

§ 6338. Special allocation procedures

(a) Allocations for neglected children

(1) In general

If a State educational agency determines that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children who are living in institutions for neglected children as described in section 6333(c)(1)(B) of this title, the State educational agency shall, if such agency assumes responsibility for the special educational needs of such children, receive the portion of such local educational agency's allocation under sections 6333, 6334, 6335, and 6337 of this title that is attributable to such children.

(2) Special rule

If the State educational agency does not assume such responsibility, any other State or local public agency that does assume such responsibility shall receive that portion of the local educational agency's allocation.

(b) Allocations among local educational agencies

The State educational agency may allocate the amounts of grants under sections 6333, 6334, 6335, and 6337 of this title among the affected local educational agencies—

- (1) if two or more local educational agencies serve, in whole or in part, the same geographical area;
- (2) if a local educational agency provides free public education for children who reside in the school district of another local educational agency; or
- (3) to reflect the merger, creation, or change of boundaries of one or more local educational agencies.

(c) Reallocation

If a State educational agency determines that the amount of a grant a local educational agency would receive under sections 6333, 6334, 6335, and 6337 of this title is more than such local educational agency will use, the State educational agency shall make the excess amount available to other local educational agencies in the State that need additional funds in accordance with criteria established by the State educational agency.

(Pub. L. 89-10, title I, §1126, as added Pub. L. 107-110, title I, §101, Jan. 8, 2002, 115 Stat. 1534.)

PRIOR PROVISIONS

A prior section 6338, Pub. L. 89-10, title I, §1127, as added Pub. L. 103-382, title I, §101, Oct. 20, 1994, 108 Stat. 3577, related to carryover and waiver, prior to the general amendment of this subchapter by Pub. L. 107-110. See section 6339 of this title.

A prior section 1126 of Pub. L. 89-10 was classified to section 6337 of this title, prior to the general amendment of this subchapter by Pub. L. 107-110.

§ 6339. Carryover and waiver

(a) Limitation on carryover

Notwithstanding section 1225(b) of this title or any other provision of law, not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under this subpart (but not including funds received

through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year.

(b) Waiver

A State educational agency may, once every 3 years, waive the percentage limitation in subsection (a) of this section if—

- (1) the agency determines that the request of a local educational agency is reasonable and necessary; or
- (2) supplemental appropriations for this subpart become available.

(c) Exclusion

The percentage limitation under subsection (a) of this section shall not apply to any local educational agency that receives less than \$50,000 under this subpart for any fiscal year.

(Pub. L. 89-10, title I, §1127, as added Pub. L. 107-110, title I, §101, Jan. 8, 2002, 115 Stat. 1534.)

PRIOR PROVISIONS

A prior section 1127 of Pub. L. 89-10 was classified to section 6338 of this title, prior to the general amendment of this subchapter by Pub. L. 107-110.

PART B—STUDENT READING SKILLS
IMPROVEMENT GRANTS

SUBPART 1—READING FIRST

§ 6361. Purposes

The purposes of this subpart are as follows:

- (1) To provide assistance to State educational agencies and local educational agencies in establishing reading programs for students in kindergarten through grade 3 that are based on scientifically based reading research, to ensure that every student can read at grade level or above not later than the end of grade 3.
- (2) To provide assistance to State educational agencies and local educational agencies in preparing teachers, including special education teachers, through professional development and other support, so the teachers can identify specific reading barriers facing their students and so the teachers have the tools to effectively help their students learn to read.
- (3) To provide assistance to State educational agencies and local educational agencies in selecting or administering screening, diagnostic, and classroom-based instructional reading assessments.
- (4) To provide assistance to State educational agencies and local educational agencies in selecting or developing effective instructional materials (including classroom-based materials to assist teachers in implementing the essential components of reading instruction), programs, learning systems, and strategies to implement methods that have been proven to prevent or remediate reading failure within a State.
- (5) To strengthen coordination among schools, early literacy programs, and family literacy programs to improve reading achievement for all children.

(Pub. L. 89-10, title I, §1201, as added Pub. L. 107-110, title I, §101, Jan. 8, 2002, 115 Stat. 1535.)

PRIOR PROVISIONS

A prior section 6361, Pub. L. 89-10, title I, § 1201, as added Pub. L. 103-382, title I, § 101, Oct. 20, 1994, 108 Stat. 3578; amended Pub. L. 106-554, § 1(a)(4) [div. B, title XVI, § 1604(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-328, stated purpose of Even Start family literacy program, prior to the general amendment of this subchapter by Pub. L. 107-110. See section 6381 of this title.

A prior section 1201 of Pub. L. 89-10 was classified to section 2781 of this title, prior to the general amendment of Pub. L. 89-10 by Pub. L. 103-382.

§ 6362. Formula grants to State educational agencies

(a) In general

(1) Authorization to make grants

In the case of each State educational agency that in accordance with section 6363 of this title submits to the Secretary an application for a 6-year period, the Secretary, from amounts appropriated under section 6302(b)(1) of this title and subject to the application's approval, shall make a grant to the State educational agency for the uses specified in subsections (c) and (d) of this section. For each fiscal year, the funds provided under the grant shall equal the allotment determined for the State educational agency under subsection (b) of this section.

(2) Duration of grants

Subject to subsection (e)(3) of this section, a grant under this section shall be awarded for a period of not more than 6 years.

(b) Determination of amount of allotments

(1) Reservations from appropriations

From the total amount made available to carry out this subpart for a fiscal year, the Secretary—

(A) shall reserve one-half of 1 percent for allotments for the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be distributed among these outlying areas on the basis of their relative need, as determined by the Secretary in accordance with the purposes of this subpart;

(B) shall reserve one-half of 1 percent for the Secretary of the Interior for programs under this subpart in schools operated or funded by the Bureau of Indian Affairs;

(C) may reserve not more than 2½ percent or \$25,000,000, whichever is less, to carry out section 6365 of this title (relating to external evaluation) and section 6366 of this title (relating to national activities);

(D) shall reserve \$5,000,000 to carry out sections 6367 and 6374 of this title (relating to information dissemination); and

(E) for any fiscal year, beginning with fiscal year 2004, for which the amount appropriated to carry out this subpart exceeds the amount appropriated for fiscal year 2003, shall reserve, to carry out section 6364 of this title, the lesser of—

(i) \$90,000,000; or

(ii) 10 percent of such excess amount.

(2) State allotments

In accordance with paragraph (3), the Secretary shall allot among each of the States

the total amount made available to carry out this subpart for any fiscal year and not reserved under paragraph (1).

(3) Determination of State allotment amounts

(A) In general

Subject to subparagraph (B), the Secretary shall allot the amount made available under paragraph (2) for a fiscal year among the States in proportion to the number of children, aged 5 to 17, who reside within the State and are from families with incomes below the poverty line for the most recent fiscal year for which satisfactory data are available, compared to the number of such individuals who reside in all such States for that fiscal year.

(B) Exceptions

(i) Minimum grant amount

Subject to clause (ii), no State receiving an allotment under subparagraph (A) may receive less than one-fourth of 1 percent of the total amount allotted under such subparagraph.

(ii) Puerto Rico

The percentage of the amount allotted under subparagraph (A) that is allotted to the Commonwealth of Puerto Rico for a fiscal year may not exceed the percentage that was received by the Commonwealth of Puerto Rico of the funds allocated to all States under subpart 2 of part A of this subchapter for the preceding fiscal year.

(4) Distribution of subgrants

The Secretary may make a grant to a State educational agency only if the State educational agency agrees to expend at least 80 percent of the amount of the funds provided under the grant for the purpose of making, in accordance with subsection (c) of this section, competitive subgrants to eligible local educational agencies.

(5) Reallotment

If a State educational agency described in paragraph (2) does not apply for an allotment under this section for any fiscal year, or if the State educational agency's application is not approved, the Secretary shall reallot such amount to the remaining State educational agencies in accordance with paragraph (3).

(6) Definition of State

For purposes of this subsection, the term "State" means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) Subgrants to local educational agencies

(1) Authorization to make subgrants

In accordance with paragraph (2), a State educational agency that receives a grant under this section shall make competitive subgrants to eligible local educational agencies.

(2) Allocation

(A) Minimum subgrant amount

In making subgrants under paragraph (1), a State educational agency shall allocate to