE ADMINISTRATIVE COSTS.**—A State that receives a grant under this title may use—

(1) not more than 2 percent of the funds made available through the grant to carry out activities designed to coordinate early learning programs on the State level, including programs funded or operated by the State educational agency, health, children and family, and human service agencies, and any State-level collaboration or coordination council involving early learning and education, such as the entities funded under section 640(a)(5) of the Head Start Act (42 U.S.C. 9835(a)(5));

(2) not more than 2 percent of the funds made available through the grant for the administrative costs of carrying out the grant program and the costs of reporting State and local efforts to the Secretary; and

(3) not more than 3 percent of the funds made available through the grant for training, technical assistance, and wage incentives provided by the State to Local Councils.

(c) **LEAD STATE AGENCY.**—

(1) **IN GENERAL.**—To be eligible to receive an allotment under this title, the Governor of a State shall appoint, after consultation with the leadership of the State legislature, a Lead State Agency to carry out the functions described in paragraph (2).

(2) **LEAD STATE AGENCY.**—

(A) **ALLOCATION OF FUNDS.**—The Lead State Agency described in paragraph (1) shall allocate funds to Local Councils as described in section 812.

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(B) FUNCTIONS OF AGENCY.—In addition to allocating funds pursuant to subparagraph (A), the Lead State Agency shall—

(i) advise and assist Local Councils in the performance of their duties under this title;

(ii) develop and submit the State application;

(iii) evaluate and approve applications submitted by Local Councils under section 813;

(iv) ensure collaboration with respect to assistance provided under this title between the State agency responsible for education and the State agency responsible for children and family services;

(v) prepare and submit to the Secretary, an annual report on the activities carried out in the State under this title, which shall include a statement describing how all funds received under this title are expended and documentation of the effects that resources under this title have had on—

(I) parental capacity to improve learning readiness in their young children;

(II) early childhood literacy;

(III) linkages among early learning programs;

(IV) linkages between early learning programs and health care services for young children;

(V) access to early learning activities for young children with special needs;

(VI) access to existing early learning programs through expansion of the days or times that children are served;

(VII) access to existing early learning programs through expansion of the number of young children served;

(VIII) access to and affordability of existing early learning programs for low-income families;

(IX) the quality of early learning programs resulting from professional development, and recruitment and retention incentives for caregivers; and

(X) removal of ancillary barriers to early learning, including transportation difficulties and absence of programs during nontraditional work times; and

(vi) ensure that training and research is made available to Local Councils and that such training and research reflects the latest available brain development and early childhood development research related to early learning.

**SEC. 811. STATE REQUIREMENTS.**

(a) ELIGIBILITY.—To be eligible for a grant under this title, a State shall—

(1) ensure that funds received by the State under this title shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under State law;

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(2) designate a Lead State Agency under section 810(c) to administer and monitor the grant and ensure State-level coordination of early learning programs;

(3) submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Secretary may require;

(4) ensure that funds made available under this title are distributed on a competitive basis throughout the State to Local Councils serving rural, urban, and suburban areas of the State; and

(5) assist the Secretary in developing mechanisms to ensure that Local Councils receiving funds under this title comply with the requirements of this title.

(b) STATE PREFERENCE.—In awarding grants to Local Councils under this title, the State, to the maximum extent possible, shall ensure that a broad variety of early learning programs that provide a continuity of services across the age spectrum assisted under this title are funded under this title, and shall give preference to supporting—

(1) a Local Council that meets criteria, that are specified by the State and approved by the Secretary, for qualifying as serving an area of greatest need for early learning programs; and

(2) a Local Council that demonstrates, in the application submitted under section 813, the Local Council's potential to increase collaboration as a means of maximizing use of resources provided under this title with other resources available for early learning programs.

(c) LOCAL PREFERENCE.—In awarding grants under this title, Local Councils shall give preference to supporting—

(1) projects that demonstrate their potential to collaborate as a means of maximizing use of resources provided under this title with other resources available for early learning programs;

(2) programs that provide a continuity of services for young children across the age spectrum, individually, or through community-based networks or cooperative agreements; and

(3) programs that help parents and other caregivers promote early learning with their young children.

(d) PERFORMANCE GOALS.—

(1) ASSESSMENTS.—Based on information and data received from Local Councils, and information and data available through State resources, the State shall biennially assess the needs and available resources related to the provision of early learning programs within the State.

(2) PERFORMANCE GOALS.—Based on the analysis of information described in paragraph (1), the State shall establish measurable performance goals to be achieved through activities assisted under this title.

(3) REQUIREMENT.—The State shall award grants to Local Councils only for purposes that are consistent with the performance goals established under paragraph (2).

(4) REPORT.—The State shall report to the Secretary annually regarding the State's progress toward achieving the performance goals established in paragraph (2) and any necessary modifications to those goals, including the rationale for the modifications.

(5) **IMPROVEMENT PLANS.**—If the Secretary determines, based on the State report submitted under paragraph (4), that the State is not making progress toward achieving the performance goals described in paragraph (2), then the State shall submit a performance improvement plan to the Secretary, and demonstrate reasonable progress in implementing such plan, in order to remain eligible for funding under this title.

**SEC. 812. LOCAL ALLOCATIONS.**

(a) **IN GENERAL.**—The Lead State Agency shall allocate to Local Councils in the State not less than 93 percent of the funds provided to the State under this title for a fiscal year.

(b) **LIMITATION.**—The Lead State Agency shall allocate funds provided under this title on the basis of the population of the locality served by the Local Council.

**SEC. 813. LOCAL APPLICATIONS.**

(a) **IN GENERAL.**—To be eligible to receive assistance under this title, the Local Council shall submit an application to the Lead State Agency at such time, in such manner, and containing such information as the Lead State Agency may require.

(b) **CONTENTS.**—Each application submitted pursuant to subsection (a) shall include a statement ensuring that the local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity has established or designated a Local Council under section 814, and the Local Council has developed a local plan for carrying out early learning programs under this title that includes—

(1) a needs and resources assessment concerning early learning services and a statement describing how early learning programs will be funded consistent with the assessment;

(2) a statement of how the Local Council will ensure that early learning programs will meet the performance goals reported by the Lead State Agency under this title; and

(3) a description of how the Local Council will form collaboratives among local youth, social service, and educational providers to maximize resources and concentrate efforts on areas of greatest need.

**SEC. 814. LOCAL ADMINISTRATION.**

(a) **LOCAL COUNCIL.**—

(1) **IN GENERAL.**—To be eligible to receive funds under this title, a local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity, as appropriate, shall establish or designate a Local Council, which shall be composed of—

(A) representatives of local agencies directly affected by early learning programs assisted under this title;

(B) parents;

(C) other individuals concerned with early learning issues in the locality, such as representative entities providing elementary education, child care resource and referral services, early learning opportunities, child care, and health services; and

(D) other key community leaders.

(2) **DESIGNATING EXISTING ENTITY.**—If a local government entity, Indian tribe, Regional Corporation, or Native Hawaiian entity has, before the date of enactment of the Early Learning Opportunities Act, a Local Council or a regional entity that

is comparable to the Local Council described in paragraph (1), the entity, tribe, or corporation may designate the council or entity as a Local Council under this title, and shall be considered to have established a Local Council in compliance with this subsection.

(3) FUNCTIONS.—The Local Council shall be responsible for preparing and submitting the application described in section 813.

(b) ADMINISTRATION.—

(1) ADMINISTRATIVE COSTS.—Not more than 3 percent of the funds received by a Local Council under this title shall be used to pay for the administrative costs of the Local Council in carrying out this title.

(2) FISCAL AGENT.—A Local Council may designate any entity, with a demonstrated capacity for administering grants, that is affected by, or concerned with, early learning issues, including the State, to serve as fiscal agent for the administration of grant funds received by the Local Council under this title.

#### TITLE IX—RURAL EDUCATION ACHIEVEMENT PROGRAM

##### SEC. 901. RURAL EDUCATION INITIATIVE.

Subpart 2 of part J of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8291 et seq.) is amended to read as follows:

#### **“Subpart 2—Rural Education Initiative**

##### “SEC. 10971. SHORT TITLE.

“This subpart may be cited as the ‘Rural Education Achievement Program’.

##### “SEC. 10972. PURPOSE.

“It is the purpose of this subpart to address the unique needs of rural school districts that frequently—

“(1) lack the personnel and resources needed to compete for Federal competitive grants; and

“(2) receive formula allocations in amounts too small to be effective in meeting their intended purposes.

##### “SEC. 10973. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this subpart \$62,500,000 for fiscal year 2001.

##### “SEC. 10974. FORMULA GRANT PROGRAM AUTHORIZED.

“(a) ALTERNATIVE USES.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, an eligible local educational agency may use the applicable funding, that the agency is eligible to receive from the State educational agency for a fiscal year, to carry out local activities authorized in part A of title I, section 2210(b), section 3134, or section 4116.

“(2) NOTIFICATION.—An eligible local educational agency shall notify the State educational agency of the local educational agency’s intention to use the applicable funding in accordance with paragraph (1) not later than a date that is established by the State educational agency for the notification.

“(b) ELIGIBILITY.—A local educational agency shall be eligible to use the applicable funding in accordance with subsection (a) if—

“(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

“(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7 or 8, as determined by the Secretary of Education.

“(c) APPLICABLE FUNDING.—In this section, the term ‘applicable funding’ means funds provided under each of titles II, IV, and VI, except for funds made available under section 321 of the Department of Education Appropriations Act, 2001.

“(d) DISBURSAL.—Each State educational agency that receives applicable funding for a fiscal year shall disburse the applicable funding to local educational agencies for alternative uses under this section for the fiscal year at the same time that the State educational agency disburses the applicable funding to local educational agencies that do not intend to use the applicable funding for such alternative uses for the fiscal year.

“(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other State or local education funds.

“(f) SPECIAL RULE.—References in Federal law to funds for the provisions of law set forth in subsection (c) may be considered to be references to funds for this section.

“(g) CONSTRUCTION.—Nothing in this subpart shall be construed to prohibit a local educational agency that enters into cooperative arrangements with other local educational agencies for the provision of special, compensatory, or other education services pursuant to State law or a written agreement from entering into similar arrangements for the use or the coordination of the use of the funds made available under this subpart.

**“SEC. 10975. COMPETITIVE GRANT PROGRAM AUTHORIZED.**

“(a) IN GENERAL.—The Secretary is authorized to award grants to eligible local educational agencies to enable the local educational agencies to carry out local activities authorized in part A of title I, section 2210(b), section 3134, or section 4116.

“(b) ELIGIBILITY.—A local educational agency shall be eligible to receive a grant under this section if—

“(1) the total number of students in average daily attendance at all of the schools served by the local educational agency is less than 600; and

“(2) all of the schools served by the local educational agency are designated with a School Locale Code of 7 or 8, as determined by the Secretary of Education.

“(c) AMOUNT.—

“(1) IN GENERAL.—The Secretary shall award a grant to a local educational agency under this section for a fiscal year in an amount equal to the amount determined under paragraph (2) for the fiscal year minus the total amount received under the provisions of law described under section 10974(c) for the fiscal year.

“(2) DETERMINATION.—The amount referred to in paragraph (1) is equal to \$100 multiplied by the total number of students in excess of 50 students that are in average daily attendance

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at the schools served by the local educational agency, plus \$20,000, except that the amount may not exceed \$60,000.

“(3) CENSUS DETERMINATION.—

“(A) IN GENERAL.—Each local educational agency desiring a grant under this section shall determine for each year the number of kindergarten through grade 12 students in average daily attendance at the schools served by the local educational agency during the period beginning or the first day of classes and ending on December 1.

“(B) SUBMISSION.—Each local educational agency shall submit the number described in subparagraph (A) to the Secretary not later than March 1 of each year.

“(4) PENALTY.—If the Secretary determines that a local educational agency has knowingly submitted false information under paragraph (3) for the purpose of gaining additional funds under this section, then the local educational agency shall be fined an amount equal to twice the difference between the amount the local educational agency received under this section, and the correct amount the local educational agency would have received under this section if the agency had submitted accurate information under paragraph (3).

“(d) DISBURSAL.—The Secretary shall disburse the funds awarded to a local educational agency under this section for a fiscal year not later than July 1 of that year.

“(e) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement and not supplant any other State or local education funds.

**“SEC. 10976. ACCOUNTABILITY.**

“(a) ACADEMIC ACHIEVEMENT.—

“(1) IN GENERAL.—Each local educational agency that uses or receives funds under section 10974 or 10975 for a fiscal year shall—

“(A) administer an assessment that is used statewide and is consistent with the assessment described in section 1111(b), to assess the academic achievement of students in the schools served by the local educational agency; or

“(B) in the case of a local educational agency for which there is no statewide assessment described in subparagraph (A), administer a test, that is selected by the local educational agency, to assess the academic achievement of students in the schools served by the local educational agency.

“(2) SPECIAL RULE.—Each local educational agency that uses or receives funds under section 10974 or 10975 shall use the same assessment or test described in paragraph (1) for each year of participation in the program carried out under such section.

“(b) STATE EDUCATIONAL AGENCY DETERMINATION REGARDING CONTINUING PARTICIPATION.—Each State educational agency that receives funding under the provisions of law described in section 10974(c) shall—

“(1) after the third year that a local educational agency in the State participates in a program authorized under section 10974 or 10975 and on the basis of the results of the assessments or tests described in subsection (a), determine whether

the students served by the local educational agency participating in the program performed better on the assessments or tests after the third year of the participation than the students performed on the assessments or tests after the first year of the participation;

“(2) permit only the local educational agencies that participated in the program and served students that performed better on the assessments or tests, as described in paragraph (1), to continue to participate in the program for an additional period of 3 years; and

“(3) prohibit the local educational agencies that participated in the program and served students that did not perform better on the assessments or tests, as described in paragraph (1), from participating in the program, for a period of 3 years from the date of the determination.

**“SEC. 10977. RATABLE REDUCTIONS IN CASE OF INSUFFICIENT APPROPRIATIONS.**

“(a) **IN GENERAL.**—If the amount appropriated for any fiscal year and made available for grants under this subpart is insufficient to pay the full amount for which all agencies are eligible under this subpart, the Secretary shall ratably reduce each such amount.

“(b) **ADDITIONAL AMOUNTS.**—If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subsection (a) shall be increased on the same basis as such payments were reduced.

**“SEC. 10978. APPLICABILITY.**

“Sections 10951 and 10952 shall not apply to this subpart.”.

This Act may be cited as the “Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001”.

Approved December 21, 2000.

LEGISLATIVE HISTORY—H.R. 4577 (S. 2553):

HOUSE REPORTS: Nos. 106-645 (Comm. on Appropriations) and 106-1033 (Comm. of Conference).

SENATE REPORTS: No. 106-293 accompanying S. 2553 (Comm. on Appropriations).

CONGRESSIONAL RECORD, Vol. 146 (2000):

June 8, 12-14, considered and passed House.

June 22, 23, 26-30, considered and passed Senate, amended.

Dec. 15, House and Senate agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 36 (2000):

Dec. 21, Presidential remarks and statement.

**[CLERK'S NOTE.—***The text is for the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (114 STAT. 2763). Although the House Committee on Appropriations originated the bill H.R. 4577, the text of Public Law 106-554 enacted by reference the text of H.R. 5656. The text of H.R. 5656 was printed as Appendix A of the slip copy of Public Law 106-554.]*

**H.R. 5656**

Referred to Appropriations Dec. 14, 2000.  
Enacted by reference by Public Law 106-554, approved  
Dec. 21, 2000.

[In thousands of dollars]

Net grand total, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 .....	\$357,823,886
Current year, FY 2001 (net) .....	(289,457,135)
Appropriations .....	(289,178,135)
Rescission .....	(- 21,000)
Emergency funding .....	(300,000)
Advance appropriations, FY 2002 .....	(68,001,751)
Advance appropriations, FY 2003 .....	(365,000)
Consisting of:	
Department of Defense—Civil: Armed Forces Retirement Home .....	69,832
Department of Education .....	29,910,139
Advance appropriation, FY 2002 .....	14,581,300
General Government—Independent Agencies ...	1,090,607
Advance appropriation, FY 2003 .....	365,000
Department of Health and Human Services (net) .....	219,205,943
Advance appropriation, FY 2002 .....	40,373,451
Department of Labor .....	11,353,022
Advance appropriation, FY 2002 .....	2,463,000
Social Security Administration .....	28,273,592
Advance appropriation, FY 2002 .....	10,584,000
Other budget adjustments .....	- 446,000

NOTE.—Refer to Tables 4 and 5 for totals by Agency.