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ABSTRACT

This report presents amendments to H.R. 4250, a bill to authorize appropriations for fiscal years 1995 through 1998 to carry out the Head Start Act, the Community Services Block Grant Act, the Low-Income Home Energy Assistance Act, and the newly enacted Family Resource and Support Act. The text of the amendments themselves, as well as the complete text of the existing laws as currently amended, are included. Amendments to the Head Start Act address: (1) appropriations; (2) program expansion; (3) parent participation; (4) outcomes measures; (5) quality improvement; (6) Indian Head Start programs; and (7) staff training. Amendments to the Community Services Block Grant Act address appropriations, accountability, discretionary programs, the National Youth Sports Program, and the Community Food and Nutrition Program. Amendments to the Low-Income Home Energy Assistance Act deal with appropriations, contingency funding, reporting requirements, and vendor payments. The purpose of the new Family Resource and Support Act is to promote organization of state and local funding for family support programs. The report also presents the minority Republican view on these amendments. (MDM)

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HUMAN SERVICES AMENDMENTS OF 1994

APRIL 26, 1994.—Ordered to be printed

Mr. FORD of Michigan, from the Committee on Education and Labor, submitted the following

REPORT

together with

MINORITY AND ADDITIONAL VIEWS

[To accompany H.R. 4250 which on April 19, 1994, was referred jointly to the Committee on Education and Labor and the Committee on Energy and Commerce]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4250) To authorize appropriations for fiscal years 1995 through 1998 to carry out the Head Start Act and the Community Services Block Grant Act, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Human Services Amendments of 1994".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—HEAD START PROGRAMS

- Sec. 101. Short title; references in title.
- Sec. 102. Definitions.
- Sec. 103. Services.
- Sec. 104. Authorization of appropriations.
- Sec. 105. Allocation of funds.
- Sec. 106. Report.
- Sec. 107. Designation.
- Sec. 108. Monitoring and quality assurance.
- Sec. 109. Enhanced parent involvement and transition coordination with schools.
- Sec. 110. Facilities and administrative requirements.
- Sec. 111. Participation.
- Sec. 112. Initiative on families with infants and toddlers.

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- Sec. 113. Appeals, notice, and hearing.
- Sec. 114. Goals and priorities for training and technical assistance.
- Sec. 115. Staff qualifications and development.
- Sec. 116. Research, demonstrations, evaluation.
- Sec. 117. Announcements and evaluations.
- Sec. 118. Reports.
- Sec. 119. Repeals.
- Sec. 120. Consultation with the Corporation for National and Community Service.
- Sec. 121. Study of benefits for Head Start employees.
- Sec. 122. Study of full-day and full-year Head Start programs.
- Sec. 123. State dependent care development programs.
- Sec. 124. Reauthorization of Child Development Associate Scholarship Assistance Act of 1985.
- Sec. 125. Technical and conforming amendments.
- Sec. 126. Effective date; application of amendments.

TITLE II—COMMUNITY SERVICES BLOCK GRANT AMENDMENTS

- Sec. 201. Short title and references.
- Sec. 202. Authorizations of appropriations.
- Sec. 203. Discretionary authority of Secretary.
- Sec. 204. Community food and nutrition.
- Sec. 205. Instructional activities for low-income youth.
- Sec. 206. Amendment to Stewart B. McKinney Homeless Assistance Act.
- Sec. 207. Amendments to the Human Services Reauthorization Act of 1986.
- Sec. 208. Effective date.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE AMENDMENTS

- Sec. 301. Short title and references.
- Sec. 302. Statement of purpose.
- Sec. 303. Authorization of appropriations.
- Sec. 304. Emergency funds.
- Sec. 305. Authorized uses of funds.
- Sec. 306. Targeting of assistance to households with high home energy burdens.
- Sec. 307. Clarification of audit requirement.
- Sec. 308. Use of Department of Energy weatherization rules to achieve program consistency.
- Sec. 309. Matters to be described in annual application.
- Sec. 310. Report of funds available for obligation.
- Sec. 311. Miscellaneous and technical amendments.
- Sec. 312. Residential energy assistance challenge option (R.E.A.Ch.).
- Sec. 313. Sense of the Congress regarding appropriations for LIHEAP.
- Sec. 314. Effective date.

TITLE IV—COMMUNITY-BASED FAMILY RESOURCE PROGRAMS

- Sec. 401. Short title.
- Sec. 402. Community-based family support and family resource programs.
- Sec. 403. Federal Council on Children, Youth, and Families.
- Sec. 404. Family Resource Act.

TITLE I—HEAD START PROGRAMS

SEC. 101. SHORT TITLE; REFERENCES IN TITLE.

(a) **SHORT TITLE.**—This title may be cited as the "Head Start Act Amendments of 1994".

(b) **REFERENCES.**—Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Head Start Act (42 U.S.C. 9831 et seq.).

SEC. 102. DEFINITIONS.

Section 637 (42 U.S.C. 9832) is amended—

- (1) by striking paragraphs (4) and (5);
- (2) by adding after paragraph (11) the following:

"(12) The term 'family literacy services' means services and activities that include interactive literacy activities between parents and their children, training for parents on techniques for being the primary teacher of their children and full partners in the education of their children, parent literacy training (including training in English as a second language), and early childhood education.

"(13) The term 'Indian tribe' means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)) or established pursuant to such Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.";
- (3) by redesignating paragraphs (6), (7), (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (13), (5), (6), (4), and (10), respectively; and
- (4)(A) by transferring paragraph (4), as so redesignated, and inserting the paragraph after paragraph (3);

(B) by transferring paragraphs (5) and (6), as so redesignated, and inserting the paragraphs after paragraph (4), as so redesignated;

(C) by transferring paragraph (10), as so redesignated, and inserting the paragraph after paragraph (9), as so redesignated;

(D) by inserting after paragraph (10), as so redesignated, the following:

"(11) The term 'local educational agency' has the meaning given such term in the Elementary and Secondary Education Act of 1965.

"(12) The term 'migrant Head Start program' means a Head Start program that serves families who are engaged in agricultural work and who have changed their residence from one geographical location to another in the preceding 2-year period."; and

(E) by adding at the end the following:

"(14) The term 'State educational agency' has the meaning given such term in the Elementary and Secondary Education Act of 1965."

SEC. 103. SERVICES.

Section 638(a)(1) (42 U.S.C. 9833(a)(1)) is amended by striking "health, nutritional, educational, social, and other services" and inserting "health, education, parental involvement, nutritional, social, and other services".

SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

Section 639 (42 U.S.C. 9834) is amended—

(1) in subsection (a), by striking all that follows "subchapter" and inserting "such sums as may be necessary for fiscal years 1995, 1996, 1997, and 1998."; and

(2) by striking subsections (b) and (c) and inserting the following:

"(b) From the amount appropriated under subsection (a), the Secretary shall make available—

"(1) \$35,000,000 for each of the fiscal years 1995 through 1998—

"(A) to carry out the Head Start Transition Project Act; and

"(B) to carry out activities authorized under section 642(d); and

"(2) not more than \$2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998, to carry out longitudinal research under section 649(e)."

SEC. 105. ALLOCATION OF FUNDS.

(a) ALLOCATION AND USE OF FUNDS FOR QUALITY IMPROVEMENT.—Section 640(a)(3) (42 U.S.C. 9835(a)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as subparagraphs (C) and (D), respectively;

(2) by striking "(3)(C)" and all that follows through "quality improvement activities;" and inserting the following:

"(3)(A)(i) In order to provide assistance for activities specified in subparagraph (C) directed at the goals specified in subparagraph (B), the Secretary shall reserve, from the amount (if any) by which the funds appropriated under section 639(a) for a fiscal year exceed the adjusted prior year appropriation, a share equal to the sum of—

"(I) 25 percent of such excess amount; and

"(II) any additional amount the Secretary may find necessary to address a demonstrated need for such activities.

"(ii) As used in clause (i), the term 'adjusted prior year appropriation' means, with respect to a fiscal year, the amount appropriated pursuant to section 639(a) for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers (issued by the Bureau of Labor Statistics) during such preceding fiscal year.

"(B) Funds reserved under this paragraph (referred to in this paragraph as 'quality improvement funds') shall be used to accomplish any or all of the following goals:

"(i) Ensuring that Head Start programs meet or exceed performance standards pursuant to section 641A(a)(1)(A).

"(ii) Ensuring that such programs have adequate qualified staff, and that such staff are furnished adequate training, including developing skills in working with children with non-English language background, when appropriate.

"(iii) Ensuring that salary levels and benefits are adequate to attract and retain qualified staff for such programs.

"(iv) Using salary increases to improve staff qualifications, and to assist with the implementation of career development programs, for the staff of Head Start programs.

"(v) Improving community-wide strategic planning and needs assessments for such programs.

"(vi) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, including families with very young children.

"(vii) Making such other improvements in the quality of such programs as the Secretary may designate.

"(C) Quality improvement* funds shall be used to carry out any or all of the following activities:"

(3) in subparagraph (C), as redesignated in paragraph (1), by adding at the end the following:

"(vii) Such other activities as the Secretary may designate."; and

(4) in subparagraph (D), as redesignated in paragraph (1)—

(A) in clause (i)—

(i) in the matter preceding subclause (I), by striking "for the first, second, and third fiscal years for which funds are so reserved"; and

(ii) in subclause (II), by inserting "geographical areas specified in subsection (a)(2)(B) and Indian and migrant Head Start programs," after "States,";

(B) by striking clauses (ii) and (iii);

(C) in clause (iv)—

(i) by striking "To be expended" and all that follows through "reserved, funds" and inserting "Funds";

(ii) by striking "clause (ii)" the first place it appears and inserting "clause (i)";

(iii) by inserting before the period at the end of the first sentence, "for expenditure for activities specified in subparagraph (C)"; and

(iv) by striking the second sentence;

(D) in clause (vi), by striking "paragraphs (2), (4), and (5)" and inserting "paragraph (2) or (4)"; and

(E) by striking clause (v) and redesignating clauses (iv) and (vi) as clauses (ii) and (iii), respectively.

(b) FUNDS SET-ASIDE.—Section 640(a) (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (1), by striking "through (5)." and inserting "through (4), and subject to paragraphs (5) and (6).";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "1990" and inserting "1994"; and

(B) in subparagraph (D), by inserting "(including payments for all costs (other than compensation of Federal employees) of reviews of Head Start agencies and programs under section 641A(c), and of activities related to the development and implementation of quality improvement plans under section 641A(d)(2))" after "Secretary";

(3) in paragraph (3), by striking "paragraph (5)" each place it appears and inserting "paragraph (4)";

(4) by striking paragraph (4), and redesignating paragraphs (5) and (6) as paragraphs (4) and (7), respectively;

(5) in paragraph (4), as redesignated in paragraph (4), by striking "The" and inserting "Subject to section 639(b), the"; and

(6) by adding after paragraph (4), as redesignated in paragraph (4), the following:

"(5)(A) From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall reserve such sums as may be necessary to award the collaboration grants described in subparagraph (B).

"(B) From the reserved sums, the Secretary may award a collaboration grant to each State to facilitate collaboration between State governments and Head Start programs regarding activities carried out in the State under this subchapter, and other activities carried out in, and by, the State that are designed to benefit low-income children and families.

"(C) A State that receives a grant under subparagraph (B) shall—

"(i) appoint an individual to serve as a State liaison between—

"(I) agencies and individuals carrying out Head Start programs in the State;

"(II) the State educational agency and local educational agencies; and

"(III) other agencies and entities carrying out programs serving low-income children and families;

"(ii) involve the State Head Start Association in the selection of the individual, and involve the association in determinations relating to the ongoing direction of the collaboration;

"(iii) ensure that the individual holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies; and

"(iv) ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, education, libraries, and national service activities, and activities relating to children with disabilities.

"(D) As used in this paragraph, the term 'low-income', used with respect to children or families, shall not be considered to refer only to children or families that meet the low-income criteria prescribed pursuant to section 645(a)(1)(A).

"(6) From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a), a portion of the combined total of such amounts equal to 3 percent for fiscal year 1995, 4 percent for each of fiscal years 1996 and 1997, and 5 percent for fiscal year 1998, of the amount appropriated pursuant to section 639(a)."

(c) CONSIDERATIONS FOR ALLOCATION OF FUNDS FOR PROGRAM EXPANSION.—Section 640(g) (42 U.S.C. 9835(g)) is amended—

(1) by striking "(g)" and inserting "(g)(1)"; and

(2) by adding at the end the following:

"(2) For the purpose of expanding Head Start programs, in allocating funds to an applicant within a State, from amounts allotted to a State pursuant to subsection (a)(4), the Secretary shall take into consideration—

"(A) the quality of the applicant's programs (including Head Start and other child care or child development programs) in existence on the date of the allocation, including, in the case of Head Start programs in existence on the date of the allocation, the extent to which such programs meet or exceed performance standards and other requirements under this subchapter;

"(B) the applicant's capacity to expand services (including, in the case of Head Start programs in existence on the date of the allocation, whether the applicant accomplished any prior expansions in an effective and timely manner);

"(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations serving children and families (including organizations serving families in whose homes English is not the language customarily spoken) and involving consultation with the State agency that administers early childhood development and education programs;

"(D) the extent to which the applicant has identified a need to provide full-working-day or full calendar year services based on a family and community needs assessment consistent with the preceding paragraph;

"(E) the numbers of eligible children in each community who are not participating in a Head Start program; and

"(F) the concentration of low-income families in each community.

"(3) In determining the amount of funds reserved pursuant to subparagraph (A) or (B) of subsection (a)(2) to be used for expanding Head Start programs under this subchapter, the Secretary shall take into consideration, to the extent appropriate, the factors specified in paragraph (2)."

(d) TECHNICAL AMENDMENT.—Section 640(h) (42 U.S.C. 9835(h)) is amended by striking "Each Head Start program may" and inserting "Financial assistance provided under this subchapter may be used by each Head Start program to".

(e) COMPENSATION; REGULATIONS; PRIORITY.—Section 640 (42 U.S.C. 9835) is amended by adding at the end the following:

"(j) Any agency that receives financial assistance under this subchapter to improve the compensation of staff who provide services under this subchapter shall use the financial assistance to improve the compensation of such staff, regardless of whether the agency has the ability to improve the compensation of staff employed by the agency who do not provide Head Start services.

"(k) Regulations issued by the Secretary that require a certain number of hours of service to be provided to children in Head Start programs shall include such flexibility as will permit Head Start agencies to satisfy such requirement through one or more of a variety of techniques, including adjustments to the length of a daily session or to the number of days of service.

"(l) With funds made available under section 640(a)(2) to migrant Head Start programs, the Secretary shall give priority to migrant Head Start programs that serve eligible children of migrant families whose work requires them to relocate most frequently."

SEC. 106. REPORT.

Section 640A (42 U.S.C. 9835a) is repealed.

SEC. 107. DESIGNATION.

(a) **INDIAN RESERVATIONS.**—Section 641(b) (42 U.S.C. 9836(b)) is amended by inserting after “Indian reservation” the following: “(including Indians in any area designated by the Bureau of Indian Affairs as near-reservation)”.

(b) **DESIGNATION OF AGENCIES.**—Section 641(c) (42 U.S.C. 9836(c)) is amended—

(1) by striking paragraphs (2) through (4);

(2) in the first sentence—

(A) by inserting “(subject to paragraph (2))” before “, the Secretary shall give priority”; and

(B) by striking “unless” and all that follows through the end of subparagraph (A) and inserting the following: “unless the Secretary makes a finding that the agency involved fails to meet program, financial management, and other requirements established by the Secretary.”;

(3) by redesignating subparagraph (B) as paragraph (2);

(4) in paragraph (2), as so redesignated—

(A) by striking “except that, if” and inserting “If”; and

(B) by striking “subparagraph (A)” and inserting “paragraph (1)”; and

(5) by striking “Notwithstanding any other provision of this paragraph” and inserting the following:

“(3) Notwithstanding any other provision of this subsection”; and

(6) by aligning the margins of paragraph (2), as so redesignated, with the margins of paragraph (3).

(c) **CONSIDERATIONS IN DESIGNATING NEW HEAD START AGENCIES.**—Section 641(d) (42 U.S.C. 9836(d)) is amended—

(1) in the first sentence, by striking all that precedes “then the Secretary” and inserting “If no entity in a community is entitled to the priority specified in subsection (c),”;

(2) by striking the second sentence;

(3) in the third sentence—

(A) in the matter preceding paragraph (1), by striking “and subject to the preceding sentence”; and

(B) in paragraph (4), to read as follows:

“(4) the plan of such applicant—

“(A) to seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children;

“(B) to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

“(C) to offer (directly or through referral to local entities, such as public and school libraries and entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)) to such parents—

“(i) family literacy services; and

“(ii) parenting skills training;

“(D) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

“(i) parents’ social self-sufficiency training;

“(ii) substance abuse counseling;

“(iii) training in nonpunitive discipline techniques that are age appropriate, consistent, and positive for the child;

“(iv) training in basic child development;

“(v) assistance in developing communication skills;

“(vi) opportunities for parents to share experiences with other parents, or

“(vii) any other activity designed to help such parents understand the importance of their involvement in the education of their children and to help such parents become full partners in the education of their children; and

“(E) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraphs (C) and (D) in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities);”;

(4) in paragraph (7)—

(A) by striking “non-English language children” and inserting “non-English language background children and their families”; and

(B) by inserting “and” after the semicolon;

- (5) by striking paragraph (8); and
 (6) by redesignating paragraph (9) as paragraph (8).
 (d) CONFORMING AMENDMENT.—Section 641 (42 U.S.C. 9836) is amended—
 (1) by striking subsection (f); and
 (2) by redesignating subsection (g) as subsection (f).

SEC. 106. MONITORING AND QUALITY ASSURANCE.

The Act is amended by inserting after section 641 (42 U.S.C. 9836) the following:

“SEC. 641A. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

“(a) QUALITY STANDARDS.—

“(1) ESTABLISHMENT OF STANDARDS.—The Secretary shall establish by regulation standards applicable to Head Start agencies, programs, and projects under this subchapter, including—

“(A) performance standards with respect to services required to be provided, including health, education, parental involvement, nutritional, social, transition-to-elementary-school, and other services;

“(B) administrative and financial management standards, including standards that address recordkeeping and file maintenance practices;

“(C) standards relating to the condition and location of facilities for such agencies, programs, and projects;

“(D) standards for the provision of services to families with very young children; and

“(E) such other standards as the Secretary finds to be appropriate.

“(2) MINIMUM REQUIREMENTS.—The regulations promulgated under this subsection shall establish the minimum levels of overall accomplishment that a Head Start agency shall achieve in order to meet the standards specified in paragraph (1).

“(3) CONSIDERATIONS IN DEVELOPING STANDARDS.—In developing the regulations required under paragraph (1), the Secretary shall—

“(A) consult with experts in the fields of child development, early childhood education, child health care, family services (including linguistically, culturally, and developmentally appropriate services to non-English language background children and their families), administration, and financial management, and with persons with experience in the operation of Head Start programs;

“(B) take into consideration—

“(i) past experience with use of the standards in effect under this subchapter on the date of enactment of this section;

“(ii) changes over the period since the date of enactment of this subchapter in the circumstances and problems typically facing children and families served by Head Start agencies;

“(iii) developments concerning best practices with respect to child development, children with disabilities, family services, program administration, and financial management;

“(iv) guidelines and standards currently in effect or under consideration that promote child health services, and projected needs of expanding Head Start programs;

“(v) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children; and

“(vi) the need for, and state-of-the-art developments relating to, local policies and activities designed to ensure that children participating in Head Start programs make a successful transition to public schools; and

“(C)(i) not later than 1 year after the date of enactment of this section, review and revise as necessary the performance standards in effect under section 651(b) on the day before the date of enactment of this section; and

“(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in the scope or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on November 2, 1978.

“(4) STANDARDS RELATING TO OBLIGATIONS TO DELEGATE AGENCIES.—In developing standards under this subsection, the Secretary shall describe the obligations of a Head Start agency to an agency (referred to in this subchapter as the ‘delegate agency’) to which the Head Start agency has delegated responsibility for providing services under this subchapter and determine whether the Head Start agency complies with the standards. The Secretary shall consider such

compliance during the review described in subsection (c)(1)(A) and in determining whether to renew financial assistance to the Head Start agency under this subchapter.

"(b) PERFORMANCE MEASURES.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of child development, family services, and program management, shall develop methods and procedures for measuring, annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies (referred to in this subchapter as 'performance measures').

"(2) DESIGN OF MEASURES.—The performance measures developed under this subsection shall be designed—

"(A) to assess the various services provided by Head Start programs and, to the extent the Secretary finds appropriate, administrative and financial management practices of such programs;

"(B) to be adaptable for use in self-assessment and peer review of individual Head Start agencies and programs; and

"(C) for other program purposes as determined by the Secretary.

"(3) USE OF MEASURES.—The Secretary shall use the performance measures developed pursuant to this subsection—

"(A) to identify strengths and weaknesses in the operation of Head Start programs nationally and by region; and

"(B) to identify problem areas that may require additional training and technical assistance resources.

"(c) MONITORING OF LOCAL AGENCIES AND PROGRAMS.—

"(1) IN GENERAL.—In order to determine whether Head Start agencies meet standards established under this subchapter with respect to program, administrative, financial management, and other requirements, the Secretary shall conduct the following reviews of designated Head Start agencies, and of the Head Start programs operated by such agencies:

"(A) A full review of each such agency at least once during each 3-year period.

"(B) A review of each newly designated agency immediately after the completion of the first year such agency carries out a Head Start program.

"(C) Followup reviews including prompt return visits to agencies and programs that fail to meet the standards.

"(D) Other reviews as appropriate.

"(2) CONDUCT OF REVIEWS.—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

"(A) are performed, to the maximum extent practicable, by employees of the Department of Health and Human Services who are knowledgeable about Head Start programs and the linguistic and cultural needs of eligible children and their families; and

"(B) are supervised by such an employee at the site of such Head Start agency.

"(d) CORRECTIVE ACTION; TERMINATION.—

"(1) DETERMINATION.—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (b), the Secretary shall—

"(A) inform the agency of the deficiencies that shall be corrected;

"(B) with respect to each identified deficiency, require the agency—

"(i) to correct the deficiency immediately; or

"(ii) at the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and

"(C) initiate proceedings to terminate the designation of the agency unless the agency corrects the deficiency.

"(2) QUALITY IMPROVEMENT PLAN.—

"(A) AGENCY RESPONSIBILITIES.—In order to retain a designation as a Head Start agency under this subchapter, a Head Start agency that is the subject of a determination described in paragraph (1) (other than an agency able to correct a deficiency immediately) shall—

"(i) develop in a timely manner, obtain the approval of the Secretary regarding, and implement a quality improvement plan that specifies—

"(I) the deficiencies to be corrected;

"(II) the actions to be taken to correct such deficiencies; and
 "(III) the timetable for accomplishment of the corrective actions specified; and

"(ii) eliminate each deficiency identified, not later than the date for elimination of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency received notice of the determination and of the specific deficiency to be corrected).

"(B) SECRETARIAL RESPONSIBILITY.—Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

"(3) TRAINING AND TECHNICAL ASSISTANCE.—The Secretary shall provide training and technical assistance to Head Start agencies with respect to the development or implementation of such quality improvement plans to the extent the Secretary finds such provision to be feasible and appropriate given available funding and other statutory responsibilities.

"(e) SUMMARIES OF MONITORING OUTCOMES.—Not later than 90 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (d), during such fiscal year."

SEC. 109. ENHANCED PARENT INVOLVEMENT AND TRANSITION COORDINATION WITH SCHOOLS.

Section 642 (42 U.S.C. 9837) is amended—

(1) by amending subsection (b) to read as follows:

"(b) In order to be so designated, a Head Start agency shall also—

"(1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests;

"(2) provide for their regular participation in the implementation of such programs;

"(3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources;

"(4) seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children, and to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

"(5) offer (directly or through referral to local entities, such as entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)), to parents of participating children, family literacy services and parenting skills training;

"(6) at the option of such agency, offer (directly or through referral to local entities), to such parents, parental social self-sufficiency training, substance abuse counseling, training in nonpunitive discipline techniques that are age appropriate, consistent, and positive for the child, training in basic child development, assistance in developing communication skills, opportunities for parents to share experiences with other parents, regular in-home visitation for families at risk of child abuse and neglect, or any other activity designed to help such parents become full partners in the education of their children;

"(7) provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in paragraphs (4) through (6) in which such parents may choose to be involved (taking into consideration their specific family needs, work schedules, and other responsibilities);

"(8) establish procedures to seek reimbursement, to the extent feasible, from other agencies for services for which any such other agency is responsible, which are provided to a Head Start participant by the Head Start agency;

"(9) consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources; and

"(10) perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers."

(2) in subsection (c), by striking "schools that will subsequently serve children in Head Start programs,"; and

(3) by adding after subsection (c) the following:

"(d)(1) Each Head Start agency shall carry out the actions specified in this subsection, to the extent feasible and appropriate in the circumstances (including the extent to which such agency is able to secure the cooperation of parents and schools) to enable children to maintain the developmental gains achieved in Head Start programs and to build upon such gains in further schooling.

"(2) The Head Start agency shall take steps to coordinate with the local educational agency (as defined in the Elementary and Secondary Education Act of 1965) serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program, including—

"(A) developing and implementing a systematic procedure for transferring, with parental consent, Head Start program records for each participating child to the school in which such child will enroll;

"(B) establishing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, and health staff) to facilitate coordination of programs;

"(C) conducting meetings involving parents, kindergarten or elementary school teachers, and Head Start program teachers to discuss the developmental and other needs of individual children;

"(D) organizing and participating in joint transition-related training of school staff, Head Start staff, and parents;

"(E) providing transportation and using facilities; and

"(F) on the request of the local educational agency, providing noneducational services to such children.

"(3) In order to promote the continued involvement of parents of children who participate in Head Start programs in the education of their children upon transition to school, the Head Start agency shall—

"(A) provide training to such parents—

"(i) to inform such parents about their rights and responsibilities concerning the education of their children; and

"(ii) to enable such parents to understand and work with schools in order to communicate with teachers and other school personnel, to support the school work of their children, and to participate as appropriate in decisions relating to the education of their children; and

"(B) take other actions, as appropriate and feasible, to support the active involvement of such parents with schools, school personnel, and school-related organizations.

"(4) The Secretary, in cooperation with the Secretary of Education, shall—

"(A) evaluate the effectiveness of the projects and activities funded under the Head Start Transition Project Act (42 U.S.C. 9855 et seq.);

"(B) disseminate to Head Start agencies information (including information from the evaluation required by subparagraph (A)) on effective policies and activities relating to the transition of children from Head Start programs to public schools; and

"(C) provide technical assistance to such agencies to promote and assist such agencies to adopt and implement such effective policies and activities."

SEC. 110. FACILITIES AND ADMINISTRATIVE REQUIREMENTS.

Section 644 (42 U.S.C. 9839) is amended—

(1) in subsection (d), by striking "guidelines, instructions,";

(2) in subsection (f)—

(A) in paragraph (2), by striking "640(a)(3)(A)(v)" and inserting "640(a)(3)(C)(v)"; and

(B) by adding at the end the following:

"(3) Upon a determination by the Secretary that suitable facilities are not otherwise available to Indian tribes to carry out Head Start programs, and that the lack of suitable facilities will inhibit the operation of such programs, the Secretary, in the discretion of the Secretary, may authorize the use of financial assistance, from the amount reserved under section 640(a)(2)(A), to make payments for the purchase of facilities owned by such tribes. The amount of such a payment for such a facility shall not exceed the fair market value of the facility."; and

(3) by adding at the end the following:

"(g) In all personnel actions of the American Indian Programs Branch of the Head Start Bureau of the Administration for Children and Families, the Secretary shall give the same preference to individuals who are members of an Indian tribe as the Secretary gives to a preference eligible, as described in section 2108(3)(C) of title 5 of the United States Code. The Secretary shall take such additional actions as

may be necessary to promote recruitment of such individuals for employment in the Administration.”.

SEC. 111. PARTICIPATION.

Section 645 (42 U.S.C. 9840) is amended by adding at the end the following:

“(d)(1) An Indian tribe that—

“(A) operates a Head Start program;

“(B) enrolls as participants in the program all children in the community served by the tribe (including a community with a near-reservation designation, as defined by the Bureau of Indian Affairs) from families that meet the low-income criteria prescribed under subsection (a)(1)(A); and

“(C) has the resources to enroll additional children in the community who do not meet the low-income criteria;

may enroll such additional children in a Head Start program, in accordance with this subsection, if the program predominantly serves children who meet the low-income criteria.

“(2) The Indian tribe shall enroll the children in the Head Start program in accordance with such requirements as the Secretary may specify by regulation promulgated after consultation with Indian tribes.

“(3) In providing services through a Head Start program to such children, the Indian tribe may not use funds that the Secretary has determined, in accordance with section 640(g)(3), are to be used for expanding Head Start programs under this subchapter.”.

SEC. 112. INITIATIVE ON FAMILIES WITH INFANTS AND TODDLERS.

(a) **ESTABLISHMENT.**—The Act is amended by adding after section 645 (42 U.S.C. 9840) the following:

***SEC. 645A. PROGRAMS FOR FAMILIES WITH INFANTS AND TODDLERS.**

“(a) **IN GENERAL.**—The Secretary shall make grants, in accordance with this section for—

“(1) programs providing family-centered services for low-income families with very young children designed to promote the development of the children, and to enable their parents to fulfill their roles as parents and to move toward self-sufficiency; and

“(2) provision of training and technical assistance to entities carrying out programs, and evaluation of programs, that were supported under the Comprehensive Child Development Act (42 U.S.C. 9881 et seq.), as in effect on the day before the date of enactment of this section.

“(b) **SCOPE AND DESIGN OF PROGRAMS.**—In carrying out a program described in subsection (a), an entity receiving assistance under this section shall—

“(1) provide, either directly or through referral, early, continuous, intensive, and comprehensive child development and family support services that will enhance the physical, social, emotional, and intellectual development of participating children;

“(2) ensure that the level of services provided to families responds to their needs and circumstances;

“(3) promote positive parent-child interactions;

“(4) provide services to parents to support their role as parents and to help the families move toward self-sufficiency (including educational and employment services as appropriate);

“(5) coordinate services with services provided by programs in the State and programs in the community (including transition-to-school programs and linkages with programs of other agencies, including local educational agencies serving families with infants and toddlers) to ensure a comprehensive array of services (such as health and mental health services);

“(6) ensure formal linkages with local Head Start programs in order to provide for continuity of services for children and families;

“(7) in the case of a Head Start agency that operates a program and that also provides Head Start services through the age of mandatory school attendance, ensure that children and families participating in the program receive such services through such age; and

“(8) meet such other requirements concerning design and operation of the program described in subsection (a) as the Secretary may establish.

“(c) **PERSONS ELIGIBLE TO PARTICIPATE.**—Persons who may participate in programs described in subsection (a)(1) include—

“(1) pregnant women; and

“(2) families with children under age 3 (or under age 5, in the case of children served by an entity specified in subsection (e)(3));

who meet the income criteria specified for families in section 645(a)(1).

"(d) **ELIGIBLE SERVICE PROVIDERS.**—To be eligible to receive assistance under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Entities that may apply to carry out activities under this section include—

"(1) entities operating Head Start programs under this subchapter;

"(2) entities that, on the day before the date of enactment of this section, were operating—

"(A) Parent-Child Centers receiving financial assistance under section 640(a)(4), as in effect on such date; or

"(B) programs receiving financial assistance under the Comprehensive Child Development Act, as in effect on such date; and

"(3) other public entities, and nonprofit private entities, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.

"(e) **TIME-LIMITED PRIORITY FOR CERTAIN ENTITIES.**—

"(1) **IN GENERAL.**—From amounts allotted pursuant to paragraphs (2) and (4) of section 640(a), the Secretary shall provide financial assistance in accordance with paragraphs (2) through (4).

"(2) **PARENT-CHILD CENTERS.**—The Secretary shall make financial assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that—

"(A) complies with subsection (b); and

"(B) received funding as a Parent-Child Center pursuant to section 640(a)(4), as in effect on the day before the date of enactment of this section, for fiscal year 1994.

"(3) **COMPREHENSIVE CHILD DEVELOPMENT CENTERS.**—

"(A) In the case of an entity that received a grant for fiscal year 1994 to operate a project under the Comprehensive Child Development Act, the Secretary—

"(i) shall make financial assistance available under this section, in a comparable amount and scope to the assistance provided for fiscal year 1994, for the duration of the project period specified in the grant award to such entity under such Act; and

"(ii) shall permit such entity, in carrying out activities assisted under this section, to serve children from birth through age 5.

"(B) In the case of an entity that received a grant for fiscal year 1989 to operate a project under the Comprehensive Child Development Act, the Secretary shall make assistance available under this section for each of fiscal years 1995, 1996, and 1997 to any entity that complies with subsection (b).

"(4) **EVALUATIONS, TRAINING, AND TECHNICAL ASSISTANCE.**—The Secretary shall make financial assistance available under this section as necessary to provide for the evaluation of, and furnishing of training and technical assistance to, programs specified in paragraph (3)(A).

"(f) **SELECTION OF OTHER GRANT RECIPIENTS.**—From the balance remaining of the portion specified in section 640(a)(6), after making grants to the eligible entities specified in subsection (e), the Secretary shall award grants under this subsection on a competitive basis to applicants meeting the criteria specified in subsection (d) (giving priority to entities with a record of providing early, continuous, and comprehensive childhood development and family services).

"(g) **DISTRIBUTION.**—In awarding grants to eligible applicants under this section, the Secretary shall—

"(1) ensure an equitable national geographic distribution of the grants; and

"(2) award grants to applicants proposing to serve communities in rural areas and to applicants proposing to serve communities in urban areas.

"(h) **SECRETARIAL RESPONSIBILITIES.**—

"(1) **GUIDELINES.**—Not later than September 30, 1994, the Secretary shall develop program guidelines concerning the content and operation of programs assisted under this section—

"(A) in consultation with experts in early childhood development, experts in health, and experts in family services; and

"(B) taking into consideration the knowledge and experience gained from other early childhood programs, including programs under the Comprehensive Child Development Act, and from migrant Head Start programs that serve a large number of infants and toddlers.

"(2) **STANDARDS.**—Not later than December 30, 1994, the Secretary shall develop and publish performance standards for programs assisted under this sec-

tion, and a grant announcement based on the guidelines developed under paragraph (1).

"(3) MONITORING, TRAINING, TECHNICAL ASSISTANCE, AND EVALUATION.—In order to ensure the successful operation of programs assisted under this section, the Secretary shall use funds from the balance described in subsection (f) to monitor the operation of such programs, evaluate their effectiveness, and provide training and technical assistance tailored to the particular needs of such programs."

(b) CONSOLIDATION.—(1) In recognition that the Comprehensive Child Development Centers Act has demonstrated positive results, and that its purposes and functions have been consolidated into section 645A of the Head Start Act, the Comprehensive Child Development Centers Act of 1988 (42 U.S.C. 9801 note) and the Comprehensive Child Development Act (42 U.S.C. 9881-9887) are repealed by paragraph (2).

(2)(A) Part E of title II of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Amendments of 1988 (Public Law 100-297; 102 Stat. 325) is repealed.

(B) Subchapter F of chapter 8 of subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35; 42 U.S.C. 9801 note, et seq.) is repealed.

(c) CONFORMING AMENDMENT.—Section 638 of the Head Start Act (42 U.S.C. 9833) is amended—

- (1) in subsection (a) by striking "(a)"; and
- (2) by striking subsection (b).

SEC. 113. APPEALS, NOTICE, AND HEARING.

(a) MEDIATION AND HEARING FOR DISPUTES WITH DELEGATE AGENCIES.—Section 646(a) (42 U.S.C. 9841(a)) is amended—

- (1) at the end of paragraph (2), by striking "and";
- (2) at the end of paragraph (3), by striking the period and inserting "; and";

and

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

"(4) the Secretary shall develop and publish procedures (including mediation procedures) to be used in order to—

"(A) resolve in a timely manner conflicts potentially leading to adverse action between—

"(i) recipients of financial assistance under this subchapter; and

"(ii) delegate agencies or Head Start Parent Policy Councils; and

"(B) avoid the need for an administrative hearing."

(b) TERMINATION OF DESIGNATION NOT STAYED PENDING APPEAL.—Section 646 (42 U.S.C. 9841) is amended by striking subsection (b) and inserting the following:

"(b) In prescribing procedures for the mediation described in subsection (a)(4), the Secretary shall specify—

"(1) the date by which a Head Start agency engaged in a conflict described in subsection (a)(4) will notify the appropriate regional office of the Department of the conflict;

"(2) a reasonable period for the mediation;

"(3) a timeline for an administrative hearing, if necessary, to resolve the conflict; and

"(4) a timeline by which the person conducting the administrative hearing shall issue a decision based on the hearing.

"(c) In any case in which a termination, reduction, or suspension of financial assistance under this subchapter is upheld in an administrative hearing under this section, such termination, reduction, or suspension shall not be stayed pending any judicial appeal of such administrative decision.

"(d)(1) The Secretary shall by regulation specify a process by which an Indian tribe may identify and establish an alternative agency, and request that the alternative agency be designated under section 641 as the Head Start agency providing services to the tribe, if—

"(A) the Secretary terminates financial assistance under section 646 to the only agency that was receiving financial assistance to provide Head Start services to the Indian tribe; and

"(B) the tribe would otherwise be precluded from providing such services to the members of the tribe.

"(2) The regulation required by this subsection shall prohibit such designation of an alternative agency that include an employee who—

"(A) served on the administrative staff or program staff of the agency described in paragraph (1)(A); and

"(B) was responsible for a deficiency that—

"(i) relates to the performance standards or financial management standards described in section 641A(a)(1); and

"(ii) was the basis for the termination of financial assistance described in paragraph (1)(A); as determined by the Secretary after providing the notice and opportunity described in subsection (a)(3)."

SEC. 114. GOALS AND PRIORITIES FOR TRAINING AND TECHNICAL ASSISTANCE.

Section 648 (42 U.S.C. 9843) is amended—

(1) in the section heading to read as follows:

"TECHNICAL ASSISTANCE AND TRAINING";

(2) in subsection (a)(2), by striking "Head Start programs, including" and inserting "Head Start programs, in accordance with the process, and the provisions for allocating resources, set forth in subsections (b) and (c). The Secretary shall provide, either directly or through grants or other arrangements,";

(3)(A) by redesignating the final sentence of subsection (a), as amended by paragraph (2), as subsection (e);

(B) by transferring such subsection to the end of the section; and

(C) by indenting such subsection and aligning the margins of such subsection with the margins of subsection (d);

(4) by striking subsections (b) and (c);

(5) by inserting after subsection (a) the following:

"(b) The process for determining the technical assistance and training activities to be carried out under this section shall—

"(1) ensure that the needs of local Head Start agencies and programs relating to improving program quality and to program expansion are addressed to the maximum extent feasible; and

"(2) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the individuals and agencies carrying out Head Start programs.

"(c) In allocating resources for technical assistance and training under this section, the Secretary shall—

"(1) give priority consideration to activities to correct program and management deficiencies identified through reviews pursuant to section 641A(c) (including the provision of assistance to local programs in the development of quality improvement plans under section 641A(d)(2));

"(2) address the training and career development needs of classroom staff (including instruction for providing services to children with disabilities) and nonclassroom staff, including home visitors and other staff working directly with families, including training relating to increasing parent involvement and services designed to increase family literacy and improve parenting skills;

"(3) assist Head Start agencies and programs in conducting and participating in communitywide strategic planning and needs assessment;

"(4) assist Head Start agencies and programs in developing full-working-day and full-calendar-year programs and making the transition to such programs, with particular attention to involving parents and programming for children throughout a longer day;

"(5) assist Head Start agencies in better serving the needs of families with very young children;

"(6) assist Head Start agencies and programs in the development of sound management practices, including financial management procedures; and

"(7) assist in efforts to secure and maintain adequate facilities for Head Start programs."; and

(6) in subsection (d), by adding at the end the following:

"Special consideration shall be given to entities that have demonstrated effectiveness in educational programming for preschool children that includes components for parental involvement, care provider training, and developmentally appropriate related activities."

SEC. 115. STAFF QUALIFICATIONS AND DEVELOPMENT.

The Head Start Act is amended by inserting after section 648 (42 U.S.C. 9843) the following:

***SEC. 648A. STAFF QUALIFICATIONS AND DEVELOPMENT.**

"(a) CLASSROOM TEACHERS.—

"(1) DEGREE REQUIREMENTS.—The Secretary shall ensure that not later than September 30, 1996, each Head Start classroom in a center-based program is assigned one teacher who has—

"(A) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

"(B) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

"(C) an associate, a baccalaureate, or an advanced degree in early childhood education; or

"(D) a degree in a field related to early childhood education with experience in teaching preschool children and a State-awarded certificate to teach in a preschool program.

"(2) WAIVER.—On request, the Secretary shall grant a 180-day waiver of the requirements of paragraph (1) with respect to an individual who—

"(A) is first employed after September 30, 1996, by a Head Start agency as a teacher for a Head Start classroom;

"(B) is enrolled in a program that grants any credential, certificate, or degree specified in subparagraph (A), (B), (C), or (D) of paragraph (1); and

"(C) will receive such credential under the terms of such program not later than 180 days after beginning employment as a teacher with such agency.

"(3) LIMITATION.—The Secretary may not grant more than one such waiver with respect to such individual.

"(b) MENTOR TEACHERS.—

"(1) DEFINITION; FUNCTION.—For purposes of this subsection, the term 'mentor teacher' means an individual responsible for observing and assessing the classroom activities of a Head Start program and providing on-the-job guidance and training to the Head Start program staff and volunteers, in order to improve the qualifications and training of classroom staff, to maintain high quality education services, and to promote career development, in Head Start programs.

"(2) REQUIREMENT.—In order to assist Head Start agencies in establishing positions for mentor teachers, the Secretary shall—

"(A) provide technical assistance and training to enable Head Start agencies to establish such positions;

"(B) give priority consideration, in providing assistance pursuant to subparagraph (A), to Head Start programs that have substantial numbers of new classroom staff, that are experiencing difficulty in meeting applicable education standards, or that lack staff able to communicate in the languages of participating children and their families;

"(C) encourage Head Start programs to give priority consideration for such positions to Head Start teachers at the appropriate level of career advancement in such programs; and

"(D) promote the development of model curricula, designed to ensure the attainment of appropriate competencies by individuals working, or planning to work, in the field of early childhood development and family services.

"(c) FAMILY SERVICE WORKERS.—In order to improve the quality and effectiveness of staff providing in-home and other services (including needs assessment, development of service plans, family advocacy, and coordination of service delivery) to families of children participating in Head Start programs, the Secretary, in coordination with concerned public and private agencies and organizations examining the issues of standards and training for family service workers, shall—

"(1) review and, as necessary, revise or develop new qualification standards for Head Start staff providing such services;

"(2) promote the development of model curricula (on subjects including parenting training and family literacy) designed to ensure the attainment of appropriate competencies by individuals working or planning to work in the field of early childhood and family services; and

"(3) promote the establishment of a credential that indicates attainment of the competencies and that is accepted nationwide.

"(d) HEAD START FELLOWSHIPS.—

"(1) AUTHORITY.—The Secretary may establish a program of fellowships, to be known as 'Head Start Fellowships', in accordance with this subsection. The Secretary may award the fellowships to individuals, to be known as 'Head Start Fellows', who are staff in local Head Start programs or other individuals working in the field of child development and family services.

"(2) PURPOSE.—The fellowship program established under this subsection shall be designed to enhance the ability of Head Start Fellows to make significant contributions to programs authorized under this subchapter, by providing opportunities to expand their knowledge and experience through exposure to activities, issues, resources, and new approaches, in the field of child development and family services.

(3) ASSIGNMENTS OF FELLOWS.—

(A) PLACEMENT SITES.—Fellowship positions under the fellowship program may be located (subject to subparagraphs (B) and (C))—

"(i) in agencies of the Department of Health and Human Services administering programs authorized under this subchapter (in national or regional offices of such agencies);

"(ii) in local Head Start agencies and programs;

"(iii) in institutions of higher education;

"(iv) in public or private entities and organizations concerned with services to children and families; and

"(v) in other appropriate settings.

(B) LIMITATION FOR FELLOWS OTHER THAN HEAD START EMPLOYEES.—A Head Start Fellow who is not an employee of a local Head Start agency or program may be placed only in a fellowship position located in an agency or program specified in clause (i) or (ii) of subparagraph (A).

(C) NO PLACEMENT IN LOBBYING ORGANIZATIONS.—Head Start Fellowship positions may not be located in any agency whose primary purpose, or one of whose major purposes, is to influence Federal, State, or local legislation.

(4) SELECTION OF FELLOWS.—Head Start Fellowships shall be awarded on a competitive basis to individuals (other than Federal employees) selected from among applicants who are working, on the date of application, in local Head Start programs or otherwise working in the field of child development and children and family services.

(5) DURATION.—Head Start Fellowships shall be for terms of 1 year, and may be renewed for a term of 1 additional year.

(6) AUTHORIZED EXPENDITURES.—From amounts appropriated under this subchapter and allotted under section 640(a)(2)(D), the Secretary is authorized to make expenditures of not to exceed \$1,000,000 for any fiscal year, for stipends and other reasonable expenses of the fellowship program.

(7) STATUS OF FELLOWS.—Except as otherwise provided in this paragraph, Head Start Fellows shall not be considered to be employees or otherwise in the service or employment of the Federal Government. Head Start Fellows shall be considered to be employees for purposes of compensation for injuries under chapter 81 of title 5, United States Code. Head Start Fellows assigned to positions located in agencies specified in paragraph (3)(A)(i) shall be considered employees in the executive branch of the Federal Government for the purposes of chapter 11 of title 18, United States Code, and for purposes of any administrative standards of conduct applicable to the employees of the agency to which they are assigned.

(8) REGULATIONS.—The Secretary shall promulgate regulations to carry out this subsection.

(e) MODEL STAFFING PLANS.—Not later than 1 year after the date of enactment of this subsection, the Secretary, in consultation with appropriate public agencies, private agencies, and organizations and with individuals with expertise in the field of children and family services (including services to non-English language background children and their families), shall develop model staffing plans to provide guidance to local Head Start agencies and programs on the numbers, types, responsibilities, and qualifications of staff required to operate a Head Start program."

SEC. 116. RESEARCH, DEMONSTRATIONS, EVALUATION.

Section 649 (42 U.S.C. 9844) is amended to read as follows:

***SEC. 649. RESEARCH, DEMONSTRATIONS, AND EVALUATION.**

(a) IN GENERAL.—

(1) REQUIREMENT; GENERAL PURPOSES.—The Secretary shall carry out a continuing program of research, demonstration, and evaluation activities, in order to—

"(A) foster continuous improvement in the quality of the Head Start programs under this subchapter and in their effectiveness in enabling participating children and their families to succeed in school and otherwise; and

"(B) use the Head Start programs to develop, test, and disseminate new ideas and approaches for addressing the needs of low-income preschool children (including children with disabilities) and their families and communities, and otherwise to further the purposes of this subchapter.

(2) PLAN.—The Secretary shall develop, and periodically update, a plan governing the research, demonstration, and evaluation activities under this section.

(b) CONDUCT OF RESEARCH, DEMONSTRATION, AND EVALUATION ACTIVITIES.—The Secretary, in order to conduct research, demonstration, and evaluation activities under this section—

"(1) may carry out such activities directly, or through grants to, or contracts or cooperative agreements with, public or private entities;

"(2) shall, to the extent appropriate, undertake such activities in collaboration with other Federal agencies, and with non-Federal agencies, conducting similar activities;

"(3) shall ensure that evaluation of activities in a specific program or project is conducted by persons not directly involved in the operation of such program or project;

"(4) may require Head Start agencies to provide for independent evaluations;

"(5) may approve, in appropriate cases, community-based cooperative research and evaluation efforts to enable Head Start programs to collaborate with qualified researchers not directly involved in program administration or operation; and

"(6) may collaborate with organizations with expertise in inclusive educational strategies for preschoolers with disabilities.

"(c) CONSULTATION AND COLLABORATION.—In carrying out activities under this section, the Secretary shall—

"(1) consult with—

"(A) individuals from relevant academic disciplines;

"(B) individuals who are involved in the operation of Head Start programs and individuals who are involved in the operation of other child and family service programs; and

"(C) individuals from other Federal agencies, and individuals from organizations, involved with children and families, ensuring that the individuals described in this subparagraph reflect the multicultural nature of the children and families served by the Head Start programs and the multidisciplinary nature of the Head Start programs;

"(2) whenever feasible and appropriate, obtain the views of persons participating in and served by programs and projects assisted under this subchapter with respect to activities under this section; and

"(3) establish, to the extent appropriate, working relationships with the faculties of institutions of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)), located in the area in which any evaluation under this section is being conducted, unless there is no such institution of higher education willing and able to participate in such evaluation.

"(d) SPECIFIC OBJECTIVES.—The research, demonstration, and evaluation activities under this subchapter shall include components designed to—

"(1) permit ongoing assessment of the quality and effectiveness of the programs under this subchapter;

"(2) contribute to developing knowledge concerning factors associated with the quality and effectiveness of Head Start programs and in identifying ways in which services provided under this subchapter may be improved;

"(3) assist in developing knowledge concerning the factors that promote or inhibit healthy development and effective functioning of children and their families both during and following participation in a Head Start program;

"(4) permit comparisons of children and families participating in Head Start programs with children and families receiving other child care, early childhood education, or child development services and with other appropriate control groups;

"(5) contribute to understanding the characteristics and needs of population groups eligible for services provided under this subchapter and the impact of such services on the individuals served and the communities in which such services are provided;

"(6) provide for disseminating and promoting the use of the findings from such research, demonstration, and evaluation activities; and

"(7) promote exploration of areas in which knowledge is insufficient, and that will otherwise contribute to fulfilling the purposes of this subchapter.

"(e) LONGITUDINAL STUDIES.—In developing priorities for research, demonstration, and evaluation activities under this section, the Secretary shall give special consideration to longitudinal studies that—

"(1) examine the developmental progress of children and their families both during and following participation in a Head Start program, including the examination of factors that contribute to or detract from such progress;

"(2) examine factors related to improving the quality of the Head Start programs and the preparation the programs provide for children and their families to function effectively in schools and other settings in the years following participation in such a program; and

"(3) as appropriate, permit comparison of children and families participating in Head Start programs with children and families receiving other child care, early childhood education, or child development services, and with other appropriate control groups.

"(f) OWNERSHIP OF RESULTS.—The Secretary shall take necessary steps to ensure that all studies, reports, proposals, and data produced or developed with Federal funds under this subchapter shall become the property of the United States."

SEC. 117. ANNOUNCEMENTS AND EVALUATIONS.

Section 650 (42 U.S.C. 9845) is repealed.

SEC. 118. REPORTS.

(a) IN GENERAL.—Section 651 (42 U.S.C. 9846) is amended—

(1) by striking the section heading and all that follows through subsection (f) and inserting:

"SEC. 651. REPORTS.":

(2) by striking "(g)";

(3) in paragraph (10), by striking "evaluations conducted under section 641(c)(2)" and inserting "monitoring conducted under section 641A(c)"; and

(4)(A) by striking "and" at the end of paragraph (11);

(B) by striking the period at the end of paragraph (12) and inserting a semicolon; and

(C) by adding after paragraph (12) the following:

"(13) a summary of information concerning the research, demonstration, and evaluation activities conducted under section 649, including—

"(A) a status report on ongoing activities; and

"(B) results, conclusions, and recommendations, not included in any previous report, based on completed activities; and

"(14) a study of the availability and delivery of Head Start programs to Indian children living on and near Indian reservations and to children of migrant and seasonal farmworkers, including estimates of the percentages of such children being served by Head Start programs."

(b) REDESIGNATION.—Section 651 is redesignated as section 650.

SEC. 119. REPEALS.

Sections 651A and 652 (42 U.S.C. 9846a and 9847) are repealed.

SEC. 120. CONSULTATION WITH THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

The Act is amended by adding at the end the following:

"SEC. 657A. CONSULTATION WITH THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

"The Secretary shall consult with the Chief Executive Officer of the Corporation for National and Community Service regarding the dissemination of information about the Corporation's programs, to programs that receive funds under this subchapter."

SEC. 121. STUDY OF BENEFITS FOR HEAD START EMPLOYEES.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study regarding the benefits available to individuals employed by Head Start agencies under the Head Start Act (42 U.S.C. 9831 et seq.).

(b) REPORT.—

(1) PREPARATION.—The Secretary shall prepare a report, containing the results of the study, that—

(A) describes the benefits, including health care benefits, family and medical leave, and retirement pension benefits, available to such individuals; and

(B) includes recommendations for increasing the access of the individuals to benefits, including access to a retirement pension program.

(2) SUBMISSION.—The Secretary shall submit the report to the appropriate committees of Congress.

SEC. 122. STUDY OF FULL-DAY AND FULL-YEAR HEAD START PROGRAMS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study of the extent to which Head Start programs are addressing the need for child care services during a full working day or full calendar year among eligible low-income families with preschool children.

(b) REPORT.—The Secretary shall prepare and submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on

Labor and Human Resources of the Senate not later than January 1996, containing the results of the study that—

- (1) describes the number of full-day, full-year Head Start programs and the number of children served in such program or provided full-day or full-year services through arrangements with other service providers;
- (2) compares the number of children in full-day or full-year Head Start programs with the need for full-day or full-year care among such families;
- (3) identifies the barriers to meeting the need for full-day, full-year care among such families;
- (4) describes promising models currently employed by Head Start programs for meeting such needs both directly and through arrangements with other service providers; and
- (5) makes recommendations on how the child care needs of families with children enrolled in Head Start programs may be addressed.

SEC. 123. STATE DEPENDENT CARE DEVELOPMENT PROGRAMS.

Section 670A of the State Dependent Care Development Grants Act (42 U.S.C. 9871) is amended by striking "are authorized to be appropriated" and all that follows and inserting "is authorized to be appropriated \$13,000,000 for fiscal year 1995."

SEC. 124. REAUTHORIZATION OF CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985.

Section 606 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10905) is amended by striking "\$1,500,000" and all that follows and inserting "to carry out this title such sums as may be necessary for fiscal year 1995."

SEC. 125. TECHNICAL AND CONFORMING AMENDMENTS.

(a) **HEAD START TRANSITION PROJECT ACT.**—Section 133(a) of the Head Start Transition Project Act is amended by striking "639(c)" and inserting "639(b)".

(b) **SOCIAL SECURITY ACT.**—Section 1924(d)(3)(A)(i) of the Social Security Act (42 U.S.C. 1396r-5(d)(3)(A)(i)) is amended by striking "sections 652 and 673(2)" and inserting "section 673(2)".

SEC. 126. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) **EFFECTIVE DATE.**—This title, and the amendments made by this title, shall take effect on the date of enactment of this title.

(b) **APPLICATION.**—The requirements of this title and the amendments made by this title shall not apply to Head Start agencies and other recipients of financial assistance under the Head Start Act with respect to fiscal years ending before October 1, 1994.

TITLE II—COMMUNITY SERVICES BLOCK GRANT AMENDMENTS

SEC. 201. SHORT TITLE AND REFERENCES.

(a) **SHORT TITLE.**—This title may be cited as the "Community Services Block Grant Amendments of 1994".

(b) **REFERENCES.**—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

SEC. 202. AUTHORIZATIONS OF APPROPRIATIONS.

(a) **AUTHORIZATION OF APPROPRIATION.**—Subsection (b) of section 672 (42 U.S.C. 9901(b)) is amended to read as follows:

"(b) There are authorized to be appropriated \$525,000,000 for fiscal year 1995, and such sums as may be necessary for each of fiscal years 1996 through 1998, to carry out this subtitle."

(b) **STATE ALLOCATIONS.**—Section 672 (42 U.S.C. 9903) is amended—

(1) by redesignating subsections (a), (b) and (c) as subsections (b), (c) and (d), respectively; and

(2) by inserting before subsection (b) (as so redesignated), the following:

"(a)(1) Of the amounts appropriated for a fiscal year pursuant to section 672(b), the Secretary may reserve not less than one-half of 1 percent and not more than 1 percent for training, technical assistance, planning, and evaluation activities relat-

ed to programs or projects carried out under this subtitle. Such activities may be carried out by the Secretary directly or through grants, contracts, or cooperative agreements.

"(2) The process for determining the technical assistance and training activities to be carried out under this section shall—

"(A) ensure the needs of eligible entities relating to the improving program quality are addressed to the maximum extent feasible; and

"(B) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the community action State and national network as well as community development corporation national and State organizations.

"(3) In allocating resources for technical assistance and training under this section, the Secretary shall—

"(A) assist eligible entities in the development of sound management practices, including financial management practices; and

"(B) consistent with the availability of funds, respond to the training requests and concerns of community development corporations, community action agencies and programs."

(c) APPLICATIONS AND REQUIREMENTS.—

(1) FORM AND ASSURANCES.—Section 675(a) (42 U.S.C. 9904(a)) is amended by inserting "or significant amendments thereof" before "shall contain assurances".

(2) USE OF FUNDS.—Section 675(c)(1) (42 U.S.C. 9904(c)(1)) is amended by striking "use the funds available under this subtitle" and inserting "ensure that, at its discretion and consistent with agreements with the State, each recipient of funds available under this subtitle will use such funds".

(3) ASSURED ACTIVITIES.—Section 675(c)(1)(B) (42 U.S.C. 9904(c)(1)(B)) is amended by inserting "homeless individuals and families, migrants, and" before "the elderly poor".

(4) STATE RESPONSIBILITIES.—Section 675(c)(2)(B) (42 U.S.C. 9904(c)(2)(B)) is amended to read as follows:

"(B) if less than 100 percent of the allotment is expended under subparagraph (A), provide assurances that with respect to the remainder of the allotment a reasonable amount shall be used for—

"(i) providing training and technical assistance to those entities in need of such assistance and such activities will not be considered administrative expenses;

"(ii) coordinating State-operated programs and services targeted to low-income children and families with services provided by eligible entities funded under this subtitle, including outposting where appropriate State or local public employees into entities funded under this subtitle to ensure increased access to services provided by such State or local agencies;

"(iii) supporting statewide coordination and communication among eligible entities;

"(iv) administrative expenses at the State level, including monitoring activities, but not more than the greater of \$55,000 or 5 percent of its allotment under section 674; and

"(v) considering the distribution of funds under this subtitle within the State to determine if such funds have been targeted to the areas of greatest need."

(5) TRIPARTITE BOARD.—Section 675(c)(3) (42 U.S.C. 9904(c)(3)) is amended—

(A) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(B) by striking the comma after "provide assurances that" and inserting "(A)"; and

(C) by adding at the end the following:

"and

"(B) in the case of a public organization receiving funds under this subtitle, such organization either establish—

"(i) a board of which at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served; or

"(ii) another mechanism specified by the State to assure low-income citizen participation in the planning, administration, and evaluation of projects for which such organization has been funded;"

(d) COMMUNITY ACTION AGENCY PLAN.—Section 675(c) (42 U.S.C. 9904(c)) is amended—

(1) in paragraph (11)—

- (A) by redesignating clauses (i) through (iii) of subparagraph (A) as items (i) through (iii), respectively;
- (B) by realigning the margin of the sentence beginning with "For purposes of" so as to align with subparagraph (A) of paragraph (1);
- (C) by striking "For purposes of" and inserting "(A) For purposes of";
- (D) by striking "(A) a statewide" and inserting "(i) a statewide";
- (E) by striking "(B) the failure" and inserting "(ii) the failure";
- (F) by inserting immediately before paragraph (12) the following:
- "(B) for purposes of making a determination with respect to a termination, the term 'cause' includes the material failure of an eligible entity to comply with the terms of its agreement and community action plan to provide services under this subtitle;"
- (2) in paragraph (12) by striking the period and inserting a semicolon; and
- (3) by inserting after paragraph (12) the following:
- "(13) secure from each eligible entity as a condition to its receipt of funding under this subtitle a community action plan (which shall be available to the Secretary for inspection) that includes—
- "(A) a community needs assessment (including food needs);
- "(B) a description of the service delivery system targeted to low-income individuals and families in the service area;
- "(C) a description of how linkages will be developed to fill identified gaps in services through information, referral, case management, and followup consultations;
- "(D) a description of how funding under this Act will be coordinated with other public and private resources; and
- "(E) a description of outcome measures to be used to monitor success in promoting self-sufficiency, family stability, and community revitalization; and
- "(14) provide assurances that cost and accounting standards of the Office of Management and Budget shall apply to a recipient of funds under this subtitle."

(e) **PUBLIC INSPECTIONS OF PLANS.**—Section 675(d)(2) (42 U.S.C. 9904(d)(2)) is amended by inserting "or revision" after "Each plan".

(f) **AUDITS.**—The last sentence of section 675(f) (42 U.S.C. 9904(f)) is amended by inserting before "to the legislature" the following: "to the eligible entity at no charge."

(g) **EVALUATION INVOLVING WAIVERS.**—Section 675(h) (42 U.S.C. 9904(h)) is amended by inserting "(including any State that received a waiver under Public Law 98-139)" after "States" the last place it appears.

SEC. 203. DISCRETIONARY AUTHORITY OF SECRETARY.

(a) **TRAINING AND ACTIVITIES.**—Section 681(a) (42 U.S.C. 9910(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "to provide for—" and all that follows through "(2)" and inserting "to provide for"; and

(2) by striking "special emphasis programs for—" and all that follows through paragraph (3), and inserting the following:

"a Community Initiative Program, awarded on a competitive basis, to fund private, nonprofit community development corporations for purposes of planning and carrying out community and economic development activities in economically distressed areas and in rural areas, as described in subsection (c)."

(b) **COMMUNITY INITIATIVE PROGRAM.**—Subsection (b) of section 681 (42 U.S.C. 9910) is amended to read as follows:

"(b) **COMMUNITY INITIATIVE PROGRAM.**—

(1) **IN GENERAL.**—

"(A) **ECONOMIC DEVELOPMENT ACTIVITIES.**—Economic development activities under this section shall be designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities.

"(B) **CONSULTATION.**—The Secretary shall exercise the authority provided under subparagraph (A) in consultation with other relevant Federal officials.

"(C) **GOVERNING BOARDS.**—Each community development corporation receiving funds under this section shall be governed by a board that shall consist of residents of the community and business and civic leaders and shall have as a principal purpose planning, developing or managing community development projects.

"(D) **GEOGRAPHIC DISTRIBUTION.**—In providing assistance or entering into other arrangements under this section, the Secretary shall take into consid-

ensure funds made available under a grant made under this section are used in accordance with the intentions of this Act.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$15,000,000 for each fiscal year 1995, 1996, 1997, and 1998 for grants to carry out this section."

SEC. 206. AMENDMENT TO STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.

The last section of subtitle D of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11646) is amended—

- (1) by striking "SEC. 751." and by inserting "SEC. 754.", and
- (2) by striking "1991" and all that follows through "1993", and inserting "1995, 1996, 1997, and 1993".

SEC. 207. AMENDMENTS TO THE HUMAN SERVICES REAUTHORIZATION ACT OF 1986.

Section 408 of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9901b) is amended—

(1) in subsection (a) by adding at the end the following:
 "(3) Initial and subsequent grant awards may fully fund projects for periods of up to 3 years.";

(2) in subsection (b)(1)(B) by striking "After the first fiscal year" and inserting "After the first funding period";

(3) by amending subsection (c)—

(A) by amending paragraph (1) to read as follows:

"(1) In addition to the grant programs described in subsection (a), the Secretary may make grants to community action agencies for the purpose of enabling such agencies to demonstrate new approaches to dealing with the problems associated with urban gangs or similar antisocial activities of urban youth. Demonstrations shall include such activities as peer counseling, mentoring, development of job skills, assistance with social skills, antigang education, family literacy, parenting skills, and other services designed to assist at-risk youth to continue their education, to secure meaningful employment, or to pursue other productive alternatives to joining gangs or engaging in any other form of anti-social activity."; and

(B) by amending paragraph (4) to read as follows:

"(4) Such grants made under this subsection on a competitive basis shall be based on an annual competition determined by the Secretary. Grants made under this subsection shall not exceed \$500,000."; and

(4) by amending subsection (h) to read as follows:

"(h) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated \$30,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal years 1996, 1997, and 1998, to carry out this section.

"(2) Of the amounts appropriated for this section not less than 30 percent shall be used to carry out the programs authorized under subsection (c).

"(3) In addition to sums which are required to carry out the evaluation, reporting, and dissemination of results under subsections (a), (c), (d), and (f), the Secretary is authorized to reserve up to 2 percent of the amounts appropriated pursuant to subparagraphs (1) and (2) for administration of the program as well as for planning and technical assistance."

SEC. 208. EFFECTIVE DATE.

This title, and the amendments made by this title, shall take effect on October 1, 1994.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE AMENDMENTS

SECTION 301. SHORT TITLE AND REFERENCES.

(a) **SHORT TITLE.**—This title may be cited as the "Low-Income Home Energy Assistance Amendments of 1994".

(b) **REFERENCES.**—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

SEC. 302. STATEMENT OF PURPOSE.

Section 2602(a) (42 U.S.C. 8621(a)) is amended to read as follows:

eration the geographic distribution of funds among States and the relative proportion of funding among rural and urban areas.

"(2) RURAL COMMUNITY DEVELOPMENT ACTIVITIES.—Rural community development activities under this section shall include—

"(A) grants to private, nonprofit corporations that provide assistance to rural low-income families in home repair and in planning and developing low-income rural rental housing units;

"(B) grants to multistate, regional private, nonprofit organizations that provide training and technical assistance to small, rural communities in meeting their community facility needs; and

"(C) grants to nonprofit private organizations that provide assistance for migrants and seasonal farmworkers."

SEC. 204. COMMUNITY FOOD AND NUTRITION.

Subsection (d) of section 681A (42 U.S.C. 9910a(d)) is amended to read as follows:

"(d) There are authorized to be appropriated \$25,000,000 for fiscal year 1995, and such sums as may be necessary for each of fiscal years 1996 through 1998, to carry out this section."

SEC. 205. INSTRUCTIONAL ACTIVITIES FOR LOW-INCOME YOUTH.

The Act (42 U.S.C. 9901 et seq.) is amended—

(1) by redesignating sections 682 and 683 as sections 683 and 684, respectively; and

(2) by inserting after section 681 the following:

"SEC. 682. NATIONAL OR REGIONAL PROGRAMS DESIGNED TO PROVIDE INSTRUCTIONAL ACTIVITIES FOR LOW-INCOME YOUTH.

"(a) GENERAL AUTHORITY.—The Secretary of Health and Human Services is authorized to make a grant to an eligible service provider to administer national or regional programs to provide instructional activities for low-income youth. In making such a grant, the Secretary shall give a priority to eligible service providers that have a demonstrated ability to operate such a program.

"(b) PROGRAM REQUIREMENTS.—

"(1) Any instructional activity carried out by an eligible service provider receiving a grant under this subsection shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act) and shall include—

"(A) access to the facilities and resources of such an institution;

"(B) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

"(C) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

"(D) high quality instruction in a variety of sports (that shall include swimming and that may include dance and any other high quality recreational activity) provided by coaches and teachers from institutions of higher education and from elementary and secondary schools (as defined in sections 1471(8) and 1471(21) of the Elementary and Secondary Education Act of 1965); and

"(E) enrichment instruction and information on matters relating to the well-being of youth, to include educational opportunities and study practices, education for the prevention of drugs and alcohol abuse, health and nutrition, career opportunities and family and job responsibilities.

"(c) ELIGIBLE PROVIDERS.—A national private nonprofit organization, a coalition of such organizations, or a private nonprofit organization applying jointly with a business concern shall be eligible for a grant under this subsection if—

"(1) the applicant has demonstrated experience in operating a program providing instruction to low-income youth;

"(2) the applicant shall contribute amounts in cash or fairly evaluated in kind of no less than 25 percent of the amount requested;

"(3) the applicant shall use no funds from a grant authorized under this section for administrative expenses; and

"(4) the applicant agrees to comply with the regulations or program guidelines promulgated by the Secretary of Health and Human Services for use of funds made available by this grant.

"(d) APPLICATIONS PROCESS.—Eligible service providers may submit to the Secretary of Health and Human Services, for approval, an application in such form at such time as the Secretary deems appropriate.

"(e) PROMULGATION OF REGULATIONS OR PROGRAM GUIDELINES.—The Secretary of Health and Human Services shall promulgate regulations or program guidelines to

"(a) In order to assist low-income households, particularly those with the lowest incomes that pay a high proportion of their income for home energy, both in meeting their immediate home energy needs, and in attaining the capacity to meet such needs independently in the future, the Secretary of Health and Human Services may make grants to States for programs and activities consistent with this title."

SEC. 303. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNTS AUTHORIZED.—Section 2602 (42 U.S.C. 8621) is amended—

(1) in subsection (b), by striking "this title" and all that follows through the end of the first sentence and inserting "this title, \$2,000,000,000 for fiscal year 1995, and such sums as may be necessary for each of fiscal years 1996 through 1999."; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking "(1)";

(ii) by striking "July 1" and inserting "October 1"; and

(iii) by striking "for which" and inserting "following the year in which"; and

(B) by striking paragraphs (2) and (3);

(b) INCENTIVE PROGRAM FOR LEVERAGING NON-FEDERAL SOURCES.—Subsection (d) of section 2602 (42 U.S.C. 8621(d)) is amended to read as follows:

"(d) There are authorized to be appropriated to carry out section 2607A, \$50,000,000 for each of the fiscal years 1995 and 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999."

SEC. 304. EMERGENCY FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2602 (42 U.S.C. 8621), as amended by section 303, is amended by adding at the end thereof the following:

"(e) There is authorized to be appropriated in each fiscal year for payments under this title, in addition to amounts appropriated for distribution to all the States in accordance with section 2604 (other than subsection (g)), \$600,000,000 to meet the additional home energy assistance needs of one or more States arising from a natural disaster or other emergency. Funds appropriated pursuant to this subsection are hereby designated to be emergency requirements pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, except that such funds shall be made available only after the submission to Congress of a formal budget request by the President (for all or a part of the appropriation pursuant to this subsection) that includes a designation of the amount requested as an emergency requirement as defined in such Act."

(b) HOME ENERGY.—Section 2603 (42 U.S.C. 8622(3)) is amended—

(1) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as paragraphs (2), (4), (5), (6), (7), (8), and (9), respectively;

(2) by inserting before paragraph (2), as so redesignated, the following:

"(1) The term 'energy burden' means the expenditures of the household for home energy divided by the income of the household."; and

(3) by inserting before paragraph (4), as so redesignated, the following:

"(3) The term 'highest home energy needs' means the home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable populations, including very young children, individuals with disabilities, and frail older individuals."

(c) ALLOTMENT OF EMERGENCY FUNDS.—Section 2604 (42 U.S.C. 8623) is amended by adding at the end thereof the following:

"(g) Notwithstanding subsections (a) through (f), the Secretary may allot amounts appropriated pursuant to section 2602(e) to one or more than one State. In determining to which State or States additional funds may be allotted, the Secretary shall take into account the extent to which a State was affected by the emergency or disaster, the availability to an affected State of other resources under this or any other program, and such other factors as the Secretary determines relevant. The Secretary shall notify Congress of the proposed allotment pursuant to this subsection before releasing the allotted funds."

SEC. 305. AUTHORIZED USES OF FUNDS.

(a) IN GENERAL.—Paragraph (1) of section 2605(b) (42 U.S.C. 8624(b)(1)) is amended to read as follows:

"(1) use the funds available under this title to—

"(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the

lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

"(B) intervene in energy crisis situations;

"(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

"(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;"

b) ENCOURAGED REDUCED HOME ENERGY NEEDS.—Section 2605(b) (42 U.S.C. 8624(b)) is amended—

(1) in paragraph (14) by striking "and" at the end;

(2) in paragraph (15), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (15) the following:

"(16) use such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors."

SEC. 306. TARGETING OF ASSISTANCE TO HOUSEHOLDS WITH HIGH HOME ENERGY BURDENS.

(a) HOUSEHOLD INCOME.—Section 2605(b)(2)(B) (42 U.S.C. 8624(b)(2)(B)) is amended by striking the matter following clause (ii) and inserting the following:

"except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income;"

(b) OUTREACH ACTIVITIES.—Section 2605(b)(3) (42 U.S.C. 8624(b)(3)) is amended by striking "are made aware" and inserting "and households with high home energy burdens, are made aware".

(c) ASSISTANCE LEVELS.—Section 2605(b)(5) (42 U.S.C. 8624(b)(5)) is amended by inserting "or needs" after "highest energy costs".

(d) STATE PLAN.—Section 2605(c)(1) (42 U.S.C. 8624(c)(1)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (H), respectively; and

(2) by inserting after subparagraph (D) the following:

"(E) describes any steps that will be taken (in addition to those necessary to carry out the assurance contained in paragraph (5) of subsection (b)) to target assistance to households with high home energy burdens;"

SEC. 307. CLARIFICATION OF AUDIT REQUIREMENT.

Section 2605 (42 U.S.C. 8624) is amended—

(1) in subsection (b)(10), by striking "and provide that" and all that follows and inserting "and provide that the State will comply with chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act');"; and

(2) in subsection (e), by striking "at least every two years" and all that follows and inserting "in accordance with chapter 75 of title 31, United States Code."

SEC. 308. USE OF DEPARTMENT OF ENERGY WEATHERIZATION RULES TO ACHIEVE PROGRAM CONSISTENCY.

Section 2605(c)(1)(D) (42 U.S.C. 8624(c)(1)(D)) is amended by inserting before the semicolon at the end thereof the following: ", including any steps the State will take to address the weatherization and energy-related home repair needs of households that have high home energy burdens, and describes any rules promulgated by the Department of Energy for administration of its Low Income Weatherization Assistance Program which the State, to the extent permitted by the Secretary to increase consistency between federally assisted programs, will follow regarding the use of funds provided under this title by the State for such weatherization and energy-related home repairs and improvements".

SEC. 309. MATTERS TO BE DESCRIBED IN ANNUAL APPLICATION.

Section 2605(c)(1) (42 U.S.C. 8624(c)(1)) is amended—

(1) in subparagraph (F) (as so redesignated by section 306(d) of this Act)—

(A) by striking "and (13)" and inserting "(13), and (15)"; and

(B) by striking "and" at the end thereof; and

(2) by inserting after subparagraph (F) (as so redesignated by section 306(d) of this Act), the following:

"(G) states, with respect to the 12-month period specified by the Secretary, the number and income levels of households which apply and the number which

are assisted with funds provided under this title, and the number of households so assisted with—

- “(i) one or more members who has attained 60 years of age;
- “(ii) one or more members who were disabled; and
- “(iii) one or more young children; and”.

SEC. 310. REPORT OF FUNDS AVAILABLE FOR OBLIGATION.

Section 2607(a) (42 U.S.C. 8628(a)) is amended—

- (1) by inserting “(1)” after the subsection designation; and
- (2) by adding at the end thereof the following:
 - “(2) Each State shall notify the Secretary, not later than 2 months prior to the close of a fiscal year, of the amount (if any) of its allotment for such year that will not be obligated in such year, and, if such State elects to submit a request described in subsection (b)(2), such State shall submit such request at the same time. The Secretary shall make no payment under paragraph (1) to a State for a fiscal year unless the State has complied with this paragraph with respect to the prior fiscal year.”.

SEC. 311. MISCELLANEOUS AND TECHNICAL AMENDMENTS.

(a) IN GENERAL.—

(1) TREATMENT OF HOUSEHOLDS.—Section 2605(b)(7)(D) (42 U.S.C. 8624(b)(7)(D)) is amended to read as follows:

“(D) ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for compacts between suppliers and individuals eligible for benefits under this title that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;”.

(2) INCENTIVE PROGRAM.—Section 2607A(e) (42 U.S.C. 8626a(e)) is amended by striking “July 31, of each year” and inserting “2 months after the close of the fiscal year during which the State provided leveraged resources to eligible households, as described in subsection (b)”.

(3) TRAINING AND TECHNICAL ASSISTANCE.—Section 2609A(a) is amended by striking “\$500,000” and inserting “\$250,000”.

(b) TECHNICAL AMENDMENTS.—

(1) Section 2602 (42 U.S.C. 8621) is amended—

(A) in subsection (b), as amended by section 303 of this Act—

(i) by inserting “(other than section 2607A)” after “to carry out the provisions of this title”; and

(ii) by striking the second period at the end thereof; and

(B) in subsection (c)(1) by striking “Act” and inserting “title”.

(2) Section 2603(2) (42 U.S.C. 8622(2)), as amended by section 304 of this Act, is amended—

(A) by striking “(4) the” and inserting “(4) The”; and

(B) by striking the semicolon at the end thereof and inserting a period.

(3) Section 2604 (42 U.S.C. 8223) is amended—

(A) in subsection (b)(1) by inserting “of the United States” after “Virgin Islands”; and

(B) in subsection (c)(3)(ii) by striking “application” and inserting “applications”.

(4) The sentence that immediately precedes paragraph (15) of section 2605(b) (42 U.S.C. 8624(b)) is transferred so as to appear as a flush sentence immediately after paragraph (16).

(5) Section 2605(b)(3) (42 U.S.C. 8624(b)(3)) is amended by striking “handicapped” and inserting “disabled”.

(6) Section 2607A(c)(2) (42 U.S.C. 8626a(c)(2)) is amended by striking “.0008 percent” and inserting “.08 percent”.

(7) Section 2610(a) (42 U.S.C. 8629(a)) is amended—

(A) in paragraph (2), by striking the semicolon after “used” and inserting a semicolon after “title”; and

(B) in paragraph (5)—

(i) by striking “handicapped” and inserting “disabled”; and

(ii) by inserting before the semicolon at the end thereof “or include young children”.

(c) CRITERIA AND REPORT.—Section 2605(b) (42 U.S.C. 8624(b)), as amended by subsection (b) of this section, is amended by adding at the end the following:

“The Secretary shall develop performance goals and measurements in consultation with State, tribal, and local grantees, that the States may use to assess their suc-

cess in achieving the purposes of this title and shall, beginning in 1996, make such goals and measurements available together with the model plan required by paragraph (3). Not later than 18 months after the date of the enactment of this sentence, the Secretary shall report to the committees of the House of Representatives and of the Senate that have jurisdiction of this title, on the manner in which, and the degree to which State and local energy assistance programs carried out under this title are meeting the purposes of this title and on any improvements or changes necessary to accelerate the achievement of these goals. The Secretary may not require additional program or client data to be collected by grantees for such report."

SEC. 312. RESIDENTIAL ENERGY ASSISTANCE CHALLENGE OPTION (R.E.A.CH.).

The Act is amended by inserting after section 2607A the following:

"SEC. 2607B. RESIDENTIAL ENERGY ASSISTANCE CHALLENGE OPTION (R.E.A.CH.).

"(a) For fiscal year 1996, and each subsequent fiscal year, the Secretary shall allocate not less than 5 percent of the amount appropriated under section 2607A for such fiscal year to a Residential Energy Assistance Challenge Fund for the purpose of making challenge grants to States that submit qualifying plans that are approved by the Secretary for a Residential Energy Assistance Challenge (in this section referred to as 'R.E.A.Ch.') initiative in such State. States may use such grants—

"(1) for the costs of planning, implementing, and evaluating the initiative; and

"(2) for the costs of achieving performance goals including the long-term reduction of the energy burden program dependency of households eligible for, or receiving, energy assistance under this title, and those goals set out in subsection (b) of the initiative established by the States and approved by the Secretary.

"(b) The Secretary shall establish criteria for approving State plans required by subsection (a). Such criteria shall require such plans to include the following goals:

"(1) To minimize health and safety risks that result from high energy burdens on low-income Americans.

"(2) To prevent homelessness as a result of inability to pay energy bills.

"(3) To increase the efficiency of energy usage by low-income families.

"(4) To target energy assistance to those most in need.

"(5) To encourage eventual energy self-sufficiency for low-income persons.

"(c)(1) Notwithstanding subsection (a), the Secretary may not approve a State plan submitted under such subsection unless such plan includes provisions acceptable to the Secretary with respect to each of the required program elements specified in subsection (d).

"(2) The Secretary may require a State to provide appropriate documentation that its R.E.A.Ch. activities conforms to the State plan as approved by the Secretary.

"(3) Subject to approval by the Secretary, a State plan may include benefits and services in addition to those required program elements specified in subsection (d) that are consistent with the purpose of this title and the R.E.A.Ch. Challenge Option.

"(4) A State may designate all or part of the State, or all or part of the client population, as the focus of its R.E.A.Ch. initiative.

"(d) Each State plan submitted under subsection (a) shall include the following:

"(1)(A) An assurance that such State will provide R.E.A.Ch. services will be delivered through community-based nonprofit entities in such State by—

"(i) making grants to or contracts with such entities for the purpose of providing such services and benefits directly to individuals eligible for such services and benefits; or

"(ii) if a State makes payments directly to eligible individuals or energy suppliers, making contracts with such local entities to administer such programs, including determining eligibility, providing outreach services, and providing noncash benefits.

"(B) An assurance that in making grants or contracts to carry out such R.E.A.Ch. initiative, States shall give priority in selecting organizations described in section 673 of the Community Services Block Grant Act (42 U.S.C. 9902(1)); organizations which the Secretary has determined have a record of successfully providing energy services under this title; and organizations that receive weatherization assistance program funds under this title, except that a State may not require any such entity to operate a R.E.A.Ch. initiative program.

"(2) An assurance that all entities that receive grants or contracts under paragraph (1)(A) will provide a program of services and benefits that includes, at a minimum—

"(A) payments to or on behalf of individuals eligible for residential energy assistance services and benefits pursuant to section 2605(b) for home energy costs;

"(B) home-energy-demand-management services, such as residential weatherization energy education and other energy-related home repair which services to be provided jointly with existing Department of Energy weatherization assistance programs;

"(C) counseling and needs assessment on energy budget management, payment plans, and related services; and

"(D) advocacy on behalf of households eligible for R.E.A.Ch. services and benefits before home energy suppliers and State or local energy regulatory officials.

"(3) A description of the methodology the State will use to determine—

"(A) which households will receive 1 or more forms of benefits under the State R.E.A.Ch. initiative;

"(B) the cases in which nonmonetary benefits are likely to provide more cost-effective long-term outcomes than monetary benefits alone.

"(4) A method for targeting nonmonetary benefits that is not inconsistent with the requirements of section 2605.

"(5) A description of the crisis and emergency assistance activities the State will carry out to demonstrate that such assistance provided under this section is designed to discourage crises, to encourage responsible vendor and consumer behavior, and to provide no financial incentive that discourages household payment.

"(6) A description of the activities the State will carry out to provide incentives for recipients of such assistance to pay home energy costs and for responsible vendor behavior. If such plan contains provisions for direct payments to vendors, such plan shall describe efforts such State will carry out—

"(A) to encourage regular payments by individuals or households receiving financial assistance for home energy costs;

"(B) to provide for compacts or covenants between suppliers of home energy and individuals eligible for services and benefits under this title that reduce home energy costs and minimize the risk of home energy crisis;

"(C) to ensure that local entities providing services and benefits under this title have staff who are charged with ensuring responsible vendor behavior;

"(D) to ensure that direct payments to vendors is at the option of the State and local providers and may be contingent on vendors taking appropriate measures to alleviate the energy burdens of eligible households.

"(7) Information and assurances demonstrating that R.E.A.Ch. services and benefits will be targeted to—

"(A) households with high energy burdens; and

"(B) individuals with acute health or safety vulnerability including small children, frail older individuals, and individuals with temporary energy-related emergencies.

"(8)(A) A detailed description of the financial standards that will be applied for determining eligibility for R.E.A.Ch. services and benefits. Such standards shall require that the highest level of assistance under this section will be furnished to households that have highest energy burdens.

"(B) An assurance that such State will require entities providing R.E.A.Ch. services or benefits to establish priorities for providing services to individuals residing in its service area consistent with the purposes of the State R.E.A.Ch. initiative.

"(9)(A) An assurance that such State has conducted public hearings, after giving notice in public media and by mail to all subgrantees, (DOE/WAP) subgrantees, and community action agencies, with respect to the provisions of such plan and before submitting such plan to the Secretary for approval.

"(B) A summary of comments received at such public hearing.

"(C) An assurance that such plan and any revision thereof submitted to the Secretary will be made available for public inspection in such a manner as will facilitate timely and meaningful review of, and comment.

"(10) An assurance that the State will require entities that receive funds under this section to take appropriate measures to solicit the views of individuals who are financially eligible for benefits and services under this section in establishing its local service priorities.

"(11) A description of specific performance goals for the State R.E.A.Ch. initiative and a description of the indicators that will be used to measure whether such performance goals have been achieved. Such performance goals shall in-

clude 1 or more of the following and such other goals as the Secretary may require:

"(A) To increase in the affordability of energy over 1 or more fiscal years.

"(B) To increase the regularity of home energy bill payments by eligible households.

"(C) To increase energy vendor contributions toward the costs of home energy on behalf of eligible individuals and households.

"(D) To decrease the incidence of homelessness and health and safety risks resulting from high household energy burdens.

"(e)(1) The Secretary may waive on request administrative cost ceilings and carry-over requirements otherwise applicable to the first 3 years of the operation of a R.E.A.Ch. program's operations.

"(2) None of the costs of providing services or benefits required under this subsection shall be considered to be an administrative cost or function for purposes of any limitation on such administrative cost or functions contained in this title.

"(3) In verifying income eligibility for purposes of subsection this section, the State may apply procedures and policies consistent with procedures and policies used by the State agency administering programs under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the Community Services Block Grant program, under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this section, or under other income assistance or service programs (as determined by the State).

"(4) Neither a State nor a local provider of services or benefits shall be required to provide services or benefits to an individual or household if such provision is inconsistent with State or local priorities.

"(5) If a State chooses to pay home energy suppliers directly, the State plan shall include procedures identified in section 2605 of this title."

SEC. 313. SENSE OF THE CONGRESS REGARDING APPROPRIATIONS FOR LIHEAP.

(a) FINDINGS.—(1) Seventy-seven percent of the over 25 million households that were eligible for the Low-Income Home Energy Assistance Program (hereinafter referred to as "LIHEAP") in fiscal year 1992 did not receive assistance due to a lack of funds.

(2) Recent economic distress has caused significant unemployment, which has resulted in a greater need for energy assistance than ever before.

(3) More than 66 percent of LIHEAP household recipients have an annual income that is below the poverty level.

(4) Forty-three percent of all LIHEAP eligible households include children.

(5) LIHEAP eligible households with children spend approximately 16 percent of their annual incomes on home energy costs, which is more than 4 times greater than that paid by the average household in the United States, and far beyond their means.

(6) Approximately 40 percent of LIHEAP household recipients are comprised of elderly or disabled persons.

(7) LIHEAP is an essential, long-term Federal program that is crucial to the well-being of impoverished American families and their children.

(8) Congress appropriated \$1,475,000,000 for LIHEAP for fiscal year 1995.

(9) The Department of Energy predicts that the costs of residential fuels will increase at a pace greater than inflation.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the maintenance of LIHEAP should be a high priority in order to enable the working poor, the disabled, and the low-income elderly, who all depend on LIHEAP, to meet their energy costs and needs;

(2) all appropriations made for LIHEAP for fiscal year 1995 should be expended; and

(3) expenditures for LIHEAP for fiscal year 1996 should ensure the provision of services at or above the level provided in fiscal year 1995.

SEC. 314. EFFECTIVE DATE.

The amendments and repeals made by this title shall become effective on October 1, 1994.

TITLE IV—COMMUNITY-BASED FAMILY RESOURCE PROGRAMS

SEC. 401. SHORT TITLE.

This title may be cited as the "Family Resource and Support Act of 1994".

SEC. 402. COMMUNITY-BASED FAMILY SUPPORT AND FAMILY RESOURCE PROGRAMS.

(a) **PURPOSE.**—The purpose of this section is to support systems change activities designed to assist each State to develop and implement, or expand and enhance, a family-centered and family-directed, comprehensive, statewide system of family support and family resource services in collaboration with existing education, vocational rehabilitation, health, mental health, employment and training, child welfare, and other social services agencies within the State.

(b) **AUTHORITY.**—The Commissioner shall make grants to States on a formula basis for the purpose of—

(1) establishing and expanding statewide a system of community-based family support and family resource programs, including funds for the initial costs of providing specific family resource services, that ensure family involvement in the design and operation of family support and family resource programs which are responsive to the unique and diverse strengths of children and families;

(2) ensuring the active involvement of families of children with disabilities in the planning, development, implementation and evaluation of such a statewide system;

(3) promoting child abuse and neglect prevention activities;

(4) promoting the establishment and operation of State trust funds or other mechanisms for integrating child and family services funding streams in order to provide flexible funding for the development of community-based family support and family resource programs;

(5) establishing or expanding community-based collaboration to foster the development of a continuum of preventive services for children and families, which are family-centered and culturally competent;

(6) increasing and promoting interagency coordination among State agencies, and encouraging public and private partnerships in the establishment and expansion of family support and family resource programs; and

(7) facilitating the changing of laws, regulations, policies, practices, procedures, and organizational structures, which impede the availability or provision of family support and family resource services.

(c) **ELIGIBILITY FOR GRANTS.**—A State is eligible for a grant under this section for any fiscal year if—

(1) such State has established or maintained in the previous fiscal year—

(A) a trust fund, including appropriations for such fund; or

(B) any other mechanism for integrating family resource services funded by Federal, State, or private sources; and

(2) such trust fund or other funding mechanism includes (in whole or in part) provisions making funding available specifically for a broad range of child abuse and neglect prevention activities and family support and family resource programs.

(d) **AMOUNT OF GRANT.**—

(1) **IN GENERAL.**—Amounts appropriated for a fiscal year to provide grants under this section shall be allotted, among eligible States in each fiscal year so that—

(A) 50 percent of the total amount appropriated for such fiscal year is allotted among each State based on the number of children under the age of 18 residing in each State, except that each State shall receive not less than \$1,000,000; and

(B) the remaining 50 percent of the total amount appropriated for such fiscal year is allotted in an amount equal to 25 percent of the total amount allocated by each such State to the State's trust fund or other mechanism for integrating family resource services in the fiscal year prior to the fiscal year for which the allotment is being determined.

(2) **MINIMUM GRANT AMOUNT.**—If the amount appropriated for any fiscal year is less than \$30,000,000, grants shall be awarded on a competitive basis with no grantee receiving less than \$1,000,000.

(3) **AWARD PERIOD.**—Grants made on a competitive basis shall be awarded for a period of 3 years.

(4) GRANTS TO TERRITORIES.—From amounts appropriated to carry out this section for any fiscal year, the Commissioner shall pay to each territory that has an application approved under this section not more than \$100,000.

(e) EXISTING GRANTS.—A State that has a grant in effect on the date of enactment of this section under the Family Resource and Support Program shall continue to receive funds under such Program, subject to the original terms under which such funds were granted, through the end of the applicable grant cycle.

(f) APPLICATION.—No grant may be made to any eligible State under this section unless an application is prepared and submitted to the Commissioner at such time, in such manner, and containing or accompanied by such information as the Commissioner determines to be essential to carry out the purposes and provisions of this section, including—

(1) a description of the agency designated by the Chief Executive Officer of the State to administer the funds provided under this section and assume responsibility for implementation and oversight of the family support and family resource programs and other child abuse and neglect prevention activities, and an assurance that the agency so designated—

(A) is the trust fund advisory board or an existing quasi-public organization with interdisciplinary governance that pools State, Federal, and private funds for family support and family resource programs or integrating child and family service resources; or

(B) with respect to a State without a trust fund mechanism or quasi-public organization that meets the requirements of subparagraph (A), is an existing State agency, or other public, quasi-public, or nonprofit private agency responsible for the development and implementation of a statewide network of community-based family support and family resource programs;

(2) assurances that the agency designated under paragraph (1) can demonstrate the capacity to fulfill the purposes described in subsection (a), and shall have—

(A) a demonstrated ability to work with other State and community-based agencies, to provide training and technical assistance;

(B) a commitment to parental participation in the design and implementation of family support and family resource programs;

(C) the capacity to promote a statewide system of family support throughout the State; and

(D) the capacity to exercise leadership in implementing effective strategies for capacity building, family and professional training, and access to and funding for family support services across agencies;

(3) an assurance that the lead entity will coordinate the activities funded through a grant made under this section with the activities carried out by councils within the State, including the following councils:

(A) the State Interagency Coordinating Council, established under part H of the Individuals with Disabilities Education Act;

(B) the advisory panel established under section 613(a)(12) of the Individuals with Disabilities Education Act (20 U.S.C. 1413(a)(12));

(C) the State Rehabilitation Advisory Council, established under the Rehabilitation Act of 1973;

(D) the State Development Disabilities Planning Council, established under the Developmental Disabilities Assistance and Bill of Rights Act; and

(E) other local or regional family support councils within the State, to the extent that such councils exist;

(4) an assurance that the lead agency will actively coordinate with the councils referred to in Paragraph (3) in carrying out the development and implementation, or expansion and enhancement of, a family-centered and family-directed, comprehensive, statewide system of family support and family resource services.

(5) an assurance that the State has an interagency process coordinated by the agency designated in paragraph (1) for effective program development that—

(A) does not duplicate existing processes for developing collaborative efforts to better serve children and families;

(B) provides a written plan for the establishment of a network of family support and family resource programs publicly available; and

(C) involves appropriate personnel in the process, including—

(i) parents and prospective participants in family support and family resource programs, including respite care programs;

(ii) staff of existing programs providing family resource services, including staff of Head Start programs and community action agencies that provide such services;

(iii) representatives of State and local government such as social service, health, mental health, education, employment, economic development agencies, and organizations providing community services activities;

(iv) representatives of the business community;

(v) representatives of general purpose local governments;

(vi) representatives of groups with expertise in child abuse prevention, including respite and crisis care;

(vii) representatives of local communities in which family support and family resource programs are likely to be located; and

(viii) other individuals with expertise in the services that the family resource and support programs of the State intend to offer;

(6) a description of the current family support and family resource programs operating in the State, the current unmet need for the services provided under such programs, including the need for building increased capacity to provide specific family resource services, including respite care, and the intended scope of the State family support and family resource program, the population to be served, the manner in which the program will be operated, and the manner in which such program will relate to other community services and public agencies;

(7) evidence that Federal assistance received under this section—

(A) has been supplemented with non-Federal public and private assistance, including a description of the projected level of financial commitment by the State to develop a family support and family resource program; and

(B) will be used to supplement and not supplant other State and local public funds expended for family support and family resource programs;

(8) a description of the core services, as required by this section, and other support services to be provided by the program and the manner in which such services will be provided, including the extent to which either family resources, centers, home visiting, or community collaboratives will be used;

(9) an assurance that the lead agency will ensure that the amount of Federal funds spent on respite care services within the State during the previous fiscal year shall be maintained;

(10) a description of any public information activities the agency designated in paragraph (1) will undertake for the purpose of promoting family stability and preventing child abuse and neglect, including child sexual abuse;

(11) an assurance that the State will provide funds for the initial startup costs associated with the development of 1 respite program annually in the State, as well as other specific family resource services, and a description of the services to be funded;

(12) an assurance that the State program will maintain cultural diversity and be culturally competent;

(13) a description of the outreach and other activities the program will undertake to maximize the participation of racial and ethnic minorities, persons with limited-English proficiency, individuals with disabilities, and members of other underserved or underrepresented groups in all phases of the program;

(14) a description of the guidelines for requiring parental involvement in State and local program development, policy design, and governance and the process for assessing and demonstrating that parental involvement in program development, operation, and governance occurs;

(15) a description of the State and community-based interagency planning processes to be utilized to develop and implement family support and family resource programs;

(16) a description of the criteria that the State will utilize for awarding grants for local programs so that they meet the requirements of subsection (g);

(17) a plan for providing training, technical assistance, and other assistance to local communities in program development;

(18) a description of the methods to be utilized to evaluate the implementation and effectiveness of the family support and family resource programs within the State;

(19) a description of proposed actions by the State that will reduce practical and regulatory barriers to the provision of comprehensive services to families, including family support and family resource programs; and

(20) an assurance that the State will provide the Commissioner with reports, at such time and containing such information as the Commissioner may require.

(g) LOCAL PROGRAM REQUIREMENTS.—

(1) **IN GENERAL.**—A State that receives a grant under this section shall use amounts received under such grant to establish local family support and family resource programs that—

(A) undertake a community-based needs assessment and program planning process which involves parents, and local public and nonprofit agencies (including those responsible for providing health, education, vocational rehabilitation, employment training, Head Start and other early childhood, child welfare, and social services);

(B) develop a strategy to provide comprehensive services to families to meet identified needs through collaboration, including public-private partnerships;

(C) identify appropriate community-based organizations to administer such programs locally;

(D) provide core services, and other services directly or through contracts or agreements with other local agencies; and

(E) involve parents in the development, operation, and governance of the program.

(2) **PRIORITY.**—In awarding local grants under this section, a State shall give priority to programs serving low-income communities and programs serving young parents or parents with young children and shall ensure that such grants are equitably distributed among urban and rural areas.

(h) **DEFINITIONS.**—As used in this section:

(1) **CHILDREN WITH DISABILITIES.**—The term “children with disabilities” has the meaning given such term in section 602(a)(1) of the Individuals with Disabilities Education Act.

(2) **COMMISSIONER.**—The term “Commissioner” means the Commissioner of the Administration on Children, Youth, and Families.

(3) **COMMUNITY REFERRAL SERVICES.**—The term “community referral services” means services to assist families in obtaining community resources, including respite care services, health and mental health services, employability development and job training, and other social services.

(4) **CULTURALLY COMPETENT.**—The term “culturally competent” means services, supports, or another assistance that is conducted or provided in a manner that—

(A) is responsive to the beliefs, interpersonal styles, attitudes, language, and behaviors of those individuals receiving services; and

(B) has the greatest likelihood of ensuring maximum participation of such individuals.

(5) **FAMILY SUPPORT.**—The term “family support”—

(A) means supports, resources, services, and other assistance provided to families of children with disabilities that are designed to—

(i) support families in the efforts of such families to raise their children with disabilities in the family home;

(ii) strengthen the role of the family as primary caregiver;

(iii) prevent inappropriate out-of-the-home placement and maintain family unity; and

(iv) reunite families with children with disabilities who have been placed out of the home, whenever appropriate; and

(B) may include—

(i) service coordination that includes individualized planning and brokering for services with families in control of decision making;

(ii) goods and services, which may include specialized diagnosis and evaluation, adaptive equipment, respite care (in and out of the home), personal assistance services, homemaker or chore services, behavioral supports, assistive technology services and devices, permanent or future planning, home and vehicle modifications and repairs, equipment and consumable supplies, transportation, recreation and leisure activities, specialized nutrition clothing, counseling services and mental health services for family members, family education or training services, communication services, crisis intervention, day care, child care and camps, supports and services for integrated and inclusive community activities, parent or family member support groups, peer support, sitter service or companion service, and education aids and toys; and

(iii) financial-assistance, which may include discretionary cash subsidies, allowances, voucher or reimbursement systems, low-interest loans, or lines of credit.

(6) **FAMILY SUPPORT AND FAMILY RESOURCE PROGRAM.**—The term “family support and family resource program” means a program that offers community-

based services that provide sustained assistance to families at various stages in their development. Such services shall promote parental competencies and behaviors that will lead to the healthy and positive personal development of parents and children through—

(A) the provision of assistance to build family skills and assist parents in improving their capacities to be supportive and nurturing parents;

(B) the provision of assistance to families to enable such families to use other formal and informal resources and opportunities for assistance that are available within the communities of such families; and

(C) the creation of supportive networks to enhance the child-rearing capacity of parents and assist in compensating for the increased social isolation and vulnerability of families.

(7) FAMILY RESOURCE SERVICES.—The term “family resource services” means—

(A) core services that must be provided directly, or by referral or contract, by the family support and family resource program under this section, including—

(i) education and support services provided to assist parents in acquiring parenting skills, learning about child development, and responding appropriately to the behavior of their children;

(ii) early developmental screening of children to assess the needs of such children and to identify the types of support to be provided;

(iii) respite care services which are available 24 hours per day and every calendar day of the year;

(iv) outreach services;

(v) community referral services; and

(vi) follow-up services; and

(B) other services, which may be provided either directly or through referral, including—

(i) early care and education (such as child care and Head Start);

(ii) respite care;

(iii) job readiness and counseling services (including skill training);

(iv) education and literacy services;

(v) nutritional education;

(vi) life management skills training;

(vii) peer counseling and crisis intervention, and family violence counseling services;

(viii) referral for health (including prenatal care) and mental health services; and

(ix) substance abuse treatment.

(8) FAMILY-CENTERED AND FAMILY-DIRECTED.—The term “family-centered and family-directed” means, with respect to a service or program, that the service or program—

(A) facilitates the full participation, choice, and control by families in—

(i) decisions relating to the supports that will meet the priorities of the family; and

(ii) the planning, development, implementation, and evaluation of the statewide system of family support for families;

(B) responds to the needs of the entire family in a disability in a timely and appropriate manner; and

(C) is easily accessible to and usable by families.

(9) INTERDISCIPLINARY GOVERNANCE.—The term “interdisciplinary governance” includes governance by representatives from communities and representatives from existing health, mental health, education, vocational rehabilitation, employment and training, child welfare, and other agencies within the State.

(10) RESPITE CARE SERVICES.—The term “respite care services” means short-term care services provided in the temporary absence of the regular caregiver (parent, other relative, foster parent, adoptive parent, guardian) to children who meet one or more of the following categories:

(A) The children are in danger of abuse or neglect.

(B) The children have experienced abuse or neglect.

(C) The children have disabilities, or chronic or terminal illnesses.

Services provided within or outside the child's home shall be short-term care, ranging from a few hours to a few weeks of time, per year, and be intended to enable the family to stay together and to keep the child living in the child's home and community.

(i) STRATEGIC PLAN.—

(1) IN GENERAL.—Not later than 1 year after the date on which assistance is received by a State under this section, the lead agency of the State, shall prepare and submit to the Commissioner, a strategic plan designed to achieve the purposes and policy of this section.

(2) CONTENTS.—The strategic plan shall include—

(1) a statement of the mission, philosophy, values, and principles of the statewide system of family support and family resources in the State;

(2) a statement of family-centered outcomes to be achieved by the statewide system of family support and family resources;

(3) specific goals and objectives for developing and implementing, or expanding and improving, the system for providing family support and family resource services, and for achieving the family-centered outcomes;

(4) systemic approaches for accomplishing the objectives and achieving the family-centered outcomes, including interagency coordination and cooperation that builds upon state-of-the-art practices and research findings;

(5) a description of the specific programs, projects, and activities funded under this section and the manner in which the programs, projects, and activities accomplish the objectives and achieve the family-centered outcomes;

(6) a description of an ongoing quality improvement or quality enhancement system, which utilizes information from ongoing measurements of the extent to which family-centered outcomes are achieved, to improve the system.

(7) a description of an appeals process that will be used in resolving any disputes families may have regarding the determination of eligibility for the provision of family support and family resource services to the family or to the child with a disability;

(8) a description of the eligibility criteria to be used to carry out programs, projects, and activities under this section that includes all eligible families;

(9) an analysis of the extent to which family support and family resource services for an individual family is defined as a benefit and not as income; and

(10) a description of the plan to conduct an annual evaluation of the statewide system of family support and family resources.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$30,000,000 for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 and 1997.

(k) REPEAL OF EXISTING PROGRAM.—Section 933 of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12339) is repealed.

SEC. 403. FEDERAL COUNCIL ON CHILDREN, YOUTH, AND FAMILIES.

Section 918 of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12314) is amended—

(1) in subsection (k)—

(A) in paragraph (3), by striking out “and” at the end thereof;

(B) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(C) by adding at the end thereof the following:

“(5) identify program regulations, practices, and eligibility requirements that impede coordination and collaboration and make recommendations for their modifications or elimination; and

“(6) develop recommendations for creating jointly funded programs, unified assessments, eligibility, and application procedures, and confidentiality protections that facilitate information sharing.”;

(2) in subsection (o), by striking “1991 through 1994” and inserting “1995 through 1998”; and

(3) in subsection (p), by striking “1995” and inserting “1998”.

SEC. 404. FAMILY RESOURCE ACT.

(a) NATIONAL CENTER.—Section 958(b)(3) of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12353(b)(3)) is amended by striking “model”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 960 of the Claude Pepper Young Americans Act of 1990 (42 U.S.C. 12355) is amended—

(1) in subsection (a), by striking “\$2,300,000” and all that follows through the end thereof and inserting “\$2,000,000 for each of the fiscal years 1995 through 1998.”; and

(2) in subsection (b), by striking “\$700,000” and all that follows through the end thereof and inserting “\$1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998.”.

Amend the title so as to read:

A bill to authorize appropriations to carry out the Head Start Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981; and for other purposes.

EXPLANATION OF THE AMENDMENT

The committee amendment strikes all after the enacting clause and inserts a substitute text. The provisions of the substitute text are explained hereafter in this report.

PURPOSE

The primary purpose of H.R. 4250 is to reauthorize the Head Start Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Program (LIHEAP), for fiscal years 1995-1998. It also encourages the formation of community-based family service networks.

SUMMARY

Title I, Head Start Programs, reauthorizes the Head Start Act and authorizes such sums for fiscal years 1995 through 1998. It provides for improvements in the quality of services, adds a cohesive plan to expand Head Start in unserved areas and in areas of greatest need, and provides for a new initiative to serve low-income children and families at the earliest ages (zero-to-three).

Title II reauthorizes the Community Services Block Grant Act. It authorizes \$525 million for fiscal year 1995 and such sums in each year through 1998.

Title III reauthorizes the Low-Income Home Energy Assistance Program, authorizing \$2 billion for fiscal year 1995 and such sums through 1999. Through leveraging, it provides \$50 million in 1995 and such sums through 1999. It expands flexibility to States and provides challenge initiative under leveraging incentive program. It establishes a permanent authorization for emergency funds, permits use of Department of Energy weatherization rules in administering LIHEAP weatherization program. It sharpens the program's focus on the most vulnerable populations and those with highest home energy burdens.

Title IV, Community-Based Family Resource Programs, promotes the creation of networks of comprehensive community family-based services.

COMMITTEE ACTION

H.R. 4250 was introduced on April 19, 1994, by the Honorable Matthew G. Martinez, Chairman of the Subcommittee on Human Resources, on behalf of himself and Ms. Molinari, Mr. Ford of Michigan, Mr. Goodling, Mr. Kildee, Mr. Williams, Mr. Miller of California and Mr. Castle. Mr. Mineta is an additional co-sponsor. The measure reflected three other measures introduced earlier in the session: H.R. 3842, "Head Start Act Amendments of 1994", H.R. 4084, "Community Services Block Grant Act Amendments of 1994", and H.R. 4085, "Low-Income Home Energy Assistance Amendments of 1994".

On April 21, 1994, the Committee on Education and Labor, by voice vote, a quorum being present, ordered the bill, as amended, favorably reported.

STATEMENT

TITLE I—AMENDMENTS TO THE HEAD START ACT

Authorization of appropriations

H.R. 4250 extends the authorization of the Head Start program through fiscal year 1998, authorizing the appropriation of such sums as may be necessary to carry out the program in each fiscal year, in order to allow the program to build on its widely recognized successes. The bill is consistent with the President's fiscal year 1995 budget request for Head Start, including a projected annual increase of \$700 million for each of the next four fiscal years. The committee applauds the Administration's commitment to reach every Head Start-eligible child.

Allocation and use of funds for quality improvement

The 1990 reauthorization of Head Start established a quality set-aside of 25% of the funds allocated each year in excess of the cost of maintaining the existing Head Start programs. H.R. 4250 clarifies that the 25% set-aside is a minimum level, and the Secretary of Health and Human Services (hereinafter the Secretary) is authorized to increase the reserved funding should it be necessary to address an identified quality concern.

The committee recognizes that while the Head Start program has expanded dramatically in the last several years, the overall expansion has not kept pace with inflation. The committee is aware that the Head Start program experienced a 13% decrease in the number of dollars expended per-child, adjusted for inflation, in the 1980's. While H.R. 4250 does not increase the set-aside beyond the current 25%, it is the committee's expectation that the Secretary will make additional funds available to ensure that Head Start programs that need additional assistance to meet quality concerns are provided such assistance.

H.R. 4250 outlines several specific priorities for use of quality improvement funds. Funds may be used to enhance program quality and to enable programs to meet performance standards. Funds may be used to hire additional staff to improve the ratio of staff to families, particularly in the area of family services, and to provide adequate staff training. Quality improvement funds may also be used to improve community needs assessments, to obtain facilities which are safe and conducive to effective programming, and for other quality-related improvements identified by the Secretary. Moreover, the Secretary shall give consideration to ensure Head Start programs have staff competent in the languages of children and families served.

The committee wishes to affirm the commitment to provide all Head Start staff wages that are sufficient to live on. Despite the requirement in the 1990 legislation that programs use half of their quality set-aside to enhance salaries, many Head Start staff continue to be paid inadequate wages. The committee is aware that some Head Start staff with children are themselves eligible for

Head Start services under the poverty guidelines because the compensation for their work is so low. The committee believes that no child should be living in poverty because his or her parent was employed in a Head Start program. Therefore, the committee has maintained the requirement that half of the quality improvement funds be used to improve staff salaries.

Collaboration grants to states

The Secretary's Advisory Committee on Head Start Quality and Expansion recommended that Head Start make a concerted effort to coordinate with ongoing national initiatives such as the reform of our health care, welfare, and education systems. The committee believes that Head Start, with its multidisciplinary approach and extensive parent participation, provides an important perspective for States from its many years of experience. H.R. 4250 requires the Secretary to award grants to States for creating a Head Start liaison to facilitate collaboration at the State level, where policy-making decisions occur.

Based on the experiences of several States, the bill stipulates that high-level liaison positions must be created with sufficient access to coordinate across a range of agencies and topics and sufficient authority to make things happen. While many of the most successful collaboration grants have created positions in the Governor's office in their State, the committee encourages the designation of other placement inside or outside of State government. The committee notes that many of the most successful States also involve a committee of Head Start staff and high-level State administration staff to determine management and implementation of the project. The committee requests the Secretary to work with the National Head Start Association and State officials to base its collaboration grant model on the most successful of current collaboration projects.

H.R. 4250 requires that the state Head Start Association be involved in the selection of the liaison, and have ongoing input into the priorities selected and the positions represented by the collaboration project. The committee intends that the Head Start liaison be involved in setting policy and making decisions on a wide range of topics affecting low-income children and their families, and does not intend to limit the liaison's activities to the range of initiatives expressed in the statute.

Allocation of funds for program expansion

The committee reaffirms the importance of expanding the Head Start program. Currently, fewer than 40% of the eligible three and four year old children are served by the program. The committee applauds the commitment of current and previous Administrations and Congresses to expand Head Start services to all eligible children and strongly encourages advancement towards that goal.

However, expansion must be undertaken in a planned and orderly fashion. The allocation of expansion funding must not undermine efforts to promote quality. The committee is aware of cases where adequately performing programs were unprepared to expand with the increased funding they received, risking the quality of the entire program. In other instances weak programs continued to re-

ceive funds for expansion even after they were identified as at-risk. The expansion allocation provisions in H.R. 4250 are intended to prevent such cases from occurring in future.

Consistent with the current statute, each State will be allocated expansion funds, which individual programs will apply to receive. Grant applications within each State will undergo a rigorous evaluation. Each applicant will be evaluated based on the quality of its current program and its capacity to expand services while maintaining high quality. Strategic plans and community needs assessments must be presented to justify the expansion and to demonstrate that it will be carried out in a manner which maximizes its potential for success. The Secretary is to take into consideration the extent to which an applicant has identified a need to provide full day or full year services based on a family and community needs assessment. Consideration for expansion funds will also take into account the concentration of poverty and the number of eligible children remaining unserved in the area.

In implementing future expansions of Head Start and applying these criteria, the committee urges the Secretary to assess whether the needs of a particular community could be best met by awarding expansion funds on a competitive basis even though a Head Start agency already exists within the community.

The committee believes that there are circumstances in which the interests of children and families may be most appropriately served by not simply continuing to expand the existing agency's Head Start program, but also allowing other organizations to apply for funding as well.

The committee recognizes the existence of populations that may be particularly disadvantaged. The committee urges the Secretary to work with programs to provide specialized outreach to these populations and to include them in community needs assessments. In addition, the committee encourages the Secretary to direct expansion funds to programs that serve such extremely impoverished and disadvantaged populations, including recently-arrived immigrants, individuals with limited English proficiency, Indians, migrants and disabled individuals.

Final Head Start disability regulations were issued on January 21, 1993, and became effective the following month. These regulations require Head Start grantees to (1) design comprehensive services which meet program standards for locating and serving eligible children with disabilities and their parents; (2) develop an individualized education program for each eligible child with a disability; (3) screen children within 45 days to assure the provision of services; (4) designate a disabilities coordinator; and (5) incorporate activities similar to those required under the Individuals with Disabilities Education Act (IDEA). Within the requirement of Head Start grantees and agencies to develop a comprehensive plan for providing inclusive services to children with disabilities, including children with severe disabilities, the committee reaffirms that the education of eligible children with disabilities is a shared responsibility between local education agencies and Head Start programs. Thus, there is a continuing and strong need for interagency collaboration in the development of staff to deliver and arrange for community and family-driven services. The committee affirms that ex-

perts in the delivery of services to infants and toddlers and young children with disabilities must be consulted in the development of model staffing patterns. In addition, training and technical assistance programs should include access to such experts and other assistance for Head Start programs which are or may be required to provide services to disabled children. The committee believes that the Memorandum of Understanding between Head Start and the Administration on Developmental Disabilities is the appropriate first step in developing training and technical assistance programs and encourages the full implementation of that effort and enhanced collaboration between Head Start and local community based providers of services to children with disabilities, including severe disabilities.

Flexibility for full-day and full-year programs

Most Head Start programs provide part-time services to Head Start children. While some Head Starts have received State or other funds to "wrap around" Head Start and extend the hours of care, this funding is limited and difficult to obtain. The committee recognizes that some children may be prevented from attending Head Start because their parents' work or school schedules require them to be in day-long and year-round programs, and transportation from Head Start to supplementary care, or the supplementary care itself, may be unavailable. In addition, the committee recognizes that new initiatives aimed at encouraging self-sufficiency may heighten the need for full day/full year Head Start services as more parents enter the workforce.

H.R. 4250, therefore, authorizes the use of Head Start funds to provide full day and/or full year programs, should the program's community needs assessment establish that such programming is necessary. The committee encourages local programs to exercise this option in responding to community needs.

Provision of COLA to head start program staff

Each year, Head Start programs are allocated funds to provide a cost-of-living adjustment (COLA) to the salaries of their staff. It has come to the attention of the committee that some grantee agencies operating multiple social services programs have, in the past, awarded Head Start COLAs only when all of the non-Head Start staff in the agency also receive a COLA.

The committee recognizes the dedication of staff working in social service agencies to provide a range of services to low-income children and families. However, the committee does not believe that Head Start staff should be denied COLAs because agencies do not award comparable increases to all of their staff. H.R. 4250, therefore, clarifies that the award of COLAs to Head Start staff may not be contingent on the award of COLAs to other agency staff.

Enhanced parent participation

The committee believes that parent involvement in Head Start is the key to its success. Parents who participate in Head Start programs become better educated in life skills. They become better parents. Their actions convey to their children that they, as adults,

believe education is important and that they support their children's activities. Head Start programs which train their parents to be full participants in the Policy Council, which guides program operations through hiring, firing and budget decisions, are more responsive to the needs of parents and the local community. The committee believes that for Head Start to accomplish its purpose, parent involvement must be encouraged, desired, and respected by the program. Most of all, Head Start must be responsive to parent needs, and abilities. Such responsiveness must take into consideration the barriers which prohibit some parents from becoming more involved in the program, such as substance abuse problems or extreme work schedules. The committee intends that the needs assessment for parent involvement occur in both center- and home-based settings.

H.R. 4250 reflects this committee's strong belief in, and commitment to, parent involvement in Head Start. The Secretary is directed, when evaluating applications for designation as a new Head Start agency, to consider the applicant's plan for involving parents in the program. The parent participation aspect of current programs is reinforced by requiring Head Start programs to provide to each participating family a family needs assessment. It is the committee's intent that this family needs assessment shall be used to determine the types of services which are offered or provided to Head Start families and to include as a part of the plan the provision of family literacy services in both English and the family language wherever possible.

In order to involve parents more fully and to respond more effectively to parent needs, all Head Start programs must make family literacy services available to parents, either directly or by referral. The committee understands family literacy to be an approach to teaching literacy which combines adult literacy instruction, development of parenting skills, and activities for children. By working with both parents and children, family literacy promotes child and adult literacy, and uses parents' desires to be models for and teachers to their children as an incentive and vehicle to develop their own reading and parenting skills. H.R. 4250 further clarifies the range of services to be provided by the Head Start program to parents to help them become full partners in the education of their children.

The committee has included language in several parts of the bill requiring Head Start agencies to provide, as part of the parent involvement portion of services to families, family literacy services, either directly or indirectly. The term family literacy is defined in the bill at section 102, as the provision of services that enhance the parents' abilities to become the primary teacher of the child. In connection with this effort, services must include parent-child interactive literacy activities; training for parents on techniques for being the first teacher of the child, parent literacy training, including English as a Second Language, where appropriate; and training in early childhood education. The committee recognizes that there are a wide range of programs around the country that provide some or all of these services and cites such programs as Even Start, and the National Center on Family Literacy, as well as programs developed both locally and nationally by the American Li-

brary Association and its public library members. Head Start agencies are encouraged to seek to collaborate with such programs as Even Start where those are available, and to partner with local public and school libraries in communities where those institutions currently have family literacy projects in place. In Head Start communities where such services are not available, Head Start agencies are encouraged to develop local programs based on the known models that have been shown to provide strong results.

The committee is aware that in some areas, recognition of the importance of parent involvement has led programs to interpret parent participation as mandatory. The committee believes that no parent should be required to participate in the Head Start program, and that no child should be penalized in any way if his or her parent does not participate in the program.

It has come to the attention of the committee that some parents may be prevented by poor health or disability from becoming as involved in Head Start as they might otherwise wish. A number of programs have developed methods to involve working parents successfully in their programs. The committee supports a variety of approaches to involve parents in Head Start and encourages recognition of the fact that parent participation should not be limited to participation in classroom activities.

The committee recognizes that some parents may not be ready to participate in Head Start at the time they enroll their children in the program. The committee believes strongly that mandatory parent involvement, or the appearance thereof, will prevent some parents from enrolling their children in Head Start. Through its long-standing tradition of building trust with families, Head Start allows parents to move at their own pace.

Performance standards

Head Start programs are guided by a series of performance standards outlining the services which must be provided to children and families. Provisions in the 1990 Act require that each Head Start program undergo an intensive review at least once every three years to determine compliance with the performance standards and to promote a consistent level of program quality. This system of standards and monitoring is widely recognized as a critical component of Head Start quality.

The Head Start Advisory Committee noted that the performance standards currently used were issued in 1975, and in some cases no longer reflect current best practices with regard to child development. H.R. 4250 directs the Secretary to establish, within one year of enactment, revised and updated standards to guide program operations in the areas of health, education, parental involvement, social and other services. The revised guidelines shall not in any manner diminish the scope of current services. The committee encourages the Secretary to ensure that the needs of local Head Start programs are represented on the committee, and recommends that half of the committee members have been staff or parents in local Head Start programs.

Current performance standards address only the practices of the Head Start program. Except in the case of a single-purpose agency, the grantee may provide few services which directly relate to the

operation of the Head Start program. In these cases, only the direct services provided, such as bookkeeping or financial services, are subject to performance standards and federal monitoring practices. At no time is the grantee agency required to demonstrate an understanding of Head Start practices. Compliance with Head Start regulations pertaining to parent involvement, agency Executive Board bylaws, administrative costs and responsibilities, or other aspects of the Head Start program are never evaluated. Therefore, H.R. 4250 directs the Secretary to develop grantee performance standards which may be applied to the practices of the grantee agency as distinct from the program operation by the delegate agency.

Outcome measures

While the performance standards establish a minimally acceptable level of services, they do not directly measure program quality or effectiveness. H.R. 4250 directs the Secretary to consult with experts in the fields of child development, family services, program management, and with representatives of Head Start agencies, to develop and issue outcome measures within one year of enactment.

It is the committee's intent that such outcome measures will measure strengths and weaknesses on a program-wide basis, and shall not focus on individual children and families. These measures shall be used to enhance program accountability, increase efficiency of operations, and to identify strengths and weaknesses on a national and region-wide basis. The committee intends that outcomes shall be used to focus research and training and technical assistance resources on areas of greatest need. The committee urges the Secretary to ensure that local Head Start programs and members of the Head Start community be represented by consulting with a substantial number of staff and parents with experience in local Head Start programs in the development of the outcome measures. Among the goals of the performance measures developed under this section, the Secretary shall include the evaluation of the extent to which the programs meet the linguistic and cultural needs of the eligible children and families.

Monitoring

Regional offices of the Administration for Children, Youth and Families (ACYF) are responsible for conducting an in-depth triennial review of each operating Head Start program. In recognition of the importance of federal monitoring to Head Start quality and the recommendations of the Advisory Committee, H.R. 4250 provides additional guidance regarding federal reviews. In addition to the triennial review required in the 1990 legislation, each newly designated Head Start agency must be reviewed at the end of its first year of operations. Any Head Start agency or program which undergoes a review and is determined to fall short of minimum standards must receive a prompt follow-up review. The Secretary is also authorized to approve other reviews as appropriate.

Monitoring is a critically important piece of the quality assurance process, but it succeeds only when qualified staff who are familiar with the complexities of operating a Head Start program are able to travel out to each program and spend adequate time with the

staff, parents and children at each site. This is particularly important when composing monitoring teams to evaluate both Migrant and Indian Head Start programs, which employ unique, culturally appropriate curricula. H.R. 4250 therefore, requires that, to the maximum extent practicable, reviews are conducted by knowledgeable review teams with expertise in the Head Start component areas and are supervised by a Department of Health and Human Services employee at each Head Start agency site.

The committee is sympathetic to the Department's need to limit its travel expenses and reduce its overall staffing levels in accordance with the President's initiatives for reducing the deficit. Nevertheless, the committee believes that the integrity of the Head Start monitoring process must be preserved and enhanced. In recent years the number of regional Head Start specialists has been reduced, their caseloads and paperwork increased, and travel funds cut. In some cases, federal staff who are unfamiliar with the Head Start program have, as part of federal restructuring efforts, been reassigned to ACYF as Head Start monitors. Regional offices which have made funds available for staff to monitor programs more frequently than once every three years have had their "surplus" travel budgets reduced.

The committee is encouraged by ACYF's attention to this problem, and calls on the Secretary to recognize the importance of reversing these disturbing trends. To assist the Secretary in this effort, H.R. 4250 allows a portion of Head Start training and technical assistance funds to be used for the expenses of reviewing Head Start programs (except the cost of compensating federal employees).

The committee urges the Secretary to recognize the value of interim visits to all Head Start programs. While struggling programs require additional attention from federal monitors, visits by federal staff provide a form of accountability which is important to all Head Start agencies.

The committee is aware of successful programs which need guidance from federal specialists as they grow to adjust to new management complexities and maintain their high quality services. Federal resources should not focus exclusively on programs which are now struggling to the extent that other, currently adequate, programs are jeopardized. While the committee understands the Department's desire to maximize limited resources through effective targeting, the committee believes that effective prevention efforts can save money and programs.

Quality improvement process and termination of grantee status

The committee recognizes the need for an equitable process which allows Head Start programs an opportunity to address quality deficiencies but which terminates programs which can not meet minimum requirements. H.R. 4250 establishes a process for terminating federal funds for such programs. If a program falls short of minimum standards, the Secretary shall notify the program of the deficiencies found. The Secretary may require immediate correction, or, depending on the seriousness of the problem and the time reasonably required to correct it, may allow the program to develop a quality improvement plan. This plan shall be developed by the

program in a timely manner, and approved by the Secretary or returned for amendment within 30 days. A timetable will be established to document the dates by which each problem must be corrected. Training and technical assistance will be provided to assist in developing and implementing the quality improvement plans.

No deficiency will be permitted to persist beyond one year of the date on which the agency was official notified of the problems. If the agency fails to correct the deficiencies within the time specified in the quality improvement plan, the Secretary shall initiate proceedings to terminate that agency's designation as a Head Start grantee.

Grantees which believe that their funding has been terminated, suspended or reduced unfairly may appeal the decision in an administrative hearing. H.R. 4250 provides that, should the Secretary's action be upheld in the hearing, such action shall not be stayed while a judicial appeal of the administrative decision is pending. The committee intends by this process to ensure quality services, and not to deny services to a community served by a poor performing grantee. An interim grantee may be appointed to insure continuity of quality program services. The Secretary shall work to identify a more capable grantee and provide, to the greatest extent possible, a smooth transition of services from one grantee to the next.

Indian head start programs

The committee wishes to acknowledge the special status of the American Indian Head Start programs. Tribally-operated Indian Head Start programs are overseen by the American Indian Programs Branch of the Head Start Bureau, and are subject to the same regulations that cover all other Head Start programs. The committee, therefore, reaffirms its support of the current federal structure which has established a separate region, Region XI, for Indian Head Start programs.

In the past, consideration has been given to dismantling the Indian Head Start region and grouping Indian Head Start programs with other Head Start programs in each State. The committee applauds the decision by ACYF to retain a separate region for Indian Head Start programs.

Many Indian Head Start programs face barriers which are common to Head Start programs in extremely rural and isolated areas. Due to the unique legal and political status of American Indian tribal governments and their government-to-government relationship with the Federal Government, and recognizing the unique educational and social needs of Indian reservation students resulting from geographical isolation, massive infrastructure deficiencies, widespread poverty, rapidly increasing population and inadequate resources found in their communities, the committee recommends that ACYF conduct special research on methods to improve and enhance the quality of Head Start services provided to American Indian and Alaska Native children. The committee wishes to acknowledge the hard work of the National Indian Head Start Directors' Association to bring the needs of Indian Head Start programs more fully to the attention of the committee.

Indian head start service area

Current statutory language referring to an "Indian reservation" as the service area for Indian Head Start programs has been interpreted to mean that Indian Head Start programs may only serve children living within reservation boundaries. As Indian economic development progresses and many Indian people who had left the reservation return, housing on the reservation is often insufficient. Many tribal members must live near the reservation as a result. The committee understands that Indian children living near the reservation are often denied services by non-Indian Head Start programs, and that the families would prefer to have their children served by Indian Head Start programs.

H.R. 4250 amends the statutory language to refer to Indian tribes rather than Indian reservations, and to clarify that children living near the reservation should be included in the Indian Head Start programs' service area. This amendment will also make it possible for federally recognized tribes which do not have reservations to provide Indian Head Start services, and to make it possible for consortiums of small tribes on small reservations to join together to provide Indian Head Start programs to their children.

In changing the statutory language, the committee does not intend to interfere with or undermine the Head Start Bureau's practice of designation geographic service areas.

Eligibility determination

The committee recognizes the large numbers of Indian children and families who reside in urban areas and who are currently afforded few, if any, opportunities for culturally-appropriate early child development programs. The committee intends that, consistent with current law, these urban Indian communities may apply for program funds on a competitive basis with other regional Head Start programs, and that programs established may utilize culturally relevant curricula.

Many Indian Head Start programs, like most other Head Start programs across the country, have long waiting lists of eligible children who are not being served. But in a few Indian Head Start programs, economic development has reduced the number of children eligible for services to the point where the program's continued viability is jeopardized. No other Head Start program in the country faces similar circumstances. The committee believes that Indian Head Start programs should not be closed because they currently lack sufficient income-eligible children.

Services to migrant children

H.R. 4250 provides that a child shall be considered eligible for services under the Migrant Head Start program if the child's family works in agriculture and has changed residences from one geographical location to another in the past 2 years. This change is consistent with the definition contained H.R. 6, a bill to reauthorize the Elementary and Secondary Education Act, recently approved by the committee and passed by the House of Representatives. The committee intends that the Department of Health and Human Services will continue to work with the Department of Education, the Department of Labor and other relevant agencies to coordinate

the varying definitions of "migrant" in order to improve services to this population. The committee also urges the Secretary to use the zero through three Performance Standards developed by the working group to guide the infant-toddler services funded through the Migrant Head Start program and to provide the necessary cost per child for infants and toddlers to allow programs to meet these performance standards and to meet the 2-year eligibility requirement.

Head start transition projects

In recognition of the important work of the Head Start Transition Projects, H.R. 4250 extends the authorization for these projects an additional four fiscal years. It is the committee's understanding that several changes in the Project requirements, including increases in the number of children required to be served, were made after Transition Project grants were awarded. Many of these changes resulted in increased costs. Therefore, the original set-aside of \$25 million may be inadequate for current projects to provide all of the required services. H.R. 4250 increases the set-aside to \$35 million.

The committee understands that some of these funds may be used to disseminate the knowledge gathered by these Transition Projects to staff and parents in other Head Start programs and schools. The funds may also be used for other transition-related activities, such as educating staff in school districts and Head Start programs which are not formally a part of a Transition Project about transition practices.

Initiative for families with infants and toddlers

Every report on Head Start written since 1980 has included a recommendation that Head Start broaden its services to families with children under the age of three. Research conducted since Head Start was founded shows how critical the first three years of life are in establishing basic health and other fundamental elements for learning about self, others, coping mechanisms and problem solving skills.

The committee is concerned that increasing rates of poverty, violence, teenage pregnancy, and obstacles to health care are destabilizing the nurturing family environments needed to promote healthy child development. Research has led many to conclude that one year of Head Start at the age of four is too little, too late for many children.

The concern by educators and researchers to intervene before preschool age is echoed by some of the United States' highest law enforcement officials. Louis Freeh, Director of the Federal Bureau of Investigation, stated that, "The studies I've seen * * * the values and moral understanding of right and wrong is really solidified in three and four years olds * * * So I think that with respect to juvenile crime and children, we've got to start a lot earlier and a lot more effectively than I think we've ever done before." (Cited in testimony before the Senate Labor and Human Resources Committee, January 12, 1994.)

Janet Reno, United States Attorney General, is a strong advocate for early intervention. She asks, "What good are all the prisons 18 years from now going to do if that child doesn't learn to have a con-

science? Fifty percent of all learned human response is learned in the first year of life. What good is a great education going to be 12 years down the line if you don't have the foundation that will give you the opportunity for that education? As we come into communities and form a whole picture, not only do we have to make sure that there's a health care piece, but we've got to make sure that there is strong, constructive educate from the time of birth to Head Start." (Cited in testimony before the Senate Labor and Human Resources Committee, January 12, 1994.)

The committee recognizes the need for high quality, family-centered infant and toddler care. As more States require parents—even those with very young children—to work, participate in job training, or go to school in order to receive social welfare benefits, the need for quality care for low-income, very young children has become still more acute. The committee applauds the Secretary's Advisory Committee for recognizing that a 0-3 initiative must now move forward.

The Secretary's Advisory Committee Report called on the Secretary to appoint a working group of experts in the fields of 0-3, child development, family support, health, and related fields to design the programmatic aspects of the 0-3 initiative. H.R. 4250 implements this recommendation, by establishing a framework for the 0-3 initiative within which the Secretary's working group can proceed.

It is the intent of the committee that participants in programs funded through this initiative be identified while pregnant or while their children are infants; however, flexibility should be allowed for programs to accept families in crisis even if they have slightly older children. The families served by a 0-3 program are often the same families served by Head Start.

The committee believes that all 0-3 programs should establish formal linkages with their local Head Start programs to ensure continuous, coordinated care for children until they reach compulsory school age. For this reason, the committee believes that a 0-3 initiative established within the context of the overall Head Start program will best serve children and their families. If no Head Start program is available in a local community receiving a grant to provide 0-3 services, or if the service delivery areas are not synonymous, the committee urges the Secretary to work with that grantee on options for ensuring continuity of services.

It is the belief of the committee that researchers and providers currently serving families with very young children have gained considerable knowledge of how to serve these children and families effectively. In creating this 0-3 initiative, the committee has worked diligently to balance the vast need for infant and toddler services with the need to create a manageable, high quality program. H.R. 4250 creates a set-aside of 3% of Head Start funds in 1995. This figure will increase to 4% in 1996 and 1997, and 5% in 1998.

Services provided

H.R. 4250 establishes a broad framework within which the 0-3 initiative will be developed, and authorizes grants to entities providing family centered services to low-income families with children

below the age of three. Children and families shall be provided with comprehensive, intensive educational, health and social services to promote child development and parental self-sufficiency. H.R. 4250 requires 0-3 programs to coordinate with State and community programs for provision of some of these services; in some instances the 0-3 programs may provide many services directly, in others it may act as a funding source of last resort in cases where services are not available from other providers.

Parent-child centers

For over 20 years, Head Start Parent-Child Centers (PCCs) nation-wide have been serving families with infants and toddlers. The Parent-Child Center model was developed three years after the Head Start initiative began, and was the first program to practice early intervention with pregnant women and children under the age of three. The programs aim is to assist parents in obtaining the knowledge, skills and resources needed to promote child development and growth, and to assist family members in attaining self-sufficiency and economic independence. Most early intervention programs developed since the inception of PCCs have adopted the prevention-based, dual parent-child focus first modeled by the PCCs.

Due to their long histories and belief in collaboration, many PCCs have established strong working relationships with local governments and programs serving families with very young children, including day care providers. These relationships should serve as a model for all 0-3 providers, and should be emphasized in the new initiative. The committee believes that the expertise PCCs have gained in many aspects of serving families over the past 20 years has much to offer the new 0-3 initiative.

The PCCs have operated with no published performance standards, no evaluation or monitoring, little technical assistance and low per-child funding levels. Despite these obstacles, many have provided high quality, much needed services. In recognition of this history, the committee believes that PCCs should be incorporated into the new 0-3 initiative. H.R. 4250 creates a time-limited funding assurance within the 0-3 initiative for the PCCs through 1997. It is the intent of the committee that the PCCs should be given adequate resources, including such training, technical assistance, and monitoring as may be necessary, to operate under the 0-3 performance standards and demonstrate their capabilities.

In 1997, the PCCs will compete, as other Head Start programs do, for 0-3 funding for 1998. It is the intent of the committee that the priority given to programs with a record of providing early, continuous, and comprehensive child development and family services shall be applied to high quality PCC programs competing for funds under the 0-3 initiative. It is the belief of this committee that many PCCs have a demonstrated track record of effectively serving children and families for a decade or more. The committee believes that other PCCs which have struggled in the past, will flourish during this three-year period with adequate resources and attention. These PCCs will become highly competitive when they apply for grants to continue their work. Finally, the committee recognizes that PCCs have the ability to ensure continuity of services to chil-

dren ages 0-5 and their families, and believes this makes high quality PCCs very competitive.

Comprehensive child development programs

In 1988, the Comprehensive Child Development Centers (CCDPs) were created to demonstrate the effects of providing intensive, comprehensive and continuous services to families and children ages 0-5. A first cohort of 24 CCDPs was selected to begin its work; the 1990 Head Start legislation reauthorized the CCDPs and created a second cohort of ten programs. An extensive evaluation was required by law, and a control group was carefully selected so that the effects of the program would be clear.

CCDP was required by original authorizing law to provide services which enhance the physical, social, emotional and intellectual development of infants and children, including health services, child care, early childhood development, early intervention for children with or at risk of developmental delays, and nutrition. Services to parents and other family members include prenatal care, education in infant and child development, health, nutrition and parenting, referral to adult education, employment and job training, assistance in securing adequate income support, health care, nutrition, and housing.

The CCDP authorization expires in 1994. The committee recognizes the success of these programs and applauds the work they and their staffs have done. The committee affirms its support for the CCDP programs, while recognizing the need to consolidate programs serving young children under a more seamless system of child development and family support. This committee believes that CCDP programs can best continue to serve children and families in the context of the Head Start 0-3 initiative. Therefore, H.R. 4250 consolidates the Comprehensive Child Development Programs in the 0-3 initiative.

H.R. 4250 provides that the Secretary shall use 0-3 funds to provide training and technical assistance to grantees as necessary. The committee believes that the Secretary's working group should determine the grant period of 0-3 grants and the most appropriate monitoring and re-competition processes. Therefore, no specific procedures have been established in the bill for 0-3 grantees. It is the belief of this committee that, should the working group decide not to compete 0-3 funds periodically, the Secretary should establish monitoring and defunding procedures which are comparable to those established for Head Start programs.

Goals and priorities for training and technical assistance

Training and technical assistance is an important part of any quality initiative. To be certain that quality concerns are addressed, by establishing priorities for training and technical assistance (T & TA).

Expansion

Programs which are expanding, and are often required to adapt management practices and structures to larger, more complex programs, receive priority for T & TA resources. T & TA should assist

programs in identifying and meeting local needs, and to enhance training and career development opportunities for Head Start staff.

Community needs assessments

The committee believes that Head Start is strongest where it can adapt to best meet community needs. Therefore, T & TA resources should also be directed to assisting Head Start programs in successfully designing and implementing community needs assessments. Other local community service providers should be encouraged to participate in, and be directed by, the community needs assessment.

Management

The committee wishes to express its belief that the common Head Start practice of hiring former teachers and family service staff as program administrators and directors contributes to the strength and quality of the Head Start programs. Nevertheless, the committee recognizes that such staff may have little training or experience in program management. As programs grow and expand, management practices necessarily become more complex and demanding. H.R. 4250 focuses T & TA resources on assisting programs to develop sound and efficient management practices, including financial management practices. Assistance in procuring or renovating safe, appropriate and licensable facilities is also identified as a priority for T & TA attention.

Additional T & TA issues

The committee acknowledges that the training and technical assistance system which is currently in place is operating under a new contract and is still evolving towards its final form. The committee understands that this system was designed and implemented by HHS central office staff without consulting the National Head Start Association, Head Start programs, or Regional Office Head Start staff. The committee has been informed of many programs' concerns that the current T & TA system fails to meet the needs of many Head Start programs. The committee suggests that the Department consider whether or not technical assistance would be improved by establishing in each State a satellite to the current regional system. The committee urges the Department to work with Head Start programs, training and technical assistance providers, and Regional Office staff to make the T & TA system more useful.

The committee recognizes that Head Start participants have varied and diverse needs. In order to meet these needs, the Secretary shall ensure that training for Head Start teachers in the developmental needs of children being served in center-based programs, including children of non-English language background and children with disabilities, where applicable, is required to the extent feasible. The committee also wishes to direct attention to the special needs of Indian and Migrant Head Start programs for training and technical assistance. Many Indian Head Start programs are extremely isolated, and have no local resources to turn to for assistance. Migrant programs operate on a 14-hour per day schedule with seasonal differences for delivery of services. Both experience

high rates of staff turnover, which increases the need for staff training. Unlike other Head Start programs, which receive training and technical assistance from regionally-based contractors, a single centralized contractor serves all of the nation's Indian, and all of the nation's Migrant, Head Start programs.

While Indian Head Start programs report that the training they receive from their contractor is generally of very high quality, the contractor's capacity at current funding levels is inadequate to meet the needs of Indian Head Start programs. Currently, 20% of the Indian Head Start programs are identified as being "at-risk" regarding quality. New Head Start directors may have to wait as long as three years before they can receive training in the performance standards. Migrant programs face similar problems. The committee urges the Department to work with the Indian Head Start programs, Migrant Head Start programs, and the T & TA contractors to develop a system of T & TA which can provide timely and effective assistance to Indian and Migrant Head Start programs in need of T & TA.

Several additional areas where T & TA resources would be appropriate are not explicitly delineated in statute. The committee encourages the Secretary to assist programs in developing home-based and mobile program models where they are appropriate to meet the needs of the local community.

It has come to the attention of the committee that HHS policies regarding the use of T & TA funds for purchase of video and computer programming resources have been implemented in an inconsistent fashion. The committee notes that such use of funds is authorized by law, and requests that HHS implementation policy be standardized in this area.

The committee is also aware of national initiatives which utilize educational programming as the basis for interactive reading, assisting families to become their children's first teachers, and for training day care providers to utilize visual arts and media as educational tools. In the context of pursuing this bill's goals of enhanced parental involvement, improved teacher training, and overall quality improvement for early childhood education, the Secretary is encouraged to integrate such initiatives into Head Start staff training programs. The committee urges the Secretary to work collaboratively with the Secretary of Education to maximize the availability to Head Start providers of the materials developed under the Ready to Learn Act.

The committee is aware that many of the Head Start programs have been highly effective in helping the nation's children to enter school ready to learn. However, many of the local programs lack the resources to expand their early childhood education programs to improve their ability to assist their children on early literacy activities. The committee suggests that the Secretary encourage Head Start programs to expand staff training activities to make use of pre-literacy concepts such as "emergent literacy," and other similar programs.

Many rural and isolated Head Start programs have informed the committee of the success of a current long-distance learning project conducted through a grant administered by the Secretary. This project serves rural Head Start programs across the country, pro-

viding interactive training to staff who often have no other training opportunities. The committee understands that although the current grant expires in September of 1994, the Secretary is working to ensure the provision of this type of services for at least one additional year. The committee believes that long-distance learning capabilities are an important use of training and technical assistance funds. We encourage the Secretary to pursue this type of assistance particularly where it is conducted in cooperation with local colleges and participating staff are awarded college credit for successful participation.

The committee recognizes that the proper training of Head Start teachers, assistant teachers and parents is the cornerstone of a successful Head Start program, but that high quality training, especially in rural areas, has been problematic. The committee recognizes the existence of national initiatives to utilize computer networks and other electronic media such as cable television by Head Start programs as a means of training parents and staff. The committee also recognizes that public telecommunications entities are in place, reach 99 percent of American households, and are already acknowledged as valuable partners providing telecommunications expertise to assist communities in addressing local needs. The committee believes there is great potential in these endeavors and urges the Secretary to make such resources available to Head Start programs that choose to access such media. The committee recommends that telecommunications entities be encouraged to expand their outreach programs and welcomes their work with the Head Start program in producing and disseminating training materials which may consist of live, interactive programming, and thorough follow-up materials and activities.

Staff qualifications and development

Head Start employs over 100,000 dedicated staff members to provide the educational, medical and social services which comprise the program. The quality of Head Start programs is dependent upon the quality of its staff, and staff development continues to be a high priority of this committee. Nationally, one-third of Head Start staff are current or former Head Start parents. The committee wishes to reaffirm this critical aspect of the Head Start program, and to emphasize that staff development initiatives are intended to facilitate, not prevent, parent participation in, training by, and career development through, Head Start.

Child development associate credential requirement

The committee applauds the Head Start community for having established a transferrable credential, the Child Development Associate credential, for Head Start staff. The committee encourages the Secretary to work with colleges and universities across the country to establish college credit for this and other aspects of Head Start training.

In an effort to focus attention and resources on career development, the 1990 legislation required every Head Start classroom to have at least one staff person who had qualified for and received a Child Development Associate (CDA) credential or more advanced degree. Due to a huge effort on the part of Head Start programs

and staff across the country, thousands of staff have received their CDAs in the past four years. However, due to the equally large expansion of the program, there are still inadequate numbers of CDA-qualified staff to hire one for each program. Therefore, H.R. 4250 extends the deadline for the one-staff-per-classroom requirement to 1996. It is the belief of the committee that, given the staff development resources provided, this deadline is reasonable and can be met.

Mentor teacher program

Staff development should be treated as a process, one that continues both before and after the attainment of the CDA. Research has shown that in-service training is the most effective way of promoting staff development. In order to take advantage of the resources which currently exist in many Head Start programs, H.R. 4250 establishes a mentor teacher program.

The Secretary is directed to establish guidelines for this program, including provisions encouraging the use of mentor teachers. Head Start programs will identify highly qualified and experienced individuals currently teaching within their programs. The Secretary is urged to ensure that resources are available to allow mentor teachers to supervise other teachers in the Head Start program, giving feedback on their teaching practices, or to allow teachers to work in and observe the mentor teacher's classroom.

The committee intends this program to be used both as a method of training teachers which can be practiced even by rural and isolated programs, and as a "rung" on the career ladder of Head Start education staff.

Family service workers

While certification programs for education staff are well developed, the committee recognizes that programs for family service workers are much less developed. The family service aspect of Head Start has become even more important than it once was, as violence, drugs, and other social problems have greater impact on communities.

Therefore, H.R. 4250 requires the Secretary to develop qualification standards for family service workers, and to promote the development of model training curricula and a national family service worker credential. Family service workers are central to "family centered" programs, and have not received adequate investments, attention and recognition. The committee urges the Secretary to give this essential component of Head Start the attention it deserves.

Head Start serves children and families of many ethnic and racial backgrounds. Head Start family service workers work closely with families on issues often of a personal nature (such as substance abuse, medical services, and family counseling). For these reasons, it is important that included in the training for Head Start family service workers is specific training on the provision of services to non-English language background children and their families, where appropriate in areas with high proportions of diverse cultures.

Head start fellowship

In order to further promote staff development, exchange of best practices in child development and family services, and exchange of ideas among program staff, academics, and policymakers, H.R. 4250 establishes a new "Head Start Fellowship" program. This fellowship, which is open to Head Start staff and staff in other child care and family service programs, is intended to provide funding for service providers to spend a year developing their skills and furthering their knowledge in an arena which is slightly different from that with which they are the most familiar. Fellowships may be used to support work at the federal, State or local government level, at institutions of higher learning, or other public or private entities concerned with services to children and families. The fellowships are available for one year and renewable for no more than one additional year.

The committee intends through this program to promote cross fertilization of ideas and best practices. Head Start fellowships may not be used for placement in organizations whose primary purpose is to lobby on behalf of Head Start or other child care programs.

Model staffing patterns

The committee shares the Advisory Committee's concern about increasing caseloads for family service and other Head Start staff. H.R. 4250 requires the Secretary to develop model staffing patterns which establish maximum recommended caseloads which are consistent with current knowledge about best practices in family services. The committee urges the Secretary to take all necessary steps to make implementation of these model staffing patterns in all Head Start programs possible.

Research, demonstrations, evaluation and reports

Head Start has long served as a national laboratory for best early childhood practices. It is the belief of the committee that Head Start has much to contribute to the wider child development and child care community. As a program which serves our nation's most vulnerable children, it is critical that Head Start also test and incorporate the best early childhood practices identified by other providers in the early childhood community. For all of these reasons, the committee believes that a substantial and careful research program in Head Start has much to contribute to the child development and family services community at large. One of the objectives for research, demonstration and evaluation activities is to evaluate the extent to which all eligible children are equitably served, including children and families from ethnic, minority, or non-English language backgrounds, children with disabilities and migrant children.

H.R. 4250 outlines several aspects of this research effort. The committee believes that research should be coordinated by the Secretary, to ensure that funds will be spent in the most efficient and effective manner. The bill requires the Secretary to develop a comprehensive research plan to guide research projects and funds. Research should be focused on ways to assess quality and effectiveness, enhance knowledge of child development and best practices to promote it, and compare Head Start practices and outcomes to

those of children participating in non-Head Start programs or those unserved by any program. Longitudinal studies of Head Start participants are encouraged. The committee urges the Secretary to consider the quality of individual programs when evaluating and reporting research findings.

The committee is concerned that rising numbers of parents who are working, going to school or in training have made some of the traditional forms of parent participation used by Head Start programs difficult or obsolete. The committee urges the Secretary to research best family service practices, including developing ways to better integrate parent and community participation. The committee also recommends that Head Start parents be directly involved in the formation of these research projects.

The committee is also concerned that research conducted by the Secretary be conducted in ways which are consistent with broader Head Start practices. The committee wishes to discourage the use of control groups in situations where children and families who would otherwise receive services are denied access to them for scientific purposes. Wherever possible, parents should be involved in the design and implementation of research efforts. Greater efforts to disseminate the results of studies in a timely fashion must be undertaken, so that all programs can benefit from their findings.

Consultation with the Corporation for National and Community Service

The bill requires the Secretary of Health and Human Services to consult with the Chief Executive officer of the Corporation for the National and Community Service regarding the dissemination of information about the Corporation's programs and activities to recipients of Head Start funds. The committee strongly encourages programs receiving Head Start funds to explore applying for funding under the National and Community Service Trust Act of 1993, particularly as part of a strategy of comprehensive improvement. Programs should be aware that Federal funds, such as assistance received under the Head Start Act, may be applied toward matching fund requirements specified by the National and Community Service Trust Act of 1993.

Study of benefits

Despite the encouragement by the Head Start Bureau, many Head Start programs are still unable to provide basic benefits, including health benefits and pensions, to their staff. Numerous Head Start programs have long-term staff of twenty years or more. Section 121 requests the Secretary to conduct a study and prepare a report concerning providing benefits to Head Start staff, including the feasibility of including Head Start staff in pension programs.

State dependent care block grant and CDA scholarship

The State Dependent Care Block Grant is an important source of funding for state-based resource and referral agencies which help families, particularly low-income families, find safe, affordable and available child care. The Child Development Associate scholarship programs assists low-income child care workers, often Head

Start parents, to complete the training and certification process necessary to attain their credentials. H.R. 4250 reauthorizes these programs for one year, when the committee will reconsider them in the context of the Child Care and Development Block Grant.

TITLE II—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

Authorization

The committee believes that the Community Services Block Grant Act (CDBG Act or CSBG) is underfunded. Even without considering inflation, the appropriation level has declined since its creation in 1981. The committee has recommended an authorization of \$525 million for fiscal 1995, which it believes constitutes adequate funding for the program. For fiscal years 1996, 1997, and 1998, the committee bill authorizes the appropriation of such sums as may be necessary in each year for carrying out the Community Services Block Grant.

Accountability

The committee has recommended a number of changes to the program intended to increase accountability and improve coordination and communication. It recommends new responsibilities for eligible entities, States and the Department of Health and Human Services.

Title II of H.R. 4250 would require eligible entities receiving funds under the Act to submit a community action plan, including a community needs assessment and a description of activities to be undertaken to meet identified needs. The bill would also allow for the termination of an entity for materially failing to comply with the terms of its agreement and community action plan to provide services.

The bill also modifies the statutory requirements for State use of CSBG funds to make it clear that States must certify that local entities are using the funds for the purposes specified in the statute. This language is not intended to mean that every local entity should provide every service listed. The committee intends that States continue to ensure that all activities are provided within the State.

The committee also recommends requiring increased State accountability. The committee was concerned that under the CSBG Act States have been able to substantially modify their plans without public notice or input. It is critical that the public be included in decisions about how a State spends its CSBG funds. The bill therefore requires the States to make the same assurances about significant amendments to their plans as they are now required to make when those plans are originally submitted.

H.R. 4250 will also permit CSBG recipient agencies in States which receive a waiver under Public Law 98-139 to be audited in the same manner as other CSBG agencies.

H.R. 4250 also requires States to use funds not allocated to eligible entities (up to 10 percent of the State's total allocation) for training and technical assistance, coordination of State-operated anti-poverty programs with services provided by eligible entities

funded under this Act and state-wide communication and coordination among eligible entities. The committee retains the current 5% cap on administrative expenses and includes monitoring activities within that fund. The committee believes it is critical for States to closely monitor eligible entities receiving funds through this Act in order to ensure that they are meeting all of the statute's requirements.

The committee strongly supports "one stop shopping" efforts that allow low-income individuals and families to access a range of needed services in a single location. To that end, the committee urges the Secretary to promote the "outposting" of State and local government employees in community action agencies. The bill authorizes use of State CSBG administrative funds for these purposes.

Just as this title asks more of eligible entities and States in the name of accountability, it asks more of the Department of Health and Human Services. The committee encourages HHS to educate appropriate regional personnel in its regional offices about the community action agencies and State CSBG programs within their region. Such efforts would facilitate greater communication, coordination and understanding among all HHS grantees, would foster positive relationships between regional offices and local grantees, and would increase the awareness within the regional offices of the wide range of programs and services administered by the CSBG network.

The committee recommends increasing support for training and technical assistance. The committee removed this function as a set-aside within the Secretary's discretionary fund and instead recommends in section 202 that not less than one-half of the one percent and not more than one percent of the total CSBG appropriations be used for training and technical assistance. The committee recommends that these funds be used for training and technical assistance for both community action agencies and for community development corporations and other entities which receive CSBG funds. The committee would also recommend that the Secretary use a portion of these funds to provide technical assistance to States in administering CSBG programs and in meeting the new responsibilities set forth in this reauthorization. Such assistance to these eligible entities and to States would enable them to continuously strengthen their capacity to effectively manage and operate nearly \$4.5 billion of federal and private resources nationwide.

In another effort to strengthen and simplify management of community action agencies, H.R. 4250 seeks to assure that the various administrative requirements applicable to entities receiving funds under this Act are the same as those prescribed by the Office of Management and Budget (OMB) for all recipients and subrecipients of federal grant and other assistance programs. More than 20 years ago, OMB developed government-wide standards for federal assistance recipients that ensure uniformity of treatment over costs and accounting standards and related administrative matters. At present, for non-profit organizations, these standards are now reflected in two OMB circulars—A-122 (which covers cost and accounting standards) and A-110 (which addresses related matters of administration).

Because HHS has not imposed these OMB requirements on entities receiving CSBG assistance, those entities have faced State requirements that often conflict with OMB standards applicable to other federal funding these entities receive. The committee believes that the OMB standards are appropriate for recipients of CSBG assistance and has amended the statute to ensure that this intent is implemented.

The committee is also concerned about Indian organizations which are eligible to receive funds. The committee has heard reports that urban Indian populations that are recognized by States have been denied CSBG funds. The committee urges the Department of Health and Human Services to examine the regulations concerning Indian organizations to ensure that off-reservation Indian organizations may be eligible to apply for CSBG funds.

Discretionary Program

To cut down on administrative burden and consolidate programs with similar missions and functions, H.R. 4250 contains a number of changes to the discretionary programs authorized through the CSBG Act. The committee, however, did not adopt the Administration's proposals in this area.

The Administration proposed retaining a Secretarial discretionary fund but stripping out all of the priorities for that fund inserted into the statute by Congress over the years. As the Administration envisioned it, the fund would then be a source of undefined money for use as the Secretary saw fit under a broad anti-poverty mantle. Although it did provide for substantial streamlining and reorganization of the discretionary fund, the committee believes that it is important for Congress to retain a voice in how this money is spent. It therefore chose to include specific language to provide the Secretary with direction on the use of the discretionary set-aside within the CSBG.

The committee does not believe that the needs of specific populations served by existing programs can best be addressed simply by requiring the community action agencies to provide services of these programs without providing additional funds for these purposes. The committee believes that if CSBG received funding at the \$525 million authorization level, then local agencies would be in a better position to operate programs for migrants and for rural housing and facilities technical assistance. Since the appropriation for CSBG has fallen short of the authorization in every year since the last authorization, the committee has retained language allowing specific grants for migrants and rural housing and facilities in the Community Initiative Program (CIP).

The committee has continued the authority to use funds for rural housing and community facilities within the CIP. Rural areas continue to have much of the nation's worst housing and most of the water and waste water systems out of compliance with federal standards are small rural systems. Funds provided by the CIP for rural community development would assist in planning low-income rental housing, home repair projects and provide regional technical assistance to communities to help them gain adequate community facilities and to bring existing facilities into compliance with federal standards.

The committee has continued the authority for migrant and seasonal farmworkers in the Community Investment Program. The committee believes that more effective ways may be available for providing services for this population apart from the current, small categorical program and would hope the Administration and Congress could revisit this program before the next reauthorization.

The committee has continued the authority for Community Economic Development (CED) grants in the new Community Initiative Program. CED grants are used by private non-profit community development corporations to plan and develop local economic and community development projects that result in job and business opportunities for low-income individuals and their communities. The CED program is one of the few sources of federal funding for development that is aimed exclusively at poor communities. Funds are used, in conjunction with other investment dollars from private and public sources, on a variety of projects, including commercial and industrial facilities, day care and community facilities and short and long term investments in small business.

Demonstration Partnership Program

The committee also opposes the elimination of the Demonstration Partnership Program as provided in the Administration's proposal. This program currently funds the development, implementation and evaluation of innovative approaches to the critical problems of low-income individuals and communities. The committee recognizes the continuing importance of innovative program development and encourages the Secretary to support community action agency efforts to develop new ways of promoting increased self-sufficiency among low-income families and individuals and applauds the efforts of community action agencies in working with minority males. To this end, the committee has included a separate authorization for the Demonstration Partnership Program and included language to encourage the focus of such innovations on violence-plagued inner cities.

National Youth Sports Program

The Administration proposed the elimination of the National Youth Sports Program which funds sports, recreational and instructional activities for disadvantaged youth in the Secretary's CSBG discretionary fund. Given the dramatic increase in youth violence in recent years, the committee strongly supports prevention efforts targeted at young people. In this regard, the committee included a separate authorization for the National Youth Sports Program. Recognizing the need for fiscal responsibility, the committee included a requirement that the program grantee provide a 25% match for the program. The committee questions whether the National Youth Sports is misplaced as part of this bill. It should be folded into a broader youth initiative, and the committee hopes to accomplish this goal prior to the end of the 103rd Congress.

Community Food and Nutrition Program

The committee has reauthorized the Community Food and Nutrition Program (CFNP) which performs invaluable work in the fight against hunger, especially childhood hunger. The Administration

proposed terminating this program, believing that community action agencies receiving support through the base CSBG program could fulfill the same function. The committee determined, however, that since the majority of CFNP funds go to groups other than community action agencies, it was unrealistic to expect the activities it funds to continue if the program were terminated.

With respect to the functions of the Community Food and Nutrition Program, the committee believes that the standard for eligible agencies to use CFNP funds for the benefit of low-income individuals should be the standard used by the Department of Agriculture to establish eligibility for school nutrition programs and the Women Infants and Children program.

The committee has authorized appropriations of \$25 million for CFNP for fiscal 1995 and such sums as may be appropriate for fiscal years 1996, 1997, and 1998.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

Purpose and authorization levels

The committee reaffirms the central purpose of the Low-Income Home Energy Assistance Program (LIHEAP) as providing assistance to eligible households in meeting their energy bills. Low-income households, especially those with the lowest incomes and highest energy burdens, continue to face high energy costs and it is clear that such assistance continues to be a critical need. The committee believes it is appropriate for agencies administering LIHEAP to work with households to help reduce their energy needs and costs, but cautions that such action should not in any way jeopardize the use of significant resources for the programs' primary purpose.

The committee continues to believe that LIHEAP is a critical program for low-income households as they seek to make ends meet. Given that LIHEAP serves less than 24% of eligible households, the committee believes funding should be increased to meet more of the unmet need. Therefore, the committee has authorized appropriations of \$2 billion for fiscal year 1995 and such sums as may be necessary in fiscal years 1996 through 1999.

The legislation continues the leveraging incentive program with an authorized appropriation of \$50 million in fiscal years 1995 and 1996 and such sums as may be necessary in fiscal years 1997 through 1999. Considering the downward trend in overall LIHEAP funding, and the committee's desire to ensure as much funding as possible is directed to enabling low-income households to meet their energy bills, the committee believes limiting the program's authorization is warranted.

The committee believes the leveraging program has produced non-federal investments in the LIHEAP program and has shown that LIHEAP funds can be used creatively in ways that encourage energy suppliers and regulators to make energy services more affordable for the program and the client. However, the committee notes that the basic purpose of the leveraging incentive program is to encourage systemic changes that yield broad and long-term benefits to low-income households. Therefore, it would be appropriate for the Secretary to reconsider the regulations for the fund in order

to give greater weight to rewarding new initiatives affecting energy regulations, markets, and terms of service.

Contingency fund for emergency situations

H.R. 4250 provides a permanent authorization of \$600 million in each fiscal year to meet emergency home energy needs. Any funds so appropriated would have to be requested by the President and designated as an emergency requirement under the terms of the Balanced Budget and Emergency Deficit Control Act of 1985. The committee notes that this authorization is intended to apply to truly unusual energy emergencies, such as prolonged and unusually cold weather, or natural disasters. It is not intended to supplant regular appropriations for meeting low-income household's basic energy needs.

The bill includes authority for the Secretary to distribute those funds to affected States, taking into account the extent to which the State was affected, alternative resources that may be available, and other factors the Secretary may find relevant. The Secretary is also directed to notify Congress prior to the release of emergency funds.

The committee emphasizes that in allocating funds under this section it is the responsibility of the Secretary to assure that any formula for allocation of funds is based on information that is obtained in a consistent manner from State to State. If information as to weather conditions, or other emergency conditions are derived from other agencies, the Secretary should, to the extent possible, ascertain and make available to the public, information on the method by which the information or data was gathered. The committee is concerned that emergency funds distributed in 1994 gave different levels of assistance to States that seemed to have been similarly affected by the emergency conditions. The committee directs the Secretary to examine the foundation of that discrepancy and seek to build in factors to compensate for it in future emergency distributions.

Authorized use of funds

H.R. 4250 includes provisions intended to consolidate descriptions of the general uses of LIHEAP funds in one section. This list is not meant to preclude other uses permitted elsewhere in the LIHEAP statutes. Moreover, as noted previously, the primary focus of LIHEAP funds is to provide payment assistance to households, especially those with the lowest incomes and highest energy burdens, to help them meet their home energy needs.

The bill also includes additional activities for which States are allowed to use LIHEAP funds. The activities authorized in the bill are intended to provide additional services when a household is facing a problem that can clearly and quickly be served by providing additional help. It is not anticipated that every household will receive these additional services on a routine basis, nor should State agencies forget the primary focus as stated above. States and grantees are urged to coordinate and expand opportunities for finding other resources to pay for these additional services as much as possible.

Targeting assistance

H.R. 4250 retains the current criteria for LIHEAP eligibility. However, the bill allows States to give priority to those households with the highest home energy costs or needs in relation to household income. The concept of "highest home energy needs" has been added to the current provision of the LIHEAP Act that requires States to target their assistance in a way that provides varying levels of assistance for households depending on their incomes and energy burden (energy expenditures in relation to income). HHS recently reported that over 7 million eligible households have energy bills that exceed 15 percent of their annual income. Clearly there is a need to focus on those most desperately burdened and at highest health risk.

In order to ensure that LIHEAP assistance is targeted to those households which truly have the highest energy burdens, absolute level of income and energy burden must be considered together. The committee believes that States need to reassess their benefit structures designed as a result of this long-standing provision to ensure that they are actually targeting their various assistance levels based on both of these factors.

Energy burden alone may not ensure that LIHEAP assistance is truly targeted to households most in need. For example, two households may have energy burdens of 10 percent, but one household may have an income of \$2,000 while the other has an income of \$10,000. Clearly the household with the lowest income and 10 percent energy burden will have the harder time meeting its immediate energy needs.

The new language included in this provision is not intended to diminish the responsibility of the States to design meaningful benefit structures, as discussed above. The new language instead is intended to allow States to also consider providing assistance to vulnerable households. These households may not have energy burdens as high, or incomes as low, as the households who will get the primary assistance under the regular benefit structure now required. However, they may have other characteristics that place them at risk and increase their energy needs, such as the inclusion of an individual with a disability, a frail elderly person, or an infant. The ability to provide higher levels of assistance to households with high energy needs, which are in some respects easier to identify, must not lead States to target such households instead of households with high energy burdens and very low income, which may be more difficult to identify. In addition, the committee urges States to use actual energy bills in determining energy burdens and designing their benefit structures.

Reporting requirements

Title III of H.R. 4250 adds additional items to current reporting requirements, including information on households (with young children) that apply for, as well as those that receive, assistance and information. The committee urges the Department to attempt to identify the number of households which fit in more than one category of elderly, disabled, or having young children, as the data collection costs are more justifiable if the data are precise.

The committee notes the usefulness of the annual HHS report on LIHEAP. The report continues to represent thorough and useful government reporting. The interdepartmental cooperation with the Department of Energy, the objective, quantitative analysis and the plain English presentation represent the kind of effort the Department should continue for LIHEAP.

Vendor payments

H.R. 4250 includes provisions regarding direct payments to vendors designed to encourage States and, where appropriate, local grantees, to be more aggressive in negotiating payment agreements with vendors. Such agreements also should seek to have vendor payment agreements include terms by which vendors agree to undertake activities—such as reduced rates, arrearage forgiveness, waiver of fees—that will reflect the benefits that the vendor receives from LIHEAP payment assistance on behalf of their clients.

In the past, some utilities have shown a willingness to accept payments that are less than the actual household's bill in return for a promise by the utility to provide ongoing service. That approach encourages regular payments by individuals and should be strongly considered in vendor agreement discussions. The committee emphasizes that such agreements must be mutually beneficial to vendors and consumers and encourage responsible behavior on their parts.

It is not the intent of the committee that LIHEAP households be put at risk while States or local grantees negotiate such agreements. Failure to reach agreement with a vendor should in no way affect the ability of a household to receive LIHEAP assistance.

Performance goals and measures

Also included in the bill is a provision directing the Secretary to develop performance goals and measures in consultation with State, local and tribal grantees. The committee notes the importance of achieving a common understanding of the current status and future potential of LIHEAP programs in the States.

The committee has been concerned about suggestions made by the Administration that LIHEAP fails to achieve purposes not previously defined or required. In view of the absence of specific data and of the lack of common understanding between States and the Department, it is important to achieve common understanding of the current status and future potential of LIHEAP programs in the States.

The Secretary is asked to provide the committee with a report no later than December 1995 which informally evaluates the most promising approaches to achieving the multiple goals the Department has set for the program, as well as any obstacles to achieving such goals. In addition, it should address directly any programs, or parts of programs on which were based the general criticisms of LIHEAP enunciated in testimony to the House and Senate.

The Secretary is expected to communicate clear expectations for the program and clear objectives for the report by defining quantitative performance measures and criteria after close consultation with State, local, and tribal grantees and thereby to establish cooperative intergovernmental efforts to strengthen the LIHEAP pro-

gram. No additional data collecting can be required of grantees in preparation of this report.

The committee expects to review these efforts, the report, and any recommendations for change.

Leveraging challenge initiative

The committee-reported bill contains an amendment to the Low Income Home Energy Assistance Program (LIHEAP) authorizing a new Section 2607B, the Residential Energy Assistance Challenge option (REACH). REACH reserves not less than 5 percent of the funds allocated to the Leveraging of Non-Federal Resources program to provide services to LIHEAP eligible clients through locally-based community agencies.

Services provided by local agencies are intended to reduce LIHEAP clients' energy vulnerability. Agencies providing services will work with clients to make payments for energy expenses and provide other assistance on matters designed to prevent shut-offs. By definition, LIHEAP clients are individuals with low incomes. While benefits to pay clients' energy bills are necessary and important, there needs to be a more concerted effort to help LIHEAP clients to better help themselves avoid energy crises. Local community-based organizations are well positioned to provide energy management services such as weatherization and energy education and to foster in clients sound energy budget management techniques and the planning and development of payment plans which benefit everyone.

The REACH option is flexible. States and localities would develop plans of their own design that encourage clients to pay their own bills and avoid shut-offs.

Sense of Congress

H.R. 4250 expresses the sense of the Congress the maintenance of LIHEAP should be a high priority in order to enable the working poor, the disabled, and low-income elderly in meeting their home energy needs. The committee recommends that all appropriations for fiscal year 1995 be expended and that expenditures for fiscal year 1996 be at or above that in 1995.

Effective date

Title III amendments to LIHEAP are effective on October 1, 1994. The committee recognizes that some provisions affect State plans and urges the Department to use discretion in the way these provisions are applied in the first year.

TITLE IV—AMENDMENTS TO FAMILY SUPPORT AND FAMILY RESOURCE PROGRAMS

The Family Support and Family Resource Program would promote organization of State and local funding for services to families in ways that provide flexibility in program design, are preventive in nature, are based on collaboration, are comprehensive, and incorporate public-private partnerships. Funds would be used to:

Establish or expand a state-wide system of community-based family resource and family support programs. These programs could be center-based or use a collaborative model that coordi-

nates services within the area. Their hallmark would be the involvement of families in their design;

Expand the participation of families with children with disabilities in designing family-centered services which address their needs;

Fund child abuse and prevention activities;

Promote pooling of funds through trust funds or other mechanisms to create flexible funding for services to families;

Encourage collaboration at the State level and within communities to reorder their thinking about how to serve families and create new ways to provide a continuum of preventive services;

Encourage public-private partnerships in the collaboration; and

Provide start-up funds for respite care services.

The Family Support and Family Resource Program is authorized at \$30 million for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1997.

Funding would be provided partly through a formula grant (in the event of sufficient appropriations) and partly through incentive funding, as Community-Based Child Abuse Prevention Grants are currently administered. To qualify for funding, a State would have to have in place a trust fund or collaborative funding mechanism, a joint funding stream, a children's cabinet, or a departmental collaborative to pool funds for family resource services. Children's Trust Funds would qualify.

The formula grant would be based on the number of children under age 18 in a State. The incentive payments would be based on the amount of funds—including other federal, State, or private funds—the State dedicates to the family resource program through a trust fund or a funding pool. The committee believes such mechanisms offer States an opportunity to create flexible funding streams that communities can use to design programs more responsive to the local needs of children and families.

The governor of a State would designate a lead agency that must reflect the broad purpose of the program. Entities such as quasi-public agencies or Trust Fund Councils would qualify to be lead agencies. The State would develop criteria for funding local programs, which must exhibit strong collaboration, the ability to offer a comprehensive range of services, and involve parents in the design, operation, and governance of the program. The committee stresses that the involvement of parents in determining the shape of the program is a key feature of the family resource services. States could consider the local program's ability to leverage its own funds. Collaboration would be spurred by the requirement to provide, either directly or through agreements or referrals, a continuum of services to families.

OVERSIGHT STATEMENT

In compliance with clause 2(1)(3)(A) of rule XI of the Rules of the House of Representatives, this report embodies the findings and recommendations of the Committee on Education and Labor. Pursuant to its responsibilities, the committee has determined that legislation should be enacted as set forth in H.R. 4250.

In conjunction with the committee's action on this legislation, communication was received from the Committee on Energy and Commerce concerning shared jurisdiction over provisions affecting the Low-Income Home Energy Assistance Program included in H.R. 4250. That exchange of communications is set forth below:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, April 21, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN FORD: As you know, H.R. 4085, the Administration's bill to authorize the Low-Income Home Energy Assistance Program (LIHEAP), was introduced on March 17, 1994 by you, Mr. Martinez, Mr. Sharp, and myself. The legislation was jointly referred to the Energy and Commerce Committee and the Education and Labor Committee.

On April 21, 1994, the Education and Labor Committee reported amendments to LIHEAP in title III of H.R. 4250, which also includes reauthorization of Head Start and the Community Service Block Grant Program. The amendments to LIHEAP in the bill authorize appropriations through fiscal year 1999 and include other changes intended to improve the program.

The Committee on Energy and Commerce shares jurisdiction with the Education and Labor Committee over this program. I understand the Administration's timetable for considering this bill is limited. In the interest of moving the bill quickly to the floor, I will not object to the consideration of the legislation, as reported by the committee, in the House.

Our committees have worked well together in considering changes to H.R. 4085 as it was originally introduced. I look forward to working with you through House consideration of the bill, and should the matter be considered in conference with the Senate, the Energy and Commerce Committee will expect to be represented as joint conferees.

With every good wish.

Sincerely,

JOHN D. DINGELL, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, DC, April 21, 1994.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of April 21, 1994, concerning the jurisdiction of the Committee on Energy and Commerce over legislation such as H.R. 4085 and Title III of H.R. 4250, both of which would authorize the Low-Income Home Energy Assistance Program.

I acknowledge that your Committee shares jurisdiction over this program with the Committee on Education and Labor and I cer-

tainly appreciate your cooperation in developing this legislation and in allowing us to move it quickly to the floor.

I look forward to continuing to work with you on this legislation, including in conference should that become necessary.

With kind regards,
Sincerely,

WILLIAM D. FORD, *Chairman.*

INFLATIONARY IMPACT STATEMENT

In compliance with clause 2(1)(4) of rule XI of the Rules of the House of Representatives, the committee estimates that the enactment of H.R. 4250 will have little inflationary impact on the prices and costs in the operation of the national economy. It is the judgment of the committee that the inflationary impact of this legislation as a component of the Federal budget is negligible.

OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

In compliance with clause 2(1)(3)(D) of rule XI of the Rules of the House of Representatives, the committee states that no findings or recommendations of the Committee on Government Operations were submitted to the committee.

COST OF THE LEGISLATION

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(1)(3) (B) and (C) of rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, April 26, 1994.

Hon. WILLIAM D. FORD,
Chairman, Committee on Education and Labor, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate of H.R. 4250, a bill to authorize appropriations to carry out the Head Start Act, the Community Services Block Grant Act, and the Low Income Home Energy Assistance Act of 1981, and for other purposes, as ordered reported by the Committee on Education and Labor on April 21, 1994.

H.R. 4250 would not affect direct spending and thus would not be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to prove them.

Sincerely,

ROBERT D. REISCHAUER.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 4250.
2. Bill title: None.
3. Bill status: As ordered reported by the Committee on Education and Labor on April 21, 1994.
4. Bill purpose: To authorize appropriations to carry out the Head Start Act and the Community Services Block Grant Act, the Low Income Home Energy Assistance Act of 1981, and for other purposes.
5. Estimated cost to the Federal Government:

FEDERAL GOVERNMENT COSTS—AMOUNTS SUBJECT TO APPROPRIATIONS

[By fiscal year, in millions of dollars]

| | 1995 | 1996 | 1997 | 1998 | 1999 |
|--|------------------|------------------|------------------|------------------|------------------|
| Head Start: | | | | | |
| Estimated authorization of appropriations | 3,416 | 3,508 | 3,603 | 3,700 | 0 |
| Estimated outlays | 1,366 | 3,145 | 3,537 | 3,633 | 2,211 |
| State dependent care development programs: | | | | | |
| Authorization of appropriations | 13 | 0 | 0 | 0 | 0 |
| Estimated outlays | 3 | 10 | * | 0 | 0 |
| Child development associate scholarships: | | | | | |
| Estimated authorization of appropriations | 1 | 0 | 0 | 0 | 0 |
| Estimated outlays | (¹) | 1 | (¹) | 0 | 0 |
| Community services block grant: | | | | | |
| Authorization of Appropriations | 525 | 539 | 554 | 569 | 0 |
| Estimated outlays | 352 | 519 | 549 | 563 | 187 |
| Community Food and Nutrition: | | | | | |
| Authorization of Appropriations | 25 | 26 | 26 | 27 | 0 |
| Estimated outlays | 17 | 25 | 26 | 27 | 9 |
| Instructional activities for low-income youth: | | | | | |
| Authorization of appropriations | 15 | 15 | 15 | 15 | 0 |
| Estimated outlays | 10 | 15 | 15 | 15 | 5 |
| Homeless Services Grants Program: | | | | | |
| Authorization of appropriations | 50 | 50 | 50 | 50 | 0 |
| Estimated outlays | 34 | 49 | 50 | 50 | 17 |
| Demonstration partnership agreements addressing the needs of the poor: | | | | | |
| Authorization of appropriations | 30 | 31 | 32 | 32 | 0 |
| Estimated outlays | 20 | 30 | 31 | 32 | 11 |
| Low-Income Home Energy Assistance: | | | | | |
| Authorization of appropriations | 2,050 | 2,104 | 2,161 | 2,219 | 2,278 |
| Estimated outlays | 1,948 | 2,101 | 2,158 | 2,216 | 2,275 |
| Low-income home energy assistance emergency funds: | | | | | |
| Authorization of appropriations | 600 | 600 | 600 | 600 | 600 |
| Estimated outlays | 0 | 0 | 0 | 0 | 0 |
| Community-based family support and family resource programs: | | | | | |
| Authorization of appropriations | 30 | 31 | 32 | 0 | 0 |
| Estimated outlays | 5 | 30 | 31 | 27 | 0 |
| Federal Council on Children, Youth, and Families: | | | | | |
| Authorization of appropriations | (¹) | (¹) | (¹) | (¹) | 0 |
| Estimated outlays | (¹) | (¹) | (¹) | (¹) | 0 |
| National Center on Family Resource and Support Programs: | | | | | |
| Authorization of appropriations | 3 | 3 | 3 | 3 | 0 |
| Estimated outlays | 3 | 3 | 3 | 3 | (¹) |
| Repeal Comprehensive Child Development Act: | | | | | |
| Estimated authorization of appropriations | -48 | -49 | -51 | -52 | -53 |
| Estimated outlays | -7 | -47 | -49 | -51 | -52 |
| Total amounts subject to appropriations: | | | | | |
| Estimated authorization of appropriations | 6,710 | 6,858 | 7,025 | 7,163 | 2,825 |
| Estimated outlays | 3,751 | 5,881 | 6,351 | 6,515 | 4,663 |

¹ Less than \$500,000.

The costs of this bill fall within budget functions 500.

Basis of Estimate

AMOUNTS SUBJECT TO APPROPRIATIONS

Head Start.—H.R. 4250 would authorize appropriations of such sums as may be necessary for fiscal years 1995 through 1998 for Head Start. CBO estimated the authorizations by increasing the fiscal year 1994 appropriation to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

State Dependent Care Development Programs.—The bill would authorize appropriations of \$13 million for these programs in fiscal year 1995. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of the fiscal year.

Child Development Associate Scholarships.—H.R. 4250 would authorize appropriations of such sums as may be necessary for these scholarships in fiscal year 1995. CBO estimated the authorizations by increasing the fiscal year 1994 appropriation to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of the fiscal year.

Community Services Block Grant.—The bill would authorize appropriations of \$525 million in fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1998. CBO estimated these authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Community Food and Nutrition.—The bill would authorize appropriations of \$25 million in fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1998. CBO estimated authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Instructional Activities for Low-Income Youth.—The bill would authorize appropriations of \$15 million each year for the program in fiscal years 1995 through 1998. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Homeless Services Grants Program.—The bill would authorize appropriations of \$50 million each year for the grants in fiscal years 1995 through 1998. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Demonstration Partnership Agreements Addressing the Needs of the Poor.—The bill would authorize appropriations of \$30 million in

fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1998. CBO estimated the authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Low-Income Home Energy Assistance.—The bill would authorize appropriations of \$2,050 million for the program in fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1999. CBO estimated the authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Low-Income Home Energy Assistance Emergency Funds.—The bill would authorize appropriations of \$600 million each year for fiscal years 1995 through 1999. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year. H.R. 4250 designates these funds as emergency funds pursuant to section 252(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985. If these amounts are appropriated pursuant to the guidelines in the bill, the amounts would not be scored against the current discretionary spending limits.

Community-Based Family Support and Family Resource Programs.—The bill would authorize appropriations of \$30 million in fiscal year 1995 and such sums as may be necessary for fiscal years 1996 and 1997. CBO estimated the authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

Family Council on Children, Youth, and Families.—The bill would authorize \$200,000 each year for fiscal years 1995 through 1998. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

National Center on Family Resource and Support Programs.—The bill would authorize \$2 million each year for fiscal years 1995 through 1998 for the establishment of the center and \$1 million in fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1998 for evaluations of family resource and support programs. CBO estimated the authorizations by increasing the amount specified for 1995 to reflect projected annual inflation. Estimated outlays reflect spending patterns of the current program. The outlay estimates assume appropriation of the amount authorized at the beginning of each fiscal year.

The Comprehensive Child Development Act.—The bill repeals the Comprehensive Child Development Act beginning in fiscal year 1995. The negative authorizations shown reflect the discretionary amounts for the program in CBO's current baseline.

6. Pay-as-you-go considerations: None.

7. Estimated cost to State and local governments: None.

8. Estimate comparison: None.

9. Previous CBO estimate: None.
 10. Estimate prepared by: Cory Oltman (226-2820).
 11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

COMMITTEE ESTIMATE

With reference to the statement required by clause 7(a)(1) of rule XIII of the Rules of the House of Representatives, the committee accepts the estimate prepared by the Congressional Budget Office.

SECTION ANALYSIS

TITLE I—HEAD START PROGRAMS

Section 101. Short Title; References in Title, Table of Contents.—Sets forth the short title of Title I as the “Head Start Act Amendments of 1994,” inserts a table of contents, and provides that, unless otherwise stated, amendments in Title I are amendments to the Head Start Act.

Section 102. Definitions.—Amends section 637 to define the terms “family literacy services”, “Indian tribe”, “local educational agency”, “migrant Head Start program”, and “State educational agency.”

Section 103. Services.—Amends section 638 by reordering services to be performed and adds “parental involvement” as one of those services.

Section 104. Authorization of Appropriations.—Amends section 639 by authorizing the appropriation of such sums as may be necessary for each of fiscal years 1995 through 1998. Reserves \$35 million for the Head Start Transition Project Act, and limits the amount of funds that can be reserved to complete the longitudinal study to \$2 million for fiscal year 1995 and such sums as may be necessary in fiscal years 1996 through 1998.

Section 105. Allocation of Funds.—(a) Amends section 640(a)(3) by reordering allocation of funds language and including designated goals for which the quality improvement funds are to be used. Such goals are: (1) ensuring that programs meet or exceed performance standards; (2) ensuring that programs have adequate qualified staff and adequate training; (3) ensuring that salary levels and benefits are adequate to attract and retain qualified staff; (4) using salary increases to improve staff qualifications, and to assist with the implementation of career development; (5) improving community-wide planning; (6) ensuring the availability of adequate facilities; and (7) making such other improvements the Secretary designates.

(b) Amends section 640(a) by reserving from amounts reserved and allotted such sums as may be necessary for Head Start collaboration grants; by eliminating the set-aside for the Parent Child Centers (which are folded into the 0-3 initiative); and by reserving funds for the 0-3 initiative in the amount of 3% of total appropriations for fiscal year 1995, 4% of total appropriations for fiscal years 1996 and 1997, and 5% for fiscal year 1998.

(c) Amends section 640(g) by establishing criteria the Secretary must consider when awarding expansion funds. Criteria include: (1) the quality of applicant's program; (2) the capacity of the pro-

gram to expand; (3) the extent to which the program has done community-wide strategic planning and needs assessment involving other community organizations serving children and families; (4) the extent to which the applicant has identified a need to provide full-working-day or full calendar year services based on such an assessment; (5) the numbers of eligible children in the community; and (6) the concentration of low-income families in the area.

(d) Amends section 640(h) by making technical corrections.

(e) Amends section 640 by adding three new subsections to include: (j) allowing programs to use compensation of staff regardless of whether compensation is given to other programs not receiving funds from this act; (k) providing flexibility in the number of hours per day a program provides regardless of the regulations, if the overall number of hours of instruction the participant is the same; and (l) giving priority to Head Start participants that move most frequently.

Section 106. Report.—Repeals section 640A.

Section 107. Designation.—(a) Amends section 641(b) by allowing Indian Head Start programs to serve Indians that live on “or near” the reservation.

(b) Amends section 641(c) by rewording the priority language. The Secretary is still required to give a priority to programs that operated Head Start programs on the date of enactment, unless the program has been terminated or found to be out of compliance by the Secretary of the Head Start performance standards.

(c) Amends section 641(d) by requiring the plan of applicants to: (1) involve parents in activities designed to help parents become full partners in the education of their children; (2) afford parents the opportunity to participate in the development, conduct, and overall performance of the program; (3) offer, directly or through referral, family literacy training, and parenting skills training; (4) at the option of the program, offer parental social self-sufficiency training, substance abuse training, and other services designed to help parents become full partners in the education of their children; and (5) provide a family needs assessment of the family.

(d) Amends section 641 by making conforming changes.

Section 108. Monitoring and Quality Assurance.—Creates a new section 641A—Quality Standards; Monitoring of Head Start Agencies and Programs, including:

(a) Quality Standards—to include: 1. Establishment of Standards, 2. Minimum Requirements, 3. Considerations in Developing Standards, and 4. Standards Relating to Obligations to Delegate Agencies.

(b) Performance Standards—to include: 1. Performance measures generally, 2. Design of Measures, and 3. Use of Measures.

(c) Monitoring of Local Agencies and Programs—to include: 1. General description, and 2. Conduct of Reviews.

(d) Corrective Action; Termination—to include: 1. Determination, 2. Quality Improvement Plan, and 3. Training and Technical Assistance.

(e) Summaries of Monitoring Outcomes—Requiring a summary report on the findings of reviews not later than 90 days after the end of the fiscal year.

Section 109. Enhanced Parental Involvement and Transition Coordination with Schools.—Amends section 642 by adding a new subsection (b) requiring Head Start agencies, in order to be so designated, to take certain actions to involve parents as full partners in their children's education, afford parents the opportunity to participate in the development and conduct of the local program, and other matters.

Section 110. Facilities and Administrative Requirements.—Amends section 644 by clarifying that Indian Head Start programs may apply to the Secretary to purchase facilities from tribes running Head Start programs. The amendments also modify the administrative requirements of the Bureau to require the Secretary to give a preference in hiring to Native Americans that work in the Indian Head Start Bureau.

Section 111. Participation.—Amends section 645 by allowing Indian tribes to serve more than 10 percent of children that are over the income eligibility threshold, if such program is already serving all eligible children in the community and complies with criteria established by the Secretary, including the provision that Indian tribes cannot use expansion funds to serve over-income children.

Section 112. Initiative on Families with Infants and Toddlers.—Adds a new section 645A, entitled "Programs for Families with Infant and Toddlers."

(a) Requires the Secretary to make grants for: (1) programs providing family-centered services to low-income families with very young children; (2) evaluation, training, and technical assistance for projects originally funded under the Comprehensive Child Development Centers Act of 1988 (CCDC Act).

(b) Provides that families eligible to participate in service programs are pregnant women, and families with children under age 3 (or age 5, in the case of the CCDC projects) meeting the low-income standard under the regular Head Start program.

(c) Specifies that service programs under this section must provide early, continuous, intensive, and comprehensive child development and family support services, and specifies other requirements for the scope of the program, including supportive services for parents; coordination with other State and local programs; and assurances for continuity of services to children through the age of mandatory school attendance.

(d) Provides that eligible service providers include Parent Child Centers previously funded under the Act, programs previously funded under the CCDC Act, and other public and non-profit private entities meeting the Head Start standards of participation and such other criteria the Secretary proscribes.

(e) Provides time-limited funding priorities for PCCs and CCDCs, and requires training and technical assistance to CCDCs.

(f) Provides that funds for programs under the new section (other than the PCCs and CCDCs as dictated by the time-limited priority) shall be awarded to eligible applicants on a competitive basis, giving priority to entities with a proven track record of serving the covered population, in accordance to the performance standards established by the Secretary.

(g) Requires the Secretary to publish guidelines not later than September 30, 1994, and performance standards not later than De-

ember 30, 1994, concerning the content and operation of programs under this section and, as appropriate, to monitor and evaluate these programs and provide technical assistance and training.

Section 113. Appeals, Notice, and Hearing.—Amends section 646 by repealing the existing subsection (b) and replacing it with a new subsection (b) which provides that a termination, reduction, or suspension of financial assistance which is upheld in an administrative review will not be stayed pending the outcome of any judicial review.

Section 114. Goals and Priorities for Training and Technical Assistance.—Amends section 648 to specify general goals and specific purposes to be used in setting priorities for the provision of training and technical assistance to local agencies and programs. The Secretary is to give priority to improving program quality, correcting identified program and management deficiencies, addressing training and career development needs of classroom and non-classroom staff, assisting in the conduct of community-wide strategic planning and needs assessment, assisting in the development assisting in the development of sound management practices, and assisting efforts to secure and maintain adequate facilities.

Section 115. Staff Qualifications and Development.—Adds a new section 648A entitled Staff Qualifications and Development. The section: (a) establishes degree requirements that the Secretary must follow with respect to the type of qualifications, degrees, and expertise that must be present in all Head Start programs; (b) creates the Mentor Teacher program, which is designed for exceptional Head Start teachers to teach and mentor other Head Start personnel as a means of enhancing the quality of Head Start programs; (c) establishes a process by which the Secretary reviews and coordinates study of the effectiveness of model staffing requirements for family service workers; (d) creates a Head Start Fellowship program which will allow Federal and Head Start staff to work in the corresponding occupation of the other so as to increase the quality of the federal and Head Start staff; and (e) requires the Secretary to establish model staffing plans for Head Start programs so as to encourage the proper level of staffing in Head Start programs.

Section 116. Research, Demonstrations, Evaluations.—Amends section 649 by adding: (1) General Requirements—the Secretary shall carry out research, demonstration, and evaluation activities; (2) Conduct of Research, Demonstration, and Evaluation Activities; (3) Consultation and Collaboration; (4) Specific Objectives; (5) Longitudinal Studies; and (6) Ownership of Results.

Section 117. Announcements and Evaluations.—Repeals section 650.

Section 118. Reports.—Amends section 651 by striking reports that have either been completed or that are no longer appropriate. Adds new reports to include: (1) a summary of the results and conclusions concerning research, demonstration, and evaluation activities; and (2) the extent to which Indians living on or near the reservation are being served.

Section 119. Repeals.—Sections 651A and 652 are repealed.

Section 120. Consultation with the Corporation for National and Community Service.—Adds a new Section 657A, which requires the

Secretary to consult with the Chief Executive Officer of the Corporation for National and Community Service with respect to the dissemination of information regarding the Corporation's programs to Head Start grantees.

Section 121. Study of Benefits for Head Start Employees.—Requires the Secretary to conduct a study, and report on the findings of such study, regarding the benefits available to individuals employed by Head Start programs.

Section 122. Study of full-day and full-year Head Start Programs.—Requires the Secretary to conduct a study, and report on the findings of such study, regarding the extent to which Head Start programs are addressing the needs for full-day or full-year services.

Section 123. State Dependent Care Development Programs.—Amends section 670A by extending the authorization of the program to \$13 million for fiscal year 1995.

Section 124. Reauthorization of Child Development Associate Scholarship Assistance Act of 1985.—Amends section 606 by extending the authorization of the program to such sums for fiscal year 1995.

Section 125. Technical and Conforming Amendments.—Makes technical and conforming changes.

Section 126. Effective Date, Application of Amendments.—Effective date is the date of enactment. The amendments do not apply to programs receiving funds in any fiscal year prior to October 1, 1994.

TITLE II—COMMUNITY SERVICES BLOCK GRANT AMENDMENTS

Section 201. Short Title and References.—Self explanatory.

Section 202. Authorizations of Appropriations.—(a) Authorizes appropriations of \$525 million for fiscal 1995 and such sums as may be necessary in each year through 1998.

(b) Amends section 674 of the CSBG Act to require the Secretary to set aside one-half percent to no more than one percent of the total appropriations for training and technical assistance to agencies receiving CSBG funds. Also sets a process for determining training and technical assistance and a process for allocating resources for training and technical assistance. The process language is consistent with current law in other programs.

(c)(1) Assures public notification of a State's intention to change its plan. (2) Clarifying amendment on use of funds. (3) Amends assured activities of community action agencies to include homeless individuals and their families and migrants. (4) Amends section of current law dealing with State's use of funds. Language explicitly states what States may do with funds not allocated to local agencies. (5)(A) Conforming amendment. (B) Conforming amendment. (C) Creates new language to ensure that a public organization receiving CSBG funds (i.e. a County or City government) uses its funds at the direction of a board inclusive of low-income residents of the community. Language would also permit a State to withhold CSBG funds to an entity that failed to comply with requirements of a community action plan and with the terms of its agreement to provide services.

(d)(1) Technical correction. (2) Conforming amendment. (3) Creates a new paragraph (13) requiring that as a condition of receiving CSBG funds, the State must collect a community action plan from each recipient agency. The plan, which must be made available to the Secretary, must meet criteria outlined in the legislation. Creates a new paragraph (14) requiring uniform accounting standards of OMB.

(e) Amends section 675(d)(2) by requiring public inspection of revisions of plans.

(f) Amends section 675(f) to ensure that HHS audits of CSBG recipients are available to the recipients.

(g) Amends section 675(h) to allow the Comptroller General to evaluate waiver States' use of CSBG funds.

Section 203. Discretionary Authority of the Secretary.—(a) Strikes all existing discretionary programs and inserts new language outlining the purpose of the Community Initiative Program.

(b) Amends subsection (b) of section 681 to include an outline of the Community Initiative Program.

(1)(A) Economic development activities. (B) Consultation of the Secretary with other relevant officials. (C) Ensures each CDC receiving C.I.P. funds is governed by a local board with low-income residents and business and civic leaders. (D) Ensures geographic distribution of funds.

(2) Economic development in rural areas shall include: (A) Rural housing. (B) Rural facilities. (C) Migrant and seasonal farmworker services.

Sec. 204. Community Food and Nutrition.—Reauthorizes the Community Food and Nutrition Program for fiscal 1995 at current levels and at such sums through fiscal 1998.

Section 205. Instructional Activities for Low-Income Youth.—Re-designates sections and creates a new section 682. [section by section summary of new section 682]

(a) Authority is given to Secretary to make grants for a national program for instructional activities for low-income youth.

(b) Program requirements.

(1) Requires a program must be held on a college campus and must include: (A) Access to college facilities. (B) A medical examination for participating youth. (C) At least one meal daily without charge. (D) Instruction by teachers from colleges and elementary and secondary schools. (E) Makes certain educational requirements of grantees.

(c) Providers shall be eligible if—(1) the applicant has experience in operating a program, (2) the applicant shall contribute at least 25 percent of the amount to be spent on the program, (3) the applicant uses no funds for administering the program, (4) the applicant must agree to comply with the regulations or program guidelines promulgated by the Secretary.

(d) Eligible entities must apply to the Secretary.

(e) The Secretary is authorized to promulgate regulations.

(g) Authorizes \$15 million per year for the next four years.

Section 206. Amendment to Stewart B. McKinney Homeless Assistance Act.—(1) Conforming amendment. (2) Authorizes appropriations of \$50 million in each of fiscal years 1995 through 1998.

Section 207. Amendments to Human Services Reauthorization Act of 1986.—(1) Amends subsection (a) of section 408 to allow grants to fund projects for up to three years. (2) Conforms existing law to the previous amendment. (3) (A) Amends existing law to specify creative programs to deal with urban youth. (B) Ensures competitive grants and raises maximum grant to no more than \$500,000. (4) (A) Authorizes \$30 million for fiscal 1995 and such sums as may be necessary for each of fiscal years 1996, 1997, and 1998. (B) Stipulates that not less than 30% of the sums appropriated for this program be spent on subsection (c) programs. (C) Authorizes Secretary to set aside up to 2% of the total appropriation for administration, planning and technical assistance.

Section 208. Effective Date.—Makes amendments effective October 1, 1994.

TITLE III—LOW-INCOME HOME ENERGY ASSISTANCE AMENDMENTS

Section 301. Short Title and References.—(a) Cites the Act as the “Low-Income Home Energy Assistance Amendments of 1994.”

(b) Establishes that all amendments and repeals in this title, unless otherwise defined, refer to the Low-Income Home Energy Assistance Act of 1981.

Section 302. Statement of Purpose.—Using less expansive text than in the original act, clarifies that the purpose of the Act is to assist low-income households that pay a high proportion of household income for home energy.

Section 303. Authorization of Appropriations.—(a) Authorizes appropriations of \$2.0 billion for fiscal year 1995 and such sums as may be necessary for each of fiscal years 1996 through 1999. Sets the program year to begin October 1 and provides that appropriations will be available for the fiscal year following the year of the appropriation.

(b) Authorizes appropriations of \$50 million for the leveraging incentive provision (which is a separate authorization) for fiscal years 1995 and 1996, and such sums as may be necessary for each of fiscal years 1997 through 1999.

Section 304. Emergency Funds.—(a) Permanently authorizes the appropriation of \$600 million for each fiscal year to address emergency home energy needs arising from natural or other emergency disasters.

(b) Adds new paragraphs defining “energy burdens” as household expenditures divided by household income, and “highest home energy needs” as the home energy requirements of a household taking into account the unique situation of such household that results from having members of vulnerable populations, including very young children, individuals with disabilities, and frail elderly.

(c) Allots emergency funds and directs the Secretary to notify Congress prior to the release of emergency funds.

Section 305. Authorized Uses of Funds.—(a) Clarifies the permissible use of funds to include, among others, outreach and crisis intervention activities along with low-cost weatherization and cost-effective energy related home repair.

Section 306. Targeting of Assistance to Households with High Home Energy Burdens.—(a) Allows States, within existing eligi-

bility standards, to give priority to households with the highest home energy burdens.

(b), (c), (d) Makes additional changes allowing targeting of assistance to households with greatest energy needs.

Section 307. Clarification of Audit Requirement.—Applies the Single Audit Act to this program.

Section 308. Use of Department of Energy Weatherization Rules to Achieve Program Consistency.—Permits States to use DOE weatherization rules for administering its Low-Income Weatherization Assistance Program for weatherization and home repairs carried out by LIHEAP funds.

Section 309. Matters to be Described in Annual Application.—Adds items to demographic data the States are required to provide in their annual application, including the number of households with members over 60 years of age, disabled members, and young children.

Section 310. Report of Funds Available for Obligation.—Precludes payment to any State that does not report to the Secretary on the amount of funds it has not obligated in the prior fiscal year.

Section 311. Miscellaneous and Technical Amendments.—(a) Allows States to negotiate with vendors to provide certain services to individuals receiving assistance under this program. Changes the date for the report which quantifies a State's leveraged resources, which each State must submit to qualify each year, from July 31 to two months after the close of each year.

(b) Makes various technical and conforming changes.

(c) Directs the Secretary to develop performance goals and measures in consultation with State, local, and tribal grantees that States may use to assess their success in achieving the purposes of this title. The Secretary will file a report with to the committees of jurisdiction and may not require additional data by grantees in preparation of the report.

Section 312. Residential Energy Assistance Challenge Option.—(a) Beginning in fiscal year 1996 provides that not less than 5% of leveraging funds may be reserved for R.E.A.Ch. challenge grants for States.

(b) Establishes criteria for approving State plans. Requires plans to include goals to minimize health and safety risks, prevent homelessness, increase energy efficiency, and target assistance to most in need and encourage self-sufficiency.

(c) Describes Secretarial authority of State plans, allows States discretion to focus the initiative on all or part of State or client population.

(d) Sets forth State plan requirements—assures that services will be delivered through community-based nonprofit entities; describes at a minimum a program of services and benefits; sets forth targeting and priority provisions, public hearing requirements, and performance criteria.

(e) Waives on request administrative cost ceilings and carryover requirements, applies income eligibility verification policy and procedures from existing programs.

Section 313. Sense of the Congress Regarding Appropriations for LIHEAP.—(a) Lists findings of Congress regarding LIHEAP.

(b) States that the maintenance of LIHEAP should be a high priority in order to enable those that depend on LIHEAP (the working poor, the disabled, and the low-income elderly) to meet their home energy needs. Expresses the sense of the Congress that all appropriations for fiscal year 1995 be expended and that expenditures for fiscal year 1996 be at or above those in 1995.

Section 314. Effective Date.—Provides that these amendments and repeals made shall become effective October 1, 1994.

TITLE IV—COMMUNITY-BASED FAMILY RESOURCE PROGRAMS

Section 401. Community-Based Family Resource Programs.—Provides for the short title of Title IV as the “Family Resource and Support Act of 1994.”

Section 402. Community-Based Family Support and Family Resource Programs.—Amends section 933 of the Claude Pepper Young Americans Act of 1990 to replace the existing family resource and support program with a new community-based family resource program. Authorized use of funds is clarified. This section authorizes appropriations for the program at \$30 million for fiscal year 1995 and such sums as may be necessary for fiscal years 1996 through 1997. Distributes the funds through a formula that rewards States’ efforts to create integrated funding streams and expands the participation of families with children with disabilities.

Section 403. Family Resource Act.—Reauthorizes the Federal Council on Children, Youth, and Families at \$200,000 for fiscal years 1995 through 1998 and amends its duties.

Section 404.—Reauthorizes appropriations for the National Center on Family Resource and Support Programs at \$2 million for fiscal years 1995 through 1998 and its evaluation component at \$1 million in fiscal year 1995 and at such sums as may be necessary for fiscal years 1996 through 1998.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

HEAD START ACT

* * * * *

CHAPTER 8—COMMUNITY SERVICES PROGRAMS

* * * * *

Subchapter B—Head Start Programs

DEFINITIONS

SEC. 637. For purposes of this subchapter:

(1) The term “Secretary” means the Secretary of Health and Human Services.

* * * * *

[(4) The term "adjusted appropriation" means—

[(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the sum of—

[(i) \$35,000,000; and

[(ii) 110 percent of the amount appropriated under section 639(a) for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A); and

[(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the amount appropriated under section 639(a) for the preceding fiscal year adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A).

[(5) The term "quality improvement funds" means—

[(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 10 percent of the amount appropriated under section 639(a) for such fiscal year; and

[(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 25 percent of the portion of the amount appropriated under section 639(a) for such fiscal year that exceeds the adjusted appropriation for such fiscal year.]

(4) *The term "family literacy services" means services and activities that include interactive literacy activities between parents and their children, training for parents on techniques for being the primary teacher of their children and full partners in the education of their children, parent literacy training (including training in English as a second language), and early childhood education.*

[(10)] (5) The term "full calendar year" means all days of the year other than Saturday, Sunday, and a legal public holiday.

[(11)] (6) The term "full-working-day" means not less than 10 hours per day.

[(6)] (7) The term "Head Start classroom" means a group of children supervised and taught by two paid staff members (a teacher and a teacher's aide or two teachers) and, where possible, a volunteer.

[(7)] (8) The term "Head Start family day care" means Head Start services provided in a private residence other than the residence of the child receiving such services.

[(8)] (9) The term "home-based Head Start program" means a Head Start program that provides Head Start services in the private residence of the child receiving such services.

(10) *The term "Indian tribe" means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)) or established pursuant to such Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.*

(11) *The term "local educational agency" has the meaning given such term in the Elementary and Secondary Education Act of 1965.*

(12) *The term "migrant Head Start program" means a Head Start program that serves families who are engaged in agricultural work and who have changed their residence from one geographical location to another in the preceding 2-year period.*

[(9)] (13) *The term "poverty line" means—*

(A) *the official poverty line (as defined by the Office of Management and Budget) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; or*

(B) *the poverty line (including any revision thereof) applicable to this subchapter for fiscal year 1990, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the period beginning October 1, 1989, and ending immediately before the date such adjustment is made;*

whichever is greater.

(14) *The term "State educational agency" has the meaning given such term in the Elementary and Secondary Education Act of 1965.*

FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS

SEC. 638. [(a)] *The Secretary may, upon application by an agency which is eligible for designation as a Head Start agency pursuant to section 641, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Head Start program focused primarily upon the children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive [health, nutritional, educational, social, and other services] *health, education, parental involvement, nutritional, social, and other services* as will aid the children to attain their full potential; and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.*

[(b)] *For purposes of providing financial assistance under subsection (a) to agencies, the Secretary may not take into consideration whether such agency applies for or receives funds under subchapter E.]*

AUTHORIZATION OF APPROPRIATIONS

SEC. 639. (a) There are authorized to be appropriated for carrying out the provisions of this subchapter [(other than section 651A) \$1,552,000,000 for fiscal year 1990, \$2,386,000,000 for fiscal year 1991, \$4,273,000,000 for fiscal year 1992, \$5,924,000,000 for fiscal year 1993, and \$7,660,000,000 for fiscal year 1994.] *such sums as may be necessary for fiscal years 1995, 1996, 1997, and 1998.*

[(b) There are authorized to be appropriated to carry out section 651A, such sums as may be necessary for fiscal years 1991 through 1996.

[(c)(1) If the amount appropriated under subsection (a) for fiscal year 1991 exceeds the adjusted appropriation, the Secretary shall make available not less than \$20,000,000 to carry out the Head Start Transition Project Act.

[(2) The Secretary shall make available not less than \$20,000,000 for each of the fiscal years 1992, 1993, and 1994 to carry out the Head Start Transition Project Act.]

(b) *From the amount appropriated under subsection (a), the Secretary shall make available—*

(1) *\$35,000,000 for each of the fiscal years 1995 through 1998—*

(A) *to carry out the Head Start Transition Project Act; and*

(B) *to carry out activities authorized under section 642(d); and*

(2) *not more than \$2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998, to carry out longitudinal research under section 649(e).*

ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 640. (a)(1) Of the sums appropriated pursuant to section 639 for any fiscal year beginning after September 30, 1981, the Secretary shall allot such sums in accordance with paragraphs (2) [through (5).] *through (4), and subject to paragraphs (5) and (6).*

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities—

(A) Indian and migrant Head Start programs and services for handicapped children, except that there shall be made available for each fiscal year for use by Indian and migrant Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year [1990] 1994;

* * * * *

(D) discretionary payments made by the Secretary (*including payments for all costs (other than compensation of Federal employees) of reviews of Head Start agencies and programs under section 641A(c), and of activities related to the development and implementation of quality improvement plans under section 641A(d)(2).*)

No funds reserved under this paragraph or paragraph (3) may be combined with funds appropriated under any other Act if the pur-

pose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter.

[(3)(A) For any fiscal year for which the amount appropriated under section 639(a) exceeds the adjusted appropriation, the Secretary shall reserve the quality improvement funds for such fiscal year, for one or more of the following quality improvement activities:]

(3)(A)(i) *In order to provide assistance for activities specified in subparagraph (C) directed at the goals specified in subparagraph (B), the Secretary shall reserve, from the amount (if any) by which the funds appropriated under section 639(a) for a fiscal year exceed the adjusted prior year appropriation, a share equal to the sum of—*

(I) 25 percent of such excess amount; and

(II) any additional amount the Secretary may find necessary to address a demonstrated need for such activities.

(ii) *As used in clause (i), the term "adjusted prior year appropriation" means, with respect to a fiscal year, the amount appropriated pursuant to section 639(a) for the preceding fiscal year, adjusted to reflect the percent change in the Consumer Price Index for All Urban Consumers (as published by the Bureau of Labor Statistics) during such preceding fiscal year.*

(B) *Funds reserved under this paragraph (referred to in this paragraph as "quality improvement funds") shall be used to accomplish any or all of the following goals:*

(i) *Ensuring that Head Start programs meet or exceed performance standards pursuant to section 641A(a)(1)(A).*

(ii) *Ensuring that such programs have adequate qualified staff, and that such staff are furnished adequate training, including developing skills in working with children with non-English language background, when appropriate.*

(iii) *Ensuring that salary levels and benefits are adequate to attract and retain qualified staff for such programs.*

(iv) *Using salary increases to improve staff qualifications, and to assist with the implementation of career development programs, for the staff of Head Start programs.*

(v) *Improving community-wide strategic planning and needs assessments for such programs.*

(vi) *Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, including families with very young children.*

(vii) *Making such other improvements in the quality of such programs as the Secretary may designate.*

(C) *Quality improvement funds shall be used to carry out any or all of the following activities:*

(i)(I) *Not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff. The expenditure of funds under this clause shall be subject to section 653.*

* * * * *

(vii) *Such other activities as the Secretary may designate.*

[(B)] (D)(i) Funds reserved under subparagraph (A) [for the first, second, and third fiscal years for which funds are so reserved] shall be allotted by the Secretary as follows:

(I) 80 percent of such funds shall be allotted among the States in the same proportion as the Secretary allots funds among the States under paragraph [(5)] (4) for the respective fiscal year.

(II) 20 percent of such funds shall be allotted among the States, *geographical areas specified in subsection (a)(2)(B) and Indian and migrant Head Start programs*, and used to make grants to Head Start agencies, at the discretion of the Secretary.

[(ii) Funds reserved under subparagraph (A) for any fiscal year subsequent to the third fiscal year for which funds are so reserved shall be allotted by the Secretary among the States in the same proportion as the Secretary allots funds among the States under paragraph (5) for the respective subsequent fiscal year.

[(iii) To be expended for the activities specified in subparagraph (A) in the first fiscal, second, and third fiscal years for which funds are required by such subparagraph to be reserved, funds allotted under clause (i)(I) shall be used by the Secretary to make a grant to each Head Start agency that receives a grant from funds allotted under paragraph (5) for such fiscal year, in the amount that bears the same ratio to the amount allotted under clause (i)(I) for such fiscal year for the State in which such agency is located as the number of children participating in the Head Start program of such agency in such fiscal year bears to the number of children participating in all Head Start programs in such State in such fiscal year.

[(iv)] (ii) [To be expended for the activities specified in subparagraph (A) in each subsequent fiscal year for which funds are required by such subparagraph to be reserved, funds] *Funds* allotted under [clause (ii)] *clause (i)* shall be used by the Secretary to make grants to Head Start agencies that receive grants from funds allotted under paragraph [(5)] (4) for such fiscal year, in such amounts as the Secretary considers to be appropriate, *for expenditure for activities specified in subparagraph (C)*. [The aggregate amount of grants made under this clause to Head Start agencies in a State for a fiscal year may not exceed the amount allotted under clause (ii) for such State for such fiscal year.]

[(v) If a Head Start agency certifies for such fiscal year to the Secretary that it does not need any funds under subparagraph (A), or does not need part of such funds it would otherwise receive under clause (iii) or (iv), then unneeded funds shall be used by the Secretary to make grants under this subparagraph without regard to such agency.

[(vi)] (iii) Funds received under this subparagraph shall be used to supplement, not to supplant, funds received under [paragraphs (2), (4), and (5)] *paragraphs (2) or (4)*.

[(4)(A)(i) If the amount appropriated under section 639(a) for fiscal year 1991 exceeds the adjusted appropriation, the Secretary shall reserve \$30,000,000 for fiscal year 1991, to make grants to Head Start agencies to carry out early childhood intervention programs, to be known as "Parent-Child Centers", within Head Start programs.

[(ii) The Secretary shall reserve \$31,200,000 for fiscal year 1992, \$32,448,000 for fiscal year 1993, and \$33,745,920 for fiscal year 1994 to make grants to Head Start agencies to carry out such early childhood intervention programs.

[(B)(i) Such early childhood intervention programs shall be designed—

[(I) to enhance the development of children who are less than 3 years of age; and

[(II) to strengthen the family unit by providing opportunities for increasing the child development skills, literacy, and knowledge of their parents.

[(ii) Such early childhood intervention programs shall provide comprehensive services (such as social, health, and educational services) to low-income families with children who are less than 3 years of age. Such programs may provide such services to any eligible family during any period of time and may be center-based, home-based, or a combination of both.

[(C) Funds reserved under subparagraph (A) for a fiscal year shall be allotted as follows:

[(i) For Indian and migrant early childhood intervention programs, the Secretary shall allot the amount that represents the same proportion as such programs collectively received of the funds appropriated under section 639 for fiscal year 1990.

[(ii)(I) Subject to subclause (II) and after making the allotment under clause (i), the Secretary shall allot the remainder of such funds among the States in the same proportion as funds are allotted among the States under paragraph (5), except that the amount allotted for each State shall not be less than \$200,000 or the amount that represents the same proportion of the funds appropriated under section 639 for fiscal year 1990 that were allotted for such State and used to carry out early childhood intervention programs, whichever is greater.

[(II) In any fiscal year for which such remainder is insufficient to allot the minimum amount required by subclause (I), the Secretary shall reduce ratably the minimum allotment required by such subclause.

[(D) The Secretary may not make a grant under this paragraph to a Head Start agency for a fiscal year unless—

[(i) such agency certifies that carrying out the early childhood intervention program for which such grant is requested will not reduce services provided by such agency to children who participate in other programs provided by such agency under this subchapter; and

[(ii) such agency certifies that to the maximum extent practicable, it will provide continuous service to children who receive services under this paragraph through compulsory school age, either through the early childhood intervention programs authorized by this paragraph or through other Head Start programs.

[(E) For purposes of this paragraph, the term “low-income family” means a family that satisfies the eligibility requirements applicable under section 645(a).

[(5) The] (4) *Subject to section 639(b), the Secretary shall allot the remaining amounts appropriated in each fiscal year among the States, in accordance with latest satisfactory data so that—*

(A) *each State receives an amount which is equal to the amount the State received for fiscal year 1981; and*

(B)(i) *33½ percent of any amount available after all allotments have been made under subparagraph (A) for such fiscal year shall be distributed on the basis of the relative number of children from birth through 18 years of age, on whose behalf payments are made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act in each State as compared to all States; and*

(ii) *66⅔ percent of such amount shall be distributed on the basis of the relative number of children from birth through 5 years of age living with families with incomes below the poverty line in each State as compared to all States.*

(5)(A) *From amounts reserved and allotted pursuant to paragraph (4), the Secretary shall reserve such sums as may be necessary to award the collaboration grants described in subparagraph (B).*

(B) *From the reserved sums, the Secretary may award a collaboration grant to each State to facilitate collaboration between State governments and Head Start programs regarding activities carried out in the State under this subchapter, and other activities carried out in, and by, the State that are designed to benefit low-income children and families.*

(C) *A State that receives a grant under subparagraph (B) shall—*

(i) *appoint an individual to serve as a State liaison between—*

(I) *agencies and individuals carrying out Head Start programs in the State;*

(II) *the State educational agency and local educational agencies; and*

(III) *other agencies and entities carrying out programs serving low-income children and families;*

(ii) *involve the State Head Start Association in the selection of the individual, and involve the association in determinations relating to the ongoing direction of the collaboration;*

(iii) *ensure that the individual holds a position with sufficient authority and access to ensure that the collaboration described in subparagraph (B) is effective and involves a range of State agencies; and*

(iv) *ensure that the collaboration described in subparagraph (B) involves coordination of Head Start services with health care, welfare, child care, education, libraries, and national service activities, and activities relating to children with disabilities.*

(D) *As used in this paragraph, the term “low-income”, used with respect to children or families, shall not be considered to refer only to children or families that meet the low-income criteria prescribed pursuant to section 645(a)(1)(A).*

(6) *From amounts reserved and allotted pursuant to paragraphs (2) and (4), the Secretary shall use, for grants for programs described in section 645A(a), a portion of the combined total of such amounts equal to 3 percent for fiscal year 1995, 4 percent for each*

of fiscal years 1996 and 1997, and 5 percent for fiscal year 1998, of the amount appropriated pursuant to section 639(a).

[(6)] (7) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

* * * * *

(g)(1) If in any fiscal year, the amounts appropriated to carry out the program under this subchapter exceed the amount appropriated in the prior fiscal year, the Secretary shall, prior to using such additional funds to serve an increased number of children, allocate such funds in a manner that makes available the funds necessary to maintain the level of services provided during the prior year, taking into consideration the percentage change in the Consumer Price Index For All Urban Consumers, as published by the Bureau of Labor Statistics.

(2) For the purpose of expanding Head Start programs, in allocating funds to an applicant within a State, from amounts allotted to a State pursuant to subsection (a)(4), the Secretary shall take into consideration—

(A) the quality of the applicant's programs (including Head Start and other child care or child development programs) in existence on the date of the allocation, including, in the case of Head Start programs in existence on the date of the allocation, the extent to which such programs meet or exceed performance standards and other requirements under this subchapter;

(B) the applicant's capacity to expand services (including, in the case of Head Start programs in existence on the date of the allocation, whether the applicant accomplished any prior expansions in an effective and timely manner);

(C) the extent to which the applicant has undertaken community-wide strategic planning and needs assessments involving other community organizations serving children and families (including organizations serving families in whose homes English is not the language customarily spoken) and involving consultation with the State agency that administers early childhood development and education programs;

(D) the extent to which the applicant has identified a need to provide full-working-day or full calendar year services based on a family and community needs assessment consistent with the preceding paragraph; and

(E) the numbers of eligible children in each community who are not participating in a Head Start program;

(F) the concentration of low-income families in each community.

(3) In determining the amount of funds reserved pursuant to subparagraph (A) or (B) of subsection (a)(2) to be used for expanding Head Start programs under this subchapter, the Secretary shall take into consideration, to the extent appropriate, the factors specified in paragraph (2).

(h) [Each Head Start program may] Financial assistance provided under this subchapter may be used by each Head Start program to provide full-working-day Head Start services to any eligible child throughout the full calendar year.

(i) The Secretary shall issue regulations establishing requirements for the safety features, and the safe operation, of vehicles used by Head Start agencies to transport children participating in Head Start programs.

(j) Any agency that receives financial assistance under this subchapter to improve the compensation of staff who provide services under this subchapter shall use the financial assistance to improve the compensation of such staff, regardless of whether the agency has the ability to improve the compensation of staff employed by the agency who do not provide Head Start services.

(k) Regulations issued by the Secretary that require a certain number of hours of service to be provided to children in Head Start programs shall include such flexibility as will permit Head Start agencies to satisfy such requirement through one or more of a variety of techniques, including adjustments to the length of a daily session or to the number of days of service.

(l) With funds made available under section 640(a)(2) to migrant Head Start programs, the Secretary shall give priority to migrant Head Start programs that serve eligible children of migrant families whose work requires them to relocate most frequently.

【COMPREHENSIVE REPORT

【SEC. 640A. (a) The Secretary shall prepare, through the Assistant Secretary for Planning and Evaluation, and shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

【(1) not later than July 1, 1993, an interim comprehensive report; and

【(2) not later than January 1, 1994, a final comprehensive report;

in accordance with this section.

【(b) The reports required by subsection (a) shall contain—

【(1) information concerning transportation, facilities, and methods for identifying and locating eligible children in both urban and rural areas, including cost, problems encountered, and innovative solutions to such problems;

【(2) a description of the effect of the 1990 Decennial Census on the allotment of funds under this subchapter;

【(3) a description of the extent to which Head Start programs coordinate their respective activities with other programs serving young children, including local educational agencies;

【(4) separate descriptions of how this subchapter is administered by the headquarters of the Department of Health and Human Services and by its regional offices, including an analysis of the negotiations that occur between such regional offices and applicants for grants under this subchapter;

【(5) summaries of evaluations and studies of Head Start programs, conducted during the period covered by such report;

【(6) a description of the impact of expending funds under section 640(a)(3) on staff qualifications, staff wages, and staff turnover of Head Start agencies; and

[(7) information concerning the parents of children participating in programs receiving Head Start funding, including the—

[(i) employment status of such parents (including any change that occurred while the child was enrolled in Head Start);

[(ii) education level of such parents;

[(iii) training or education that such parents received while their children were enrolled in Head Start programs; and

[(iv) impact of parents' schedules on their ability to access Head Start services and participate in the program.

[(c) The Secretary shall meet periodically with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate to inform the committees of the progress made in preparing the reports required by subsection (a).]

DESIGNATION OF HEAD START AGENCIES

SEC. 641. (a) The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit agency, within a community, which (1) has the power and authority to carry out the purposes of this subchapter and perform the functions set forth in section 642 within a community; and (2) is determined by the Secretary to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

(b) For purposes of this subchapter, a community may be a city, county, or multicounty or multicounty unit within a State, an Indian reservation (*including Indians in any area designated by the Bureau of Indian Affairs as near-reservation*), or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed to operate a Head Start program.

(c)(1) In the administration of the provisions of this section, the Secretary shall give priority in the designation of Head Start agencies to any local public or private nonprofit agency which is receiving funds under any Head Start program on the date of the enactment of this Act [unless—

[(A) the Secretary makes a finding that the agency involved fails to meet program and fiscal requirement established by the Secretary; and] *unless the Secretary makes a finding that the agency involved fails to meet program, financial management, and other requirements established by the Secretary.*

[(B) except that, if] (2) *If there is no agency of the type referred to in [subparagraph (A)] paragraph (1) because of any change in the assistance furnished to programs for economically disadvantaged persons (subject to paragraph (2)), the Secretary shall give priority in the designation of Head Start agencies to any successor agency that is operating a Head Start program in substantially the same manner as the predecessor agency that did receive funds in the fiscal year preceding the fiscal year for which the determination is made.*

[Notwithstanding any other provision of this paragraph]

(3) *Notwithstanding any other provision of this subsection, the Secretary shall not give such priority to any agency with respect to which financial assistance has been terminated, or an application for refunding has been denied, under this subchapter by the Secretary after affording such agency reasonable notice and opportunity for a full and fair hearing in accordance with section 646(a)(3).*

[(2)(A) The Secretary shall conduct a full review of each designated Head Start agency at least once during each 3-year period, and shall determine whether each agency meets program and fiscal requirements established by the Secretary.

[(B) The Secretary shall conduct a review of each newly designated Head Start agency immediately after the completion of the first year such agency carries out a Head Start program.

[(C) The Secretary shall conduct followup reviews of Head Start agencies when appropriate.

[(3) In carrying out a review of each Head Start agency under paragraph (2), the Secretary shall—

[(A) to the maximum extent practicable, carry out such review by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

[(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such review at the site of such agency;

[(C) measure the compliance of the programs of such agency with the performance standards in effect under section 651(b); and

[(D) identify the types and conditions of facilities in which such programs are located.

[(4) The results of a review conducted under this subsection shall not be sufficient alone for the purpose of determining whether to continue, or to discontinue, providing funds to a particular Head Start agency.]

(d) [If there is no Head Start agency as described in subsection (c)(2), and no existing Head Start program serving a community,] *If no entity in a community is entitled to the priority specified in subsection (c), then the Secretary may designate a Head Start agency from among qualified applicants in such community. [Any such designation shall be governed by the program and fiscal requirements, criteria, and standards applicable on September 1, 1983, to then existing Head Start agencies.] In selecting from among qualified applicants for designation as a Head Start agency [and subject to the preceding sentence], the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—*

(1) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

(2) the plan of such applicant to provide comprehensive health, nutritional, educational, social, and other services needed to aid participating children in attaining their full potential;

(3) the plan of such applicant to coordinate the Head Start program it proposes to carry out, with other preschool pro-

grams and with the educational programs such children will enter at the age of compulsory school attendance;

[(4) the plan of such applicant to involve parents of children who will participate in the proposed Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 651(b) or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential;]

(4) the plan of such applicant—

(A) to seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children;

(B) to afford such parents the opportunity to participate in the development, conduct, and overall performance of the program at the local level;

(C) to offer (directly or through referral to local entities, such as public and school libraries and entities carrying out Even Start programs under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.)) to such parents—

(i) family literacy services; and

(ii) parenting skills training;

(D) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

(i) parental social self-sufficiency training;

(ii) substance abuse counseling;

(iii) training in nonpunitive discipline techniques that are age appropriate, consistent, and positive for the child;

(iv) training in basic child development;

(v) assistance in developing communication skills;

(vi) opportunities for parents to share experiences with other parents, or

(vii) any other activity designed to help such parents understand the importance of their involvement in the education of their children and to help such parents become full partners in the education of their children; and

(E) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents about the benefits of parent involvement and about the activities described in subparagraphs (C) and (D) in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities);

* * * * *

(7) the plan of such applicant to meet the needs of [non-English language children] non-English language background children and their families in the community; and

[(8) the plan of such applicant to provide (directly or through referral to educational services available in the community) parents of children who will participate in the proposed Head Start program with child development and literacy skills train-

ing in order to aid their children to attain their full potential; and

[(9)] (8) the plan of such applicant who chooses to assist younger siblings of children who will participate in the proposed Head Start program to obtain health services from other sources.

* * * * *

[(f)] The provisions of subsections (c), (d), and (e) shall be applied by the Secretary in the distribution of any additional appropriations made available under this subchapter during any fiscal year as well as to initial designations of Head Start agencies.

[(g)] (f) The Secretary shall require that the practice of significantly involving parents and area residents affected by the program in selection of Head Start agencies be continued.

SEC. 641A. QUALITY STANDARDS; MONITORING OF HEAD START AGENCIES AND PROGRAMS.

(a) **QUALITY STANDARDS.**—

(1) **ESTABLISHMENT OF STANDARDS.**—*The Secretary shall establish by regulation standards applicable to Head Start agencies, programs, and projects under this subchapter, including—*

(A) *performance standards with respect to services required to be provided, including health, education, parental involvement, nutritional, social, transition-to-elementary-school, and other services;*

(B) *administrative and financial management standards, including standards that address recordkeeping and file maintenance practices;*

(C) *standards relating to the condition and location of facilities for such agencies, programs, and projects;*

(D) *standards for the provision of services to families with very young children; and*

(E) *such other standards as the Secretary finds to be appropriate.*

(2) **MINIMUM REQUIREMENTS.**—*The regulations promulgated under this subsection shall establish the minimum levels of overall accomplishment that a Head Start agency shall achieve in order to meet the standards specified in paragraph (1).*

(3) **CONSIDERATIONS IN DEVELOPING STANDARDS.**—*In developing the regulations required under paragraph (1), the Secretary shall—*

(A) *consult with experts in the fields of child development, early childhood education, child health care, family services (including linguistically, culturally, and developmentally appropriate services to non-English language background children and their families), administration, and financial management, and with persons with experience in the operation of Head Start programs;*

(B) *take into consideration—*

(i) *past experience with use of the standards in effect under this subchapter on the date of enactment of this section;*

(ii) *changes over the period since the date of enactment of this subchapter in the circumstances and prob-*

lems typically facing children and families served by Head Start agencies;

(iii) developments concerning best practices with respect to child development, children with disabilities, family services, program administration, and financial management;

(iv) guidelines and standards currently in effect or under consideration that promote child health services, and projected needs of expanding Head Start programs;

(v) changes in the population of children who are eligible to participate in Head Start programs, including the language background and family structure of such children; and

(vi) the need for, and state-of-the-art developments relating to, local policies and activities designed to ensure that children participating in Head Start programs make a successful transition to public schools; and

(C)(i) not later than 1 year after the date of enactment of this section, review and revise as necessary the performance standards in effect under section 651(b) on the day before the date of enactment of this section; and

(ii) ensure that any such revisions in the performance standards will not result in the elimination of or any reduction in the scope or types of health, education, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on November 2, 1978.

(4) **STANDARDS RELATING TO OBLIGATIONS TO DELEGATE AGENCIES.**—In developing standards under this subsection, the Secretary shall describe the obligations of a Head Start agency to an agency (referred to in this subchapter as the “delegate agency”) to which the Head Start agency has delegated responsibility for providing services under this subchapter and determine whether the Head Start agency complies with the standards. The Secretary shall consider such compliance during the review described in subsection (c)(1)(A) and in determining whether to renew financial assistance to the Head Start agency under this subchapter.

(b) **PERFORMANCE MEASURES.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this section, the Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of child development, family services, and program management, shall develop methods and procedures for measuring, annually and over longer periods, the quality and effectiveness of programs operated by Head Start agencies (referred to in this subchapter as “performance measures”).

(2) **DESIGN OF MEASURES.**—The performance measures developed under this subsection shall be designed—

(A) to assess the various services provided by Head Start programs and, to the extent the Secretary finds appropriate,

administrative and financial management practices of such programs;

(B) to be adaptable for use in self-assessment and peer review of individual Head Start agencies and programs; and

(C) for other program purposes as determined by the Secretary.

(3) **USE OF MEASURES.**—The Secretary shall use the performance measures developed pursuant to this subsection—

(A) to identify strengths and weaknesses in the operation of Head Start programs nationally and by region; and

(B) to identify problem areas that may require additional training and technical assistance resources.

(c) **MONITORING OF LOCAL AGENCIES AND PROGRAMS.**—

(1) **IN GENERAL.**—In order to determine whether Head Start agencies meet standards established under this subchapter with respect to program, administrative, financial management, and other requirements, the Secretary shall conduct the following reviews of designated Head Start agencies, and of the Head Start programs operated by such agencies:

(A) A full review of each such agency at least once during each 3-year period.

(B) A review of each newly designated agency immediately after the completion of the first year such agency carries out a Head Start program.

(C) Followup reviews including prompt return visits to agencies and programs that fail to meet the standards.

(D) Other reviews as appropriate.

(2) **CONDUCT OF REVIEWS.**—The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

(A) are performed, to the maximum extent practicable, by employees of the Department of Health and Human Services who are knowledgeable about Head Start programs and the linguistic and cultural needs of eligible children and their families; and

(B) are supervised by such an employee at the site of such Head Start agency.

(d) **CORRECTIVE ACTION; TERMINATION.**—

(1) **DETERMINATION.**—If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to section 641 fails to meet the standards described in subsection (b), the Secretary shall—

(A) inform the agency of the deficiencies that shall be corrected;

(B) with respect to each identified deficiency, require the agency—

(i) to correct the deficiency immediately; or

(ii) at the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and

(C) initiate proceedings to terminate the designation of the agency unless the agency corrects the deficiency.