

(B) Special determination

For a local educational agency that is eligible under section 7345(b)(1)(C) of this title and is a member of an educational service agency, the Secretary may determine the award amount by subtracting from the initial amount determined under paragraph (2), an amount that is equal to that local educational agency's per-pupil share of the total amount received by the educational service agency under the provisions described in section 7345(c) of this title, as long as a determination under this subparagraph would not disproportionately affect any State.

(2) Determination of initial amount**(A) In general**

The initial amount referred to in paragraph (1) is equal to \$100 multiplied by the total number of students in excess of 50 students, in average daily attendance at the schools served by the local educational agency, plus \$20,000, except that the initial amount may not exceed \$60,000.

(B) Special rule

For any fiscal year for which the amount made available to carry out this part is \$265,000,000 or more, subparagraph (A) shall be applied—

- (i) by substituting "\$25,000" for "\$20,000"; and
- (ii) by substituting "\$80,000" for "\$60,000".

(3) Ratable adjustment**(A) In general**

If the amount made available to carry out this section for any fiscal year is not sufficient to pay in full the amounts that local educational agencies are eligible to receive under paragraph (1) for such year, the Secretary shall ratably reduce such amounts for such year.

(B) Additional amounts

If additional funds become available for making payments under paragraph (1) for such fiscal year, payments that were reduced under subparagraph (A) shall be increased on the same basis as such payments were reduced.

(4) Hold harmless

For a local educational agency that is not eligible under this subpart due to amendments made by the Every Student Succeeds Act to section 7345(b)(1)(A)(ii) of this title but met the eligibility requirements under section 7345(b) of this title as such section was in effect on the day before December 10, 2015, the agency shall receive—

- (A) for fiscal year 2017, 75 percent of the amount such agency received for fiscal year 2015;
- (B) for fiscal year 2018, 50 percent of the amount such agency received for fiscal year 2015; and
- (C) for fiscal year 2019, 25 percent of the amount such agency received for fiscal year 2015.

(c) Disbursement

The Secretary shall disburse the funds awarded to a local educational agency under this sec-

tion for a fiscal year not later than July 1 of that fiscal year.

(Pub. L. 89-10, title V, §5212, formerly title VI, §6212, as added Pub. L. 107-110, title VI, §601, Jan. 8, 2002, 115 Stat. 1892; renumbered title V, §5212, and amended Pub. L. 114-95, title V, §§5001(a)(3), 5003(2), Dec. 10, 2015, 129 Stat. 2039, 2040, 2042.)

REFERENCES IN TEXT

Amendments made by the Every Student Succeeds Act to section 7345(b)(1)(A)(ii) of this title, referred to in subsec. (b)(4), mean the amendments made to section 7345(b)(1)(A)(ii) of this title by Pub. L. 114-95, title V, §5003(1)(B)(i), Dec. 10, 2015, 129 Stat. 2041. See 2015 Amendment note under section 7345 of this title.

Section 7345(b) of this title as such section was in effect on the day before December 10, 2015, referred to in subsec. (b)(4), means section 7345(b) of this title prior to amendment by Pub. L. 114-95, title V, §§5001(a)(3), 5003(1)(B), Dec. 10, 2015, 129 Stat. 2039-2041.

AMENDMENTS

2015—Subsec. (a). Pub. L. 114-95, §5003(2)(A), added pars. (1) to (4) and struck out former pars. (1) to (5) which read as follows:

- “(1) Part A of subchapter I of this chapter.
- “(2) Part A or D of subchapter II of this chapter.
- “(3) Subchapter III of this chapter.
- “(4) Part A or B of subchapter IV of this chapter.
- “(5) Part A of subchapter V of this chapter.”

Subsec. (b)(1). Pub. L. 114-95, §5003(2)(B)(i), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: “Except as provided in paragraph (3), the Secretary shall award a grant under subsection (a) of this section to a local educational agency eligible under section 7345(b) of this title for a fiscal year in an amount equal to the initial amount determined under paragraph (2) for the fiscal year minus the total amount received by the agency under the provisions of law described in section 7345(c) of this title for the preceding fiscal year.”

Subsec. (b)(2). Pub. L. 114-95, §5003(2)(B)(ii), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: “The initial amount referred to in paragraph (1) is equal to \$100 multiplied by the total number of students in excess of 50 students, in average daily attendance at the schools served by the local educational agency, plus \$20,000, except that the initial amount may not exceed \$60,000.”

Subsec. (b)(4). Pub. L. 114-95, §5003(2)(B)(iii), added par. (4).

Subsec. (d). Pub. L. 114-95, §5003(2)(C), struck out subsec. (d). Text read as follows: “A local educational agency that is eligible to receive a grant under this subpart for a fiscal year is not eligible to receive funds for such fiscal year under subpart 2 of this part.”

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114-95, set out as a note under section 6301 of this title.

§ 7345b. Repealed. Pub. L. 114-95, title V, § 5003(3), Dec. 10, 2015, 129 Stat. 2043

Section, Pub. L. 89-10, title V, §5213, formerly title VI, §6213, as added Pub. L. 107-110, title VI, §601, Jan. 8, 2002, 115 Stat. 1893; renumbered title V, §5213, Pub. L. 114-95, title V, §5001(a)(3), Dec. 10, 2015, 129 Stat. 2039, 2040, related to accountability for educational agencies receiving funds.

EFFECTIVE DATE OF REPEAL

Repeal effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive pro-

grams, see section 5 of Pub. L. 114-95, set out as an Effective Date of 2015 Amendment note under section 6301 of this title.

SUBPART 2—RURAL AND LOW-INCOME SCHOOL PROGRAM

§ 7351. Program authorized

(a) Grants to States

(1) In general

From amounts appropriated under section 7355c of this title for this subpart for a fiscal year that are not reserved under subsection (c), the Secretary shall award grants (from allotments made under paragraph (2)) for the fiscal year to State educational agencies that have applications submitted under section 7351b of this title approved to enable the State educational agencies to award grants to eligible local educational agencies for local authorized activities described in section 7351a(a) of this title.

(2) Allotment

From amounts described in paragraph (1) for a fiscal year, the Secretary shall allot to each State educational agency for that fiscal year an amount that bears the same ratio to those amounts as the number of students in average daily attendance served by eligible local educational agencies in the State for that fiscal year bears to the number of all such students served by eligible local educational agencies in all States for that fiscal year.

(3) Specially qualified agencies

(A) Eligibility and application

If a State educational agency elects not to participate in the program under this subpart or does not have an application submitted under section 7351b of this title approved, a specially qualified agency in such State desiring a grant under this subpart may submit an application under such section directly to the Secretary to receive an award under this subpart.

(B) Direct awards

The Secretary may award, on a competitive basis or by formula, the amount the State educational agency is eligible to receive under paragraph (2) directly to a specially qualified agency in the State that has submitted an application in accordance with subparagraph (A) and obtained approval of the application.

(C) Specially qualified agency defined

In this subpart, the term “specially qualified agency” means an eligible local educational agency served by a State educational agency that does not participate in a program under this subpart in a fiscal year, that may apply directly to the Secretary for a grant in such year under this subsection.

(b) Local awards

(1) Eligibility

A local educational agency shall be eligible to receive a grant under this subpart if—

(A)(i) 20 percent or more of the children ages 5 through 17 years served by the local

educational agency are from families with incomes below the poverty line; and

(ii) all of the schools served by the agency are designated with a locale code of 32, 33, 41, 42, or 43, as determined by the Secretary; or
(B) the agency meets the criteria established in clause (i) of subparagraph (A) and the Secretary, in accordance with paragraph (2), grants the local educational agency’s request to waive the criteria described in clause (ii) of such subparagraph.

(2) Certification

The Secretary shall determine whether to waive the criteria described in paragraph (1)(A)(ii) based on a demonstration by the local educational agency, and concurrence by the State educational agency, that the local educational agency is located in an area defined as rural by a governmental agency of the State.

(3) Award basis

A State educational agency shall award grants to eligible local educational agencies—

(A) on a competitive basis;

(B) according to a formula based on the number of students in average daily attendance served by the eligible local educational agencies or schools in the State; or

(C) according to an alternative formula, if, prior to awarding the grants, the State educational agency demonstrates, to the satisfaction of the Secretary, that the alternative formula enables the State educational agency to allot the grant funds in a manner that serves equal or greater concentrations of children from families with incomes below the poverty line, relative to the concentrations that would be served if the State educational agency used the formula described in subparagraph (B).

(c) Reservations

From amounts appropriated under section 7355c of this title for this subpart for a fiscal year, the Secretary shall reserve—

(1) one-half of 1 percent to make awards to elementary schools or secondary schools operated or supported by the Bureau of Indian Education, to carry out the activities authorized under this subpart; and

(2) one-half of 1 percent to make awards to the outlying areas in accordance with their respective needs, to carry out the activities authorized under this subpart.

(Pub. L. 89-10, title V, §5221, formerly title VI, §6221, as added Pub. L. 107-110, title VI, §601, Jan. 8, 2002, 115 Stat. 1894; renumbered title V, §5221, and amended Pub. L. 114-95, title V, §§5001(a)(4), (b)(3), (4), 5003(4), Dec. 10, 2015, 129 Stat. 2039, 2040, 2043.)

PRIOR PROVISIONS

A prior section 7351, Pub. L. 89-10, title VI, §6301, as added Pub. L. 103-382, title I, §101, Oct. 20, 1994, 108 Stat. 3711; amended Pub. L. 105-278, §2(2), Oct. 22, 1998, 112 Stat. 2682, related to targeted use of funds for local innovative education programs, prior to the general amendment of former subchapter VI of this chapter by Pub. L. 107-110.

A prior section 5221 of Pub. L. 89-10 was classified to section 7223 of this title, prior to repeal by Pub. L. 114-95.