

ing funds transferred under subparagraph (C)) under each of the provisions listed in paragraph (2) for a fiscal year to one or more of its allocations for such fiscal year under any other provision listed in paragraph (2).

(B) Agencies identified for improvement

In accordance with this subpart, a local educational agency identified for improvement under section 6316(c) of this title may transfer not more than 30 percent of the funds allocated to it (including funds transferred under subparagraph (C)) under each of the provisions listed in paragraph (2) for a fiscal year—

(i) to its allocation for school improvement for such fiscal year under section 6303 of this title; or

(ii) to any other allocation for such fiscal year if such transferred funds are used only for local educational agency improvement activities consistent with section 6316(c) of this title.

(C) Additional funds for subchapter I

In accordance with this subpart and subject to the percentage limitation described in subparagraph (A) or (B), as applicable, a local educational agency may transfer funds allocated to such agency under any of the provisions listed in paragraph (2) for a fiscal year to its allocation for part A of subchapter I of this chapter for that fiscal year.

(2) Applicable provisions

A local educational agency may transfer funds under subparagraph (A), (B), or (C) of paragraph (1) from allocations made under each of the following provisions:

- (A) Section 6621 of this title.
- (B) Section 6762(a)(2)(A) of this title.
- (C) Section 7112(b)(1) of this title.
- (D) Section 7211a(a) of this title.

(c) No transfer of subchapter I funds

A State or a local educational agency may not transfer under this subpart to any other program any funds allotted or allocated to it for part A of subchapter I of this chapter.

(d) Modification of plans and applications; notification

(1) State transfers

Each State that makes a transfer of funds under this section shall—

(A) modify, to account for such transfer, each State plan, or application submitted by the State, to which such funds relate;

(B) not later than 30 days after the date of such transfer, submit a copy of such modified plan or application to the Secretary; and

(C) not later than 30 days before the effective date of such transfer, notify the Secretary of such transfer.

(2) Local transfers

Each local educational agency that makes a transfer of funds under this section shall—

(A) modify, to account for such transfer, each local plan, or application submitted by the agency, to which such funds relate;

(B) not later than 30 days after the date of such transfer, submit a copy of such modified plan or application to the State; and

(C) not later than 30 days before the effective date of such transfer, notify the State of such transfer.

(e) Applicable rules

(1) In general

Except as otherwise provided in this subpart, funds transferred under this section are subject to each of the rules and requirements applicable to the funds under the provision to which the transferred funds are transferred.

(2) Consultation

Each State educational agency or local educational agency that transfers funds under this section shall conduct consultations in accordance with section 7881 of this title, if such transfer transfers funds from a program that provides for the participation of students, teachers, or other educational personnel, from private schools.

(Pub. L. 89-10, title VI, § 6123, as added Pub. L. 107-110, title VI, § 601, Jan. 8, 2002, 115 Stat. 1876.)

SUBPART 3—STATE AND LOCAL FLEXIBILITY
DEMONSTRATION

§ 7311. Short title

This subpart may be cited as the “State and Local Flexibility Demonstration Act”.

(Pub. L. 89-10, title VI, § 6131, as added Pub. L. 107-110, title VI, § 601, Jan. 8, 2002, 115 Stat. 1878.)

PRIOR PROVISIONS

A prior section 7311, Pub. L. 89-10, title VI, § 6101, as added Pub. L. 103-382, title I, § 101, Oct. 20, 1994, 108 Stat. 3708, related to allotment to States, prior to the general amendment of this subchapter by Pub. L. 107-110. See section 7211 of this title.

§ 7311a. Purpose

The purpose of this subpart is to create options for selected State educational agencies and local educational agencies—

(1) to improve the academic achievement of all students, and to focus the resources of the Federal Government upon such achievement;

(2) to improve teacher quality and subject matter mastery, especially in mathematics, reading, and science;

(3) to better empower parents, educators, administrators, and schools to effectively address the needs of their children and students;

(4) to give participating State educational agencies and local educational agencies greater flexibility in determining how to increase their students’ academic achievement and implement education reforms in their schools;

(5) to eliminate barriers to implementing effective State and local education reform, while preserving the goals of opportunity for all students and accountability for student progress;

(6) to hold participating State educational agencies and local educational agencies accountable for increasing the academic achievement of all students, especially disadvantaged students; and

(7) to narrow achievement gaps between the lowest and highest achieving groups of students so that no child is left behind.