

109TH CONGRESS
2D SESSION

S. 2441

To authorize resources for a grant program for local educational agencies
to create innovation districts.

IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, MARCH 15), 2006

Mr. OBAMA introduced the following bill; which was read twice and referred
to the Committee on Health, Education, Labor, and Pensions

A BILL

To authorize resources for a grant program for local
educational agencies to create innovation districts.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Innovation Districts
5 for School Improvement Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Too many students emerge from secondary
9 school unprepared for success in college or in the
10 workforce. It is children of color and children of pov-

1 erty who suffer most from a failure to provide them
2 effective teachers and adequate resources.

3 (2) In urban elementary schools, African-Amer-
4 ican and Latino students are several times less likely
5 than their white peers to be reading at even a basic
6 level, and children living in poverty are several times
7 less likely than their peers who are not poor to be
8 proficient in reading or mathematics.

9 (3) These deficits continue on into higher levels
10 of education, so that 6,000,000 middle school and
11 secondary school students are reading with skills sig-
12 nificantly below their grade level. Half of all teen-
13 agers are unable to understand basic mathematics.

14 (4) In New York City, only 35 percent of Afri-
15 can-American students and 32 percent of Latino
16 students graduate from secondary school. In Chi-
17 cago, of every 100 African-American males, on aver-
18 age, only 38 graduate from secondary school by age
19 19, and less than 3 continue their education to earn
20 a diploma from a 4-year college.

21 (5) The dropout problem is not limited to cities.
22 Poor rural communities are also harmed by inad-
23 equate resources and low teacher quality. As a re-
24 sult, in some States, only 60 percent of white stu-
25 dents graduate from secondary school; in others,

1 there is a difference of 40 percentage points in the
2 graduation rates of whites and students of color.

3 (6) Too many teachers and school leaders are
4 not prepared adequately for their jobs, and too few
5 States and local educational agencies have effective
6 teacher induction or mentoring programs. Less-
7 qualified teachers are concentrated in schools at-
8 tended by African-American and Latino students,
9 and in high-poverty areas, whether urban or rural.

10 (7) The effectiveness of teachers has a direct
11 relationship to student academic achievement. Stu-
12 dents who performed equally well in mathematics in
13 second grade showed a significant performance gap
14 3 years later, depending on whether they had been
15 assigned to the most effective or least effective
16 teachers.

17 (8) Despite the numerous indicators that public
18 schools are not adequately educating students, there
19 are many pockets of innovation and success, where
20 effective teachers work in schools where they support
21 their students, with additional support from commu-
22 nity organizations, foundations, and nonprofits. In
23 high-poverty schools using the reforms of the Teach-
24 er Advancement Program, the most recent data
25 shows that more than 70 percent of these schools in-

1 creased the percentage of students achieving at pro-
 2 ficient levels or above on standardized tests. In rural
 3 schools using the Teacher Advancement Program re-
 4 forms, nearly two-thirds of schools increased the per-
 5 centage of students at or above the proficient level.

6 (9) Lessons from the Teacher Advancement
 7 Program and other successes will form the basis for
 8 the expansion of successful efforts, used to positively
 9 transform education in school districts, and, in so
 10 doing, generate additional information on a group of
 11 effective practices that can be widely disseminated
 12 and applied.

13 **SEC. 3. DEFINITIONS.**

14 In this Act, the terms “Department”, “elementary
 15 school”, “institution of higher education”, “local edu-
 16 cational agency”, “secondary school”, and “Secretary”
 17 have the meanings given such terms in section 9101 of
 18 the Elementary and Secondary Education Act of 1965 (20
 19 U.S.C. 7801).

20 **SEC. 4. GRANT PROGRAM.**

21 (a) AUTHORIZATION.—

22 (1) IN GENERAL.—The Secretary shall establish
 23 a program to award grants, on a competitive basis,
 24 to 10 local educational agencies in urban areas and
 25 10 local educational agencies in non-urban areas

1 (which shall include a mix of rural and suburban
2 areas), to enable such agencies to create innovation
3 districts to implement systemic reforms in areas of
4 teaching, assessment, school leadership, and admin-
5 istration, including the following:

6 (A) Implementation of data systems to
7 evaluate student progress, identify and share
8 best practices, and conduct rigorous, data-driv-
9 en evaluations to determine the effect of re-
10 forms on student academic achievement.

11 (B) Recruitment and retention of highly-
12 effective teachers, and allocation of such teach-
13 ers into the classrooms of the students who
14 need them most, using incentives, including dif-
15 ferential pay to reward high-performing teach-
16 ers, teachers who choose to work in the most
17 challenging schools within a local educational
18 agency, and teachers with expertise in needed
19 subject areas, such as mathematics, science,
20 and special education, and systems and sched-
21 ules to support teacher collaboration and men-
22 toring, and career ladders for teachers to work
23 as mentor or master teachers.

24 (C) Support of teacher academies to re-
25 cruit talented candidates, develop effective

1 placement systems, and ensure that trainees re-
2 ceive both effective pre-service training and ef-
3 fective mentoring during induction as they
4 enter the classroom.

5 (D) Placement of an outstanding principal
6 in every school, including rigorous recruitment,
7 selection, pre-service and in-service training,
8 and placement of school leaders, and efforts to
9 hold principals accountable for student aca-
10 demic achievement while providing the prin-
11 cipals with the authority and autonomy needed
12 especially regarding hiring and assigning teach-
13 ers and staff.

14 (E) Support for new schools, including
15 charter schools or contract schools, or for net-
16 works of public schools within the local edu-
17 cational agency, serving predominantly low-in-
18 come populations, which are sponsored by uni-
19 versities, education management organizations,
20 or other nonprofit entities. Such new schools
21 shall—

22 (i) serve as demonstration sites for
23 high-quality kindergarten through grade
24 12 schooling;

1 (ii) be the locus for training and sup-
2 port of aspiring, new and veteran teachers
3 and school leaders; and

4 (iii) be designed to share best prac-
5 tices with other schools served by the local
6 educational agency, and other local edu-
7 cational agencies, State and nationwide.

8 (2) FEWER GRANTS.—If the amount appro-
9 priated for a fiscal year under subsection (h) is less
10 than the amount authorized to be appropriated for
11 such fiscal year, the Secretary may award fewer
12 than 20 grants under this Act.

13 (b) APPLICATION.—

14 (1) IN GENERAL.—A local educational agency
15 that desires to receive a grant under this Act shall
16 submit an application to the Secretary at such time,
17 in such manner, and accompanied by such informa-
18 tion as the Secretary shall require.

19 (2) CONTENTS.—An application submitted
20 under paragraph (1) shall include how the local edu-
21 cational agency will carry out the activities described
22 in subparagraphs (A) through (E) of subsection
23 (a)(1) and a description of activities the local edu-
24 cational agency will undertake to—

1 (A) recruit and induct new professional
2 employees into the schools served by the local
3 educational agency, including establishment of
4 residency-based teacher or leadership acad-
5 emies;

6 (B) provide mentoring and support for
7 teachers who are not meeting standards for
8 teacher effectiveness described in this Act;

9 (C) use the financial and human resources
10 of the agency to meet the needs of students in
11 a performance-based model focused on student
12 learning;

13 (D) develop and use data systems and ac-
14 countability to establish instructional plans to
15 benefit students in schools served by the agen-
16 cy, with regular evaluation of agency-supported
17 programs; and

18 (E) address how the agency will use funds
19 available under title II of the Elementary and
20 Secondary Education Act of 1965 (20 U.S.C.
21 6601 et seq.) to support the goals of this Act,
22 including having effective teachers equitably
23 placed in every classroom in every school served
24 by the agency, and effective principals in every
25 school served by the agency.

1 (c) MANDATORY USES OF FUNDS.—A local edu-
2 cational agency that receives a grant under this Act shall
3 use the grant funds to carry out each of the following:

4 (1) ACCOUNTABILITY.—The local educational
5 shall improve accountability as follows:

6 (A) Work to establish longitudinal data
7 systems that can monitor student progress as
8 the students move from grade to grade, to de-
9 termine the value-added and effectiveness of
10 specific teachers, schools, and programs within
11 the local educational agency. The data system
12 may be designed and established in cooperation
13 with institutions of higher education, regional
14 educational laboratories (established pursuant
15 to section 174 of the Education Sciences Re-
16 form Act of 2002 (20 U.S.C. 9564)), offices in
17 the Department, or other entities with expertise
18 in data acquisition and interpretation. Such a
19 data system shall have the following attributes:

20 (i) A unique student identifier to
21 track the progress of each individual stu-
22 dent served by the local educational agen-
23 cy.

1 (ii) The ability to track the progress
2 and assessment results of each individual
3 student from year to year.

4 (iii) Enrollment, demographic, and
5 program participation information for each
6 student.

7 (iv) A teacher identifier system to
8 match each student to each teacher within
9 the system.

10 (v) Student-level graduation and drop-
11 out data.

12 (vi) Inclusion of data on risk factors
13 for individual students, including such in-
14 dicators as non-promotion mobility, inter-
15 action with the criminal justice system in-
16 volving the school, eligibility for a free or
17 reduced price lunch under the Richard B.
18 Russell National School Lunch Act (42
19 U.S.C. 1751 et seq.), and such other fac-
20 tors as may be useful in targeting appro-
21 priate services, interventions, and supports
22 for at-risk students.

23 (B) Devise or employ assessment tests to
24 monitor the progress of all students in grade 1
25 through grade 12 in all the elementary schools

1 and secondary schools served by the local edu-
2 cational agency.

3 (C) Rate the effectiveness of individual
4 teachers, administrators, and schools within the
5 local educational agency, using when feasible,
6 as 1 measure, a value-added system, a statis-
7 tical method to measure the influence of a
8 teacher or school on the rate of academic
9 progress of students. The local educational
10 agency shall evaluate 1 year's worth of aca-
11 demic growth for each student using as the ref-
12 erence standard the national norm gain for
13 each grade level, or the statewide or district-
14 wide value-added gain.

15 (D) Assess the effectiveness of individual
16 teachers, administrators, and schools, using
17 when feasible, as 1 measure, the value-added
18 system described in subparagraph (C), includ-
19 ing a measure of progress toward the goal of
20 every student becoming proficient in reading,
21 writing, and mathematics, and a measure of the
22 progress of students through coursework needed
23 to gain the knowledge and skills necessary for
24 eventual entrance into a postsecondary degree
25 or certification program.

1 (E) Award incentives for effective teaching
2 or school leadership that may be linked to the
3 results of the assessments under subparagraph
4 (D), including a measure of progress toward the
5 goal of every student becoming proficient in
6 reading, writing, and mathematics, and a meas-
7 ure of the progress of students through
8 coursework needed to gain the knowledge and
9 skills necessary for eventual entrance into a
10 postsecondary degree or certification program.

11 (2) REMOVING OBSTACLES TO INNOVATION.—

12 The local educational agency shall work with local
13 teacher representatives or unions and other commu-
14 nity partners to achieve the following:

15 (A) Equitable distribution of effective
16 teachers to all students within the agency to en-
17 sure that poor and minority students are not
18 disproportionately taught by teachers who are—

19 (i) poorly trained in the subject being
20 taught;

21 (ii) less likely to have significant
22 teaching experience; and

23 (iii) less likely to excel in other meas-
24 ures of teacher effectiveness.

1 (B) Equitable distribution of expenditures
2 to rectify policies and practices that guide
3 teacher pay and have an adverse impact on dis-
4 advantaged students and schools. This may in-
5 clude the consideration of teacher salaries and
6 policies of salary averaging in meeting agency-
7 wide goals based on high expectations for stu-
8 dent academic achievement.

9 (C) Modification of staffing procedures and
10 collective bargaining rules to provide greater
11 flexibility for agency and school leaders to es-
12 tablish effective school-level staffing, to fairly
13 balance the distribution of experienced teachers,
14 and to recruit, place, and retain new teachers
15 within schools served by the agency, including
16 the completion of staffing decisions in a timely
17 fashion to provide effective planning for student
18 academic achievement.

19 (3) TEACHERS.—The local educational agency
20 shall evaluate and reward teacher effectiveness as
21 follows:

22 (A) TEACHER EFFECTIVENESS.—The local
23 educational agency shall evaluate teacher effec-
24 tiveness by working with unions and other com-
25 munity stakeholders to establish a metric to de-

1 terminate the effectiveness of teachers, adminis-
2 trators, and schools served by the local edu-
3 cational agency. The metric may be used as the
4 basis for systems of pay, incentives, and place-
5 ment within the local educational agency. Such
6 a metric may include the following items:

7 (i) STUDENT GROWTH.—Teachers
8 may be rated for meeting annual objectives
9 that are monitored by evaluating student
10 improvement in value-added assessments.
11 These evaluations may include value-added
12 data averaged for a period of several years.

13 (ii) MEASURING TEAMS OF TEACH-
14 ERS.—Measures may be used to track the
15 progress and reward teams of teachers
16 (such as a particular grade level or subject
17 area) to encourage teamwork and sharing
18 of best practices, and draw on similar ef-
19 fective approaches to financial rewards in
20 the private sector.

21 (iii) PROFESSIONAL EVALUATION.—

22 (I) IN GENERAL.—Professional
23 evaluation shall be based on formal
24 and informal observations of teacher
25 effectiveness. The ratings shall be pre-

1 pared by the supervisor of each teach-
2 er, based on observations of such do-
3 mains of teaching as the following:

4 (aa) Planning and prepara-
5 tion, including demonstrating
6 knowledge of content, pedagogy,
7 and assessment, including the
8 use of formative assessment to
9 improve student learning.

10 (bb) Classroom and school
11 environment, which establishes a
12 culture for learning, using when
13 appropriate, schoolwide positive
14 behavioral intervention and sup-
15 port.

16 (cc) Instruction, which clear-
17 ly and accurately engages stu-
18 dents in learning.

19 (dd) Professional respon-
20 sibilities, including appropriate
21 interaction with families of stu-
22 dents, and with professional col-
23 leagues, which requires a dem-
24 onstrated ability to work with
25 mentors and instructional leaders

1 to improve the teacher's teaching
2 and resultant student learning.

3 (ee) Fair analysis of gains in
4 student academic achievement
5 over time.

6 (II) IMPROVEMENT PLAN.—A
7 teacher who receives an unsatisfactory
8 professional evaluation under sub-
9 clause (I) shall comply with an im-
10 provement plan, developed by the
11 teacher and the school in which the
12 teacher teaches or the local edu-
13 cational agency and provided by such
14 school or agency.

15 (B) TEACHING INCENTIVES.—Based on
16 measures of teacher effectiveness and the needs
17 of the school and the local educational agency,
18 the local educational agency shall work with
19 teacher and community representatives to de-
20 velop a differentiated pay scale to provide in-
21 centives for effective teaching, teaching specific
22 subject areas, and teaching in specific schools,
23 including hard-to-staff schools or schools with
24 high proportions of students who have been

1 achieving at levels below the local educational
2 agency or State average.

3 (4) TEACHER ACADEMIES.—

4 (A) IN GENERAL.—The local educational
5 agency shall establish a Teacher Academy,
6 based upon models of successful residency-based
7 teacher training and induction programs, as a
8 mechanism to train teachers for success in such
9 local educational agency. Each Teacher Acad-
10 emy shall be headed by a director who shall
11 award grants to eligible individuals to attend
12 such Teacher Academy.

13 (B) ELIGIBLE INDIVIDUALS.—An indi-
14 vidual may be eligible for a grant to attend a
15 Teacher Academy if the individual is a recent
16 college graduate or mid-career professional
17 from outside the field of education, possessing
18 strong content knowledge or a record of
19 achievement, or other such individual at the dis-
20 cretion of the Secretary.

21 (C) APPLICATION.—An individual who is
22 eligible under subparagraph (B) and who de-
23 sires a grant under this paragraph shall submit
24 an application to the Teacher Academy.

1 (D) SELECTION CRITERIA.—The director
2 of the Teacher Academy shall establish criteria
3 for selection of individuals to receive grants
4 under this paragraph, based on such domains of
5 teaching as the following characteristics shared
6 by highly-effective teachers:

7 (i) Comprehensive subject knowledge
8 or record of accomplishment in an area
9 outside of education.

10 (ii) Strong verbal and written commu-
11 nication skills.

12 (iii) Other attributes linked to effec-
13 tive teaching.

14 (E) RECEIPT OF GRANT.—An individual
15 who receives a grant under this paragraph shall
16 enroll in the program of the Teacher Academy,
17 which shall include the following:

18 (i) A 1-year residency-based program
19 of teaching in a school served by the local
20 educational agency, under the supervision
21 of a mentor teacher who will instruct the
22 resident in planning and preparation, in-
23 struction of students, management of the
24 classroom environment, and other profes-
25 sional responsibilities. Alternatively, the

1 first year of full-time teaching may be sub-
 2 stituted for such residency-based program
 3 if all of the other requirements of this sec-
 4 tion are satisfied and if the full-time teach-
 5 ing is supported by a school, university, or
 6 nonprofit organization with a strong track
 7 record of helping new teachers get strong
 8 academic achievement results for students.

9 (ii) A living stipend or salary for the
 10 period of residency.

11 (iii) Concurrent instruction from a
 12 partner college, State-approved organiza-
 13 tion, or school of education at an institu-
 14 tion of higher education in pedagogy class-
 15 es necessary for certification as a teacher.

16 (iv) Ongoing mentoring and coaching
 17 during the first 2 years of induction into
 18 classroom teaching.

19 (F) PLACEMENT IN HARD-TO-STAFF
 20 SCHOOL.—

21 (i) IN GENERAL.—An eligible indi-
 22 vidual who receives a grant under this
 23 paragraph shall teach in a hard-to-staff
 24 school served by the local educational agen-
 25 cy for a period of 3 years.

1 (ii) REPAYMENT.—If an eligible indi-
 2 vidual does not complete the teaching re-
 3 quirement described in clause (i), such in-
 4 dividual shall repay to the local educational
 5 agency a pro rata portion of the grant
 6 amount for the amount of teaching time
 7 the individual did not complete.

8 (5) TEACHER CAREERS.—

9 (A) IN GENERAL.—The local educational
 10 agency shall establish a career ladder for teach-
 11 ers in schools served by the local educational
 12 agency.

13 (B) PROGRESSION.—

14 (i) IN GENERAL.—In order to
 15 progress to higher rungs on the career lad-
 16 der, a teacher or school leader shall prove
 17 effective at the teacher or school leader’s
 18 current level under a set of criteria estab-
 19 lished by the local educational agency.

20 (ii) INCREASE IN ROLE AND COM-
 21 PENSATION.—In progressing to higher
 22 rungs on the career ladder, a teacher or
 23 school leader shall—

24 (I) accept an increasing role in
 25 assessing and helping to improve the

1 teaching effectiveness of other teach-
2 ers in the school; and

3 (II) be offered increased com-
4 pensation.

5 (iii) COLLECTIVE BARGAINING AGREE-
6 MENT.—The base salary and career ladder
7 increments of increased compensation may
8 be established in a collective bargaining
9 agreement between the local educational
10 agency and representatives of teachers.

11 (iv) STEPS.—A career ladder may in-
12 clude the following steps:

13 (I) NOVICE TEACHERS.—Novice
14 teachers are teachers in their first
15 years in the profession. This shall be
16 the career entry stage and include
17 professional employees with initial
18 teaching certificates. Novice teachers
19 shall receive induction and mentoring
20 as described in subclause (III) until
21 the novice teachers progress to be-
22 come career teachers. Such induction
23 and mentoring shall focus on improv-
24 ing the instructional and professional
25 skills of the novice teachers. Novice

1 teachers shall receive periodic per-
2 formance reviews as a result of reg-
3 ular observations, using the criteria of
4 teacher effectiveness set forth in para-
5 graph (3)(A).

6 (II) CAREER TEACHERS.—Career
7 teachers are teachers who have served
8 several years as novice teachers and
9 have received an advanced teaching
10 certification or master’s degree, as de-
11 termined by State certification re-
12 quirements. Novice teachers may
13 progress to this stage of the career
14 ladder after receiving satisfactory re-
15 views of teacher effectiveness as out-
16 lined in paragraph (3)(A) and receiv-
17 ing an advanced teaching certification
18 or master’s degree.

19 (III) MENTOR TEACHERS.—Men-
20 tor teachers are teachers selected by
21 local school administrators under clear
22 criteria established at the local edu-
23 cational agency level, including supe-
24 rior assessment of their teaching ef-
25 fectiveness as described in paragraph

1 (3)(A). Mentor teachers shall have
2 extra responsibilities as teacher lead-
3 ers and teacher coaches, including
4 roles in induction and mentoring of
5 novice teachers.

6 (IV) MASTER TEACHERS.—Mas-
7 ter teachers are mentor teachers who
8 have received superior reviews of their
9 mentoring and supervisory role and
10 assume additional responsibilities and
11 teacher mentoring and leadership
12 roles.

13 (C) LEARNING COMMUNITY.—The role of
14 mentor and master teachers shall include estab-
15 lishing, within each school, a learning commu-
16 nity in which all individuals are expected to
17 continually improve their capacity to advance
18 student learning, using a shared set of instruc-
19 tional principles or teaching strategies. The
20 learning community shall require, in each
21 school, continuing professional development,
22 based on student academic achievement and be-
23 havioral outcomes, embedding in each school
24 system for on-site coaching, mentoring, and

1 study groups in which teachers work together to
2 improve the instructional program for students.

3 (6) SCHOOL LEADERSHIP.—The local edu-
4 cational agency shall include a specific plan to im-
5 prove the school leadership in schools served by the
6 agency, with the eventual goal of an effective prin-
7 cipal in every school. The plan should include provi-
8 sions to address the following topics:

9 (A) RESPONSIBILITY AND ROLE OF PRIN-
10 CIPALS.—A plan to support the primary role of
11 the principal as the instructional leader in the
12 school responsible for ensuring teaching effec-
13 tiveness and student academic achievement
14 schoolwide. Such plan shall include involving
15 principals in planning systems and strategies
16 for curricular, classroom, and schoolwide stu-
17 dent behavioral interventions and supports, and
18 for establishing mechanisms for using student
19 academic achievement data to drive instruc-
20 tional decisions. The plan shall also address
21 ways to give principals significant responsibility
22 for decisions regarding teacher hiring and
23 placement decisions.

24 (B) CREATING THE PIPELINE OF FUTURE
25 PRINCIPALS.—A plan for strategies and criteria

1 for rigorous recruitment, selection, and pre-
2 service training and induction for new prin-
3 cipals who can effectively take on the respon-
4 sibilities described in subparagraph (A). As
5 with training teachers, the agency may establish
6 a program for principal training, including a
7 residency or internship with an exemplary prin-
8 cipal in the agency. The program shall have ex-
9 plicit expectations and performance-based indi-
10 cators of outcomes to ensure that each resident
11 is competent in assuming instructional leader-
12 ship responsibilities. In the case of an agency in
13 which several principals are training as a co-
14 hort, the agency shall promote the use of cohort
15 participant groups to discuss best practices and
16 maintain focus on outcome assessments.

17 (C) SYSTEMATICALLY TRANSFORMING THE
18 PRINCIPALSHIP DISTRICTWIDE.—An assessment
19 of how the agency currently handles each major
20 policy and practice affecting the expectations
21 set for the principalship and a plan for how the
22 agency will align the principalship to the goals
23 of this Act, including recruitment, selection,
24 training, evaluation, compensation, manage-

1 ment, and job design of the principalship and
2 other school leadership roles.

3 (D) EVALUATION.—A plan for an external
4 evaluation to examine the impact of principals
5 on driving measurable gains in student aca-
6 demic achievement.

7 (d) FLEXIBILITY FOR SMALL RURAL DISTRICTS.—
8 The Secretary may give a local educational agency that
9 is a small, rural local educational agency (as determined
10 by the Secretary) that receives a grant under this Act
11 flexibility in carrying out the activities required under sub-
12 section (c), including a waiver of the requirement to estab-
13 lish a Teacher Academy under subsection (c)(4).

14 (e) PERMISSIBLE USE OF FUNDS.—The local edu-
15 cational agency may include a plan to support new schools,
16 including charter schools or contract schools, or for net-
17 works of public schools within the local educational agen-
18 cy, serving predominantly low-income populations, which
19 are sponsored by universities, education management or-
20 ganizations, or other nonprofit entities, using—

21 (1) funds appropriated to carry out this Act, in
22 coordination with the charter school programs under
23 subpart 1 of part B of title V of the Elementary and
24 Secondary Education Act of 1965 (20 U.S.C. 7221
25 et seq.); or

1 (2) funds from State, local, or private sources.

2 (f) REPORTS.—A local educational agency that re-
3 ceives a grant under this Act shall submit to the Secretary
4 a report on the progress of such agency toward completion
5 of the goals of the agency. Such report shall be available
6 for public view on the website of the Department. Based
7 on such reports, the Secretary may terminate grant fund-
8 ing to an agency for unsatisfactory performance.

9 (g) PEER REVIEW PANEL.—

10 (1) IN GENERAL.—There shall be established in
11 accordance with paragraph (2), a peer review panel
12 to—

13 (A) review applications submitted under
14 subsection (b);

15 (B) submit to the Secretary evaluations of
16 the applications reviewed under subparagraph
17 (A); and

18 (C) evaluate reports described in sub-
19 section (f).

20 (2) SELECTION OF MEMBERS.—

21 (A) IN GENERAL.—Subject to subpara-
22 graph (B), members of the peer review panel
23 shall be selected by the Secretary, in collabora-
24 tion with the Majority Leader of the Senate,
25 the Minority Leader of the Senate, the Majority

1 Leader of the House of Representatives, and
2 the Minority Leader of the House of Represent-
3 atives and shall include representatives from
4 foundations, universities, and other entities with
5 a record of involvement in local educational
6 agency reform efforts.

7 (B) NATIONAL GOVERNORS ASSOCIA-
8 TION.—Two members of the peer review panel
9 shall be selected by the National Governors As-
10 sociation.

11 (h) AUTHORIZATION OF APPROPRIATIONS.—

12 (1) IN GENERAL.—There are authorized to be
13 appropriated to carry out this Act \$1,500,000,000
14 for each of fiscal years 2007 through 2011.

15 (2) REDIRECT FUNDS.—The Secretary shall re-
16 direct amounts appropriated to carry out programs
17 under title II of the Elementary and Secondary Edu-
18 cation Act of 1965 (20 U.S.C. 6601 et seq.) that the
19 Secretary determines are ineffective, to carry out
20 this Act.

○