

114TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } 114-

SCHOLARSHIPS FOR OPPORTUNITY AND RESULTS
REAUTHORIZATION ACT

OCTOBER --, 2015.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. CHAFFETZ, from the Committee on Oversight and Government
Reform, submitted the following

R E P O R T

together with

Minority VIEWS

[To accompany H.R. 10]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 10) to reauthorize the Scholarships for
Opportunity and Results Act, and for other purposes, having con-
sidered the same, reports favorably thereon with amendments and
recommends that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers
of the introduced bill) are as follows:

Page 10, strike line 18 and all that follows through page 11, line
6 and insert the following:

“(iii) In the case of a school that, as of the
date of enactment of the SOAR Reauthori-
zation Act, is not a participating school, the
school meets the requirements of clause (i) or,
if it does not meet the requirements of clause
(i)—

“(I) at the time the school notifies an el-
igible entity that it seeks to be a partici-
pating school, the school is actively pur-
suing full accreditation by an accrediting
body described in clause (i);

“(II) not later than 5 years after the school notifies an eligible entity that it seeks to be a participating school, the school meets the requirements of clause (i), except that an eligible entity may extend this deadline for a single 1-year period if the school provides the eligible entity with evidence from such an accrediting body that the school’s application for accreditation is in process and that the school will be awarded accreditation before the end of such period; and

“(III) the school meets all of the other requirements for participating schools under this Act.”.

Page 14, strike lines 3 through 13 and insert the following:

“(d) PERMITTING USE OF FUNDS REMAINING UNOBLIGATED FROM PREVIOUS FISCAL YEARS.—To the extent that any funds appropriated for the opportunity scholarship program under this Act for any fiscal year (including a fiscal year occurring prior to the enactment of this subsection) remain unobligated at the end of the fiscal year, the Secretary shall make such funds available during the next fiscal year and (if still unobligated as of the end of that fiscal year) any subsequent fiscal year for scholarships for eligible students, except that an eligible entity may use not more than 5 percent of the funds for administrative expenses, parental assistance, and tutoring, in addition to the amounts appropriated for such purposes under section 3007(b) and (c).”.

Page 17, line 17, strike “their satisfaction with their child’s school” and insert “the satisfaction of such parents and students with their choice”.

Page 17, line 23, strike “college admission” and insert “college enrollment”.

Page 18, beginning on line 3, strike “college admission” and insert “college enrollment”.

Page 19, line 15, strike “such student,” and insert the following: “such student or the group of individuals providing information for carrying out the evaluation of such student,”.

Page 20, line 4, strike the period and insert the following: “, and as a component of the new evaluations, the Secretary shall continue to monitor and evaluate the students who were evaluated in the most recent evaluation under such section prior to the enactment of this Act, along with their corresponding test scores and other information.”.

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COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

The Scholarships for Opportunity and Results (SOAR) Reauthorization Act gives District of Columbia (DC) students choice in their education. The bill continues the three-sector approach to education in the District of Columbia by authorizing \$60 million in annual funding, equally distributed to District of Columbia Public Schools, District of Columbia public charter schools, and the District of Columbia Opportunity Scholarship Program (OSP). The OSP gives children of low-income District families access to a quality education through scholarships to attend private schools.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 10 continues the three-sector approach to education in the District of Columbia.¹ Since 2004, District students have had greater access to a quality education, and the SOAR Reauthorization Act would allow this trend to continue.

In 2003, when the OSP was first designed, DC Public School students had the lowest test scores in the nation.² Over the past decade, DC Public Schools have shown improvement,³ yet DC Public School students continue to test well below national averages, with scores that remain at or near the bottom of the United States.⁴

In 2013, DC fourth graders had the lowest average math and reading scores of any state.⁵ In math, 34 percent of students scored below a basic level, compared to the national average of 18 percent.⁶ In reading, 50 percent of students scored below a basic level, compared to the national average of 33 percent.⁷ In 2013, DC eighth graders had the lowest average math and reading scores in the country.⁸ Among DC eighth graders, 46 percent of students tested below a basic level in math, compared to the national average of 27 percent.⁹ Forty three percent of students tested below a basic level in reading, compared to the national average of 23 percent.¹⁰

¹ The three-sector approach was part of the DC School Choice Incentive Act in P.L. 108-99 and was later formalized through the enactment of the Scholarship for Opportunity and Results Act of 2011 in P.L. 112-10.

² Nat'l Center for Educ. Statistics, *Digest of Education Statistics*, Table 222.60, at 1 (2013) (hereinafter "Table 222.60"); Nat'l Center for Educ. Statistics, *Digest of Education Statistics*, Table 222.50, at 1 (2013) (hereinafter "Table 222.50"); Nat'l Center for Educ. Statistics, *Digest of Education Statistics*, Table 221.60, at 1 (2013) (hereinafter "Table 221.60"); Nat'l Center for Educ. Statistics, *Digest of Education Statistics*, Table 221.40, at 1 (2013) (hereinafter "Table 221.40").

³ *Id.* Each table demonstrates consistent improvement in DC test scores over the ten-year period.

⁴ *Id.*

⁵ Table 222.50, *supra* note 1; Table 221.40, *supra* note 1.

⁶ Table 222.50, *supra* note 1.

⁷ Table 221.40, *supra* note 1.

⁸ Table 222.60, *supra* note 1; Table 221.60, *supra* note 1.

⁹ Table 222.60, *supra* note 1.

¹⁰ Table 221.60, *supra* note 1.

Conversely, there is convincing evidence to demonstrate that OSP students are seeing improved achievement against non-OSP students in reading. The 2009 U.S. Department of Education evaluation found that after three years, OSP students scored significantly higher in reading achievement, a difference equivalent to three or four months of additional learning.¹¹ The final evaluation spanning 2004 – 2009 could not conclusively report on increased reading achievement, because the achievement over four years was only statistically significant at the 94 percent confidence level, and not the 95 percent confidence level included in the report.¹² Dr. Patrick Wolf, the leading researcher on the study, indicated that this was the result of the sample having changed; as students graduated, the researches had a smaller, different group of students for the fourth-year study.¹³

Additionally, the OSP has resulted in a meaningful impact on graduation rates. During the 2013-2014 school year, OSP students had a graduation rate of 89 percent, while DC Public School students had a graduation rate of 58 percent.¹⁴ OSP students graduated well above the national average of 81 percent.¹⁵ Students from low-achieving schools in particular appear to be benefiting from the OSP, as students in low-achieving schools when they applied to the program increased their graduation rate from 66 percent to 79 percent as a result of the OSP.¹⁶ Of the 2014-2015 OSP population, 98 percent would have otherwise attended a school formerly designated as in need of improvement without the program.¹⁷ Further, in 2013, the OSP saw 90 percent of its graduating students enroll in a two or four year college, with a 98 percent enrollment rate in 2014.¹⁸

¹¹ Patrick Wolf et al., *Evaluation of the DC Opportunity Scholarship Program: Impacts After Three Years*, U.S. Dep't of Educ., Inst. of Educ. Sciences, Nat'l Center for Educ. Evaluation & Regional Assistance, at 36-41 (Mar. 2009) (NCEE 2009-4050).

¹² Patrick Wolf et al., *Evaluation of the DC Opportunity Scholarship Program: Final Report*, U.S. Dep't of Educ., Inst. of Educ. Sciences, Nat'l Center for Educ. Evaluation & Regional Assistance, at 35-37, Table 3-2 and Figure 3-1 (June 2010) (NCEE 2010-4018) (hereinafter "Wolf et al., 2010").

¹³ H. Comm. on Oversight & Gov't Reform, *Hearing on D.C. Opportunity Scholarship Program: Making the American Dream Possible*, 114th Cong. (May 14, 2015) (statement of Dr. Patrick Wolf, Professor and 21st Century Chair in School Choice at the College of Educ. & Health Professions at the University of Arkansas); Wolf et al., 2010, *supra* note 12, at 37, footnote 39.

¹⁴ D.C. Children and Youth Investment Trust Corporation, *D.C. Opportunity Scholarship Program 2013-2014 Program Summary*, available at http://www.dcscholarships.org/elements/file/OSP/Program%20Data/2014_06_03%20DC%20OSP%20Program%20Summary.pdf; Office of the State Superintendent of Educ., District of Columbia; *DC 2014 Adjusted Cohort 4-Year Graduation Rate*, available at http://osse.dc.gov/sites/default/files/dc/sites/osse/publication/attachments/2014_ACGR_summary_wnongrad.pdf (last visited Oct. 14, 2015).

¹⁵ Nat'l Center for Educ. Statistics, *Common Core of Data, Public high school 4-year adjusted cohort graduation rate (ACGR) for the United States, the 50 states, and the District of Columbia: School Years 2010-2011 to 2012-2013*. This is the latest data available by NCES.

¹⁶ Wolf et al., 2010, *supra* note 12, at 41.

¹⁷ D.C. Children and Youth Investment Trust Corporation, *D.C. Opportunity Scholarship Program 2014-2015 Program Summary*, available at <http://www.dcscholarships.org/elements/file/OSP/Program%20Data/DC%20OSP%20Program%20Summary%20-%20SY%202014-15.pdf> (last visited Oct. 14, 2015). The designation of "school in need of improvement" is no longer used in the District of Columbia.

¹⁸ D.C. Children and Youth Investment Trust Corporation, *D.C. Opportunity Scholarship Program 2012-*

The OSP is positioning students in the District of Columbia for academic success that will continue to benefit them for the rest of their lives. According to the Bureau of Labor Statistics, in 2014, high school graduates had a median weekly income that was \$180 higher than those without a diploma.¹⁹ This number is even higher for those with some college experience, and for those with a college degree, their median weekly earnings were more than twice that of those without a high school diploma.²⁰ Additionally, in 2014, the unemployment rate was 33 percent lower for those with a high school diploma than for those without.²¹ For those with a bachelor's degree, the unemployment rate was 61 percent lower than for those without a high school diploma.²² In addition to increased graduation rates, OSP parents report that the schools they are choosing for their children are safer than the alternative public schools.²³ Parents also exhibited greater satisfaction with their child's school as a result of the OSP.²⁴ In fact, the community demonstrates strong support for the OSP, with 74 percent of DC residents supporting the continuation of the program.²⁵

As a result of the demonstrated success of the OSP, H.R. 10 revises the structure for evaluating the program. Beginning in 2004, the DC School Choice Incentive Act and the subsequent SOAR Act required the OSP be evaluated using the strongest possible research design. To fulfill this requirement, the U.S. Secretary of Education utilized a randomized control evaluation, creating a lottery system where some student applicants received scholarships, while other student applicants were placed in a "control group" and did not receive a scholarship. The current method of evaluation limits participation in the program, and excludes students from receiving a scholarship to complete the evaluation. Given the documented effectiveness of the OSP, H.R. 10 allows each student applicant the same opportunity to participate through the use of an alternate evaluation method.

In order to ensure that the new evaluation method is rigorous, the bill requires the use of a quasi-experimental research design evaluation. This evaluation compares the academic achievement of OSP students to the academic achievement of a comparison group of students with similar backgrounds in District of Columbia Public Schools. The study is to continue evaluating students who received a scholarship and were previously studied under the former evaluation. The evaluation is not merely a descriptive analysis nor does it compare OSP students to their own performance over time, but rather is an evaluation

2013 Parental Satisfaction and Program Summary, available at
http://www.dcscholarships.org/elements/file/OSP/2013_11_06%20DC%20OSP%20Parental%20Satisfaction%20ana%20Program%20Summary.pdf (last visited Oct. 14, 2015); D.C. Children and Youth Investment Trust Corporation, *D.C. Opportunity Scholarship Program 2013-2014 Program Summary, available at*
http://www.dcscholarships.org/elements/file/OSP/Program%20Data/2014_06_03%20DC%20OSP%20Program%20Summary.pdf (last visited Oct. 14, 2015).

¹⁹ U.S. Bureau of Labor Statistics, *Employment Projections 2014, available at*
http://www.bls.gov/emp/ep_chart_001.htm (last visited Oct. 14, 2015).

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ Wolf et al., 2010, *supra* note 12, at 43-46.

²⁴ *Id.*

²⁵ Lester & Associates, *The District of Columbia Citywide Survey, Feb. 2011, Question 25.*

of OSP student achievement compared to DC Public School student achievement, comparing students from similar backgrounds. The study should be designed to meet the U.S. Department of Education’s What Works Clearinghouse standards for a “qualified quasi-experimental design” and therefore permit evaluators to draw causal conclusions about the program with the reservations typical of such non-experimental analyses.²⁶

The legislation addresses prior concerns with administration of the OSP. Two previously published Government Accountability Office reports cited concerns with the OSP administrator’s internal controls, including policies and procedures for financial management.²⁷ These reports also noted that the OSP administrator did not maintain complete information about OSP schools’ accreditation, which serves as a means of accountability and oversight.²⁸ H.R. 10 responds to these recommendations by requiring the OSP Administrator to utilize internal fiscal and quality controls, and also requires participating OSP schools to become accredited within five years of this bill’s passage.

Simply put, OSP is a cost effective program. A study conducted by Dr. Wolf and Dr. Michael McShane found that for every dollar spent on the program, the OSP produces \$2.62, or a 162 percent return on investment.²⁹

H.R. 10 reauthorizes the SOAR Act for an additional five years, providing \$300 million in additional funding to support education in the District of Columbia. The \$300 million authorized by H.R. 10 is divided equally among DC Public Schools, DC public charter schools, and the OSP. The OSP does not take any money away from public schools or public charter schools within the District. Rather, DC Public Schools and DC public charter schools benefit from additional funding that would otherwise not be available to support education within the District of Columbia.

Reauthorizing the three-sector approach means improved educational outcomes for District of Columbia students. The District of Columbia benefits from a strong network of public charter schools that provide meaningful alternatives to families that would otherwise be assigned to low-performing public schools. H.R. 10 ensures that DC public charter schools receive funding for continued improvement, strengthening educational options for District children.

Educational choice is aimed at bringing about improvements across all schools. In fact, evidence suggests that the OSP prompted public school principals within the District to

²⁶ What Works Clearinghouse, *Designing Quasi-Experiments: Meeting What Works Clearinghouse Standards Without Random Assignment*, Webinar Transcript, Mar. 3, 2015, available at http://ies.ed.gov/ncee/wwc/multimedia/qedwebinar/wwc_webinar_qed_030315.pdf.

²⁷ Gov’t Accountability Office, *District of Columbia Opportunity Scholarship Program: Additional Policies and Procedures Would Improve Internal Controls and Program Operations*, at 20 (Nov. 2007) (GAO-08-9) (hereinafter “GAO-08-9”); Gov’t Accountability Office, *District of Columbia Opportunity Scholarship Program: Actions Needed to Address Weaknesses in Administration and Oversight*, at 19 (Sept. 2013) (GAO-13-805) (hereinafter “GAO-13-805”).

²⁸ *Id.*

²⁹ Patrick J. Wolf and Michael McShane, *Is the Juice Worth the Squeeze? A Benefit/Cost Analysis of the District of Columbia Opportunity Scholarship Program*, Education Finance and Policy (Winter 2013), 8(1), at 74-99.

implement changes to retain students who might pursue the OSP or private school education. According to Dr. Wolf's study of the OSP, 28 percent of public school principals indicated that they made changes to their operations in an effort to keep students from leaving public school for the OSP or a private school.³⁰ H.R. 10 means a continued emphasis on educational quality across District of Columbia schools, and brings opportunity to those most in need.

LEGISLATIVE HISTORY

The OSP was first created as part of H.R. 2556, the DC Parental Choice Incentive Act, reported by the Committee on Government Reform by a 22 to 21 vote on July 10, 2003. The legislation was subsequently incorporated into H.R. 2673, the Consolidated Appropriations Act, 2004 (P.L. 108-199) as the DC School Choice Incentive Act of 2003 and became law on January 23, 2004. Appropriations for the program were authorized through Fiscal Year 2008.

The Omnibus Appropriation Act, 2009 (P.L. 111-8) specified that the use of any funds in any act for Opportunity Scholarships after the 2009-2010 school year be available only upon reauthorization of the program and the adoption of legislation by the District of Columbia approving such reauthorization. The Consolidated Appropriations Act, 2010 (P.L. 111-117) eliminated this restriction on funding, allocating \$13.2 million for Opportunity Scholarships to students who received scholarships in the 2009-2010 school year.

During the 112th Congress, Speaker John Boehner (R-OH) introduced H.R. 471, the "Scholarships for Opportunity and Results Act," or "SOAR Act," on January 26, 2011 to reauthorize the OSP. The bill was referred to the Committee on Oversight and Government Reform. The companion bill, S. 206, was introduced on January 26, 2011 by Senator Joseph Lieberman (D-CT). The bill was referred to the Senate Homeland Security and Governmental Affairs Committee, which held a hearing on February 16, 2011.

The Subcommittee on Health Care, D.C., Census, and National Archives of the Committee on Oversight and Government Reform held a hearing on the OSP and H.R. 471 on March 1, 2011. The Committee then reported the legislation favorably by a 21-14 vote on March 10, 2011. H.R. 471 passed the House on March 30, 2011, by a recorded vote, 225-195. The legislation was subsequently incorporated into H.R. 1473, the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10). Appropriations for the program were authorized through Fiscal Year 2016.

Representative Trey Gowdy (R-SC) introduced H.R. 3237, the SOAR Technical Corrections Act on October 18, 2011. The bill was referred to the Committee on Oversight and Government Reform, and the Committee then reported the legislation favorably by voice vote on November 3, 2011. H.R. 3237 was signed into law on February 1, 2012 (P.L. 112-92).

³⁰ Wolf et al., 2010, *supra* note 12, at 67.

The Committee on Oversight and Government Reform held a field hearing on May 14, 2015 at Archbishop Carroll High School, a participating OSP school, to examine the reauthorization of the OSP.

Speaker John Boehner (R-OH) introduced H.R. 10, the “Scholarships for Opportunity and Results Reauthorization Act” or “SOAR Reauthorization Act” on October 5, 2015. Representatives Jason Chaffetz (R-UT), John Kline (R-MN), Daniel Lipinski (D-IL), Todd Rokita (R-IN), Rodney Frelinghuysen (R-NJ), and Luke Messer (R-IN) are original co-sponsors.

On October 9, 2015, the Committee on Oversight and Government Reform ordered H.R. 10 favorably reported, as amended, by a recorded vote of 16-14. Representative Rod Blum (R-IA), a cosponsor of H.R. 10, was detained voting in another Committee. Had Representative Blum been present for the vote, he would have voted in favor of reporting the bill, as amended.

SECTION-BY-SECTION

Section 1. Short title; References in Act.

Designates the short title of the bill as the “Scholarships for Opportunity and Results Reauthorization Act” or “SOAR Reauthorization Act”.

Any amendment or repeal cited within the Act is in reference to the Scholarships for Opportunity and Results Act (division C of Public Law 112-10; sec. 38-1853.01 et. Seq., D.C. Official Code).

Section 2. Findings; Purpose.

Congress finds the following:

Parents are best equipped to make educational decisions for their children. The OSP was part of a three-sector approach to education under the DC School Choice Incentive Act of 2003 that included funding for DC Public Schools DC public charter schools, and the OSP.

Congress passed the SOAR Act in 2011, formally enacting the three-sector approach. The National Center for Education Statistics has shown that DC performed near the bottom of the country in math and reading when Congress passed the DC School Incentive Act of 2003. Despite huge improvements in math and reading, DC is still testing at or near the bottom of the country.

DC parents and residents support the OSP, with 74 percent of DC residents supporting its continuation, according to a 2011 poll.

Students who have been awarded and used their opportunity scholarships have significantly higher graduation rates than those students attending DC Public Schools.

The OSP offers educational alternatives to low-income families while public schools improve.

The purpose of this bill is to continue to provide educational opportunities for the children of low-income parents within the District of Columbia.

Section 3. Prohibiting Imposition of Limits on Types of Eligible Students Participating in the Program.

The Secretary of the Department of Education may not limit an otherwise eligible student from participating in OSP based on the type of school the student previously attended, whether or not the student previously received a scholarship, or whether the student was a member of the evaluation “control group” that previously prohibited them from participating in OSP.

If more students enter the OSP than the program can support, the program administrator must conduct a random selection process that gives weight to students who attend a school identified for improvement under the Elementary and Secondary Education Act of 1965, students awarded a scholarship in the preceding year, and students whose household includes a sibling or other child already participating in the OSP.

Section 4. Requiring Eligible Entities to Utilize Internal Fiscal and Quality Controls.

The entity administering the OSP must have proper fiscal and quality controls in place as a condition to managing the scholarship program, in response to recommendations by the Government Accountability Office.

Section 5. Clarification of Priorities for Awarding Scholarships to Determining Eligible Students.

Removes the restriction on students who have previously attended a private school. Instead of referencing section 1116 (schools in need of improvement) of the Elementary and Secondary Education Act, the Act gives priority to those students who have previously attended a low-performing DC Public School.

Section 6. Modification of Requirements for Participating Schools and Eligible Entities.

School employees with direct, unsupervised interaction with students must complete a criminal background check.

OSP participating schools must be accredited, or in the process of seeking accreditation. Schools that seek to participate in the OSP are required to actively pursue accreditation, and must become accredited within five years of the date of enactment.

Authorizes \$2 million in appropriated funds to carry out administrative functions and provide parental education and assistance, including through streamlining the application.

Previously unobligated funds shall be used to award new scholarships to students, of which not more than 5 percent of unobligated funds may be used for administrative costs, parental assistance, and tutoring. These unobligated funds may be available during the next fiscal year after the bill's enactment, or if additional unobligated funds remain, in subsequent fiscal years.

Section 7. Program Evaluation.

Terminates the evaluation conducted under the current SOAR Act. OSP students who were part of the previous evaluation of the OSP will be transitioned into the new evaluation.

Directs the Secretary of Education and the Mayor of the District of Columbia to have the Institute of Education Sciences of the U.S. Department of Education annually evaluate the OSP, in addition to the monitoring and evaluation of how DC Public Schools and public charter schools' use of the three-sector funds authorized by this bill are contributing to student achievement. The evaluation must include student achievement; reasons for participating in the program; a comparison of retention, graduation, college enrollment, college persistence, and college graduation rates; school safety; parent and student satisfaction; and other issues. As part of the evaluation, the Secretary of Education will ensure that the annual OSP evaluation uses a quasi-experimental research design that does not require a control group that would prohibit eligible students from entering the OSP. The Institute of Education Sciences will assess participating students in grades 3 through 8 and one grade in high school.

Requires the Mayor of the District of Columbia and Secretary of Education to monitor funds authorized and appropriated for DC Public Schools and DC public charter schools. Provides protections for the personally identifiable information of students.

Individuals carrying out the evaluation, or those individuals that have necessary information for the evaluation, can disclose information necessary to carry out the evaluation

Section 8. Funding for District of Columbia Public Schools and Public Charter Schools.

The Secretary of Education may withhold funds from the Mayor of the District of Columbia if the Mayor fails to comply with any of the requirements, and reasonable notice was given as well as the opportunity for a hearing.

The Secretary may direct funds to the Office of the State Superintendent of Education of the District of Columbia (OSSE), and OSSE may transfer funds to subgrantees that are

DC public charter schools, public charter school networks, nonprofits that support DC public charters, or networks of schools.

Section 9. Revision of Current Memorandum of Understanding.

The Secretary of Education and the Mayor of the District of Columbia will revise their Memorandum of Understanding to reflect the amendments within the bill, the need to ensure that participating schools meet fire code standards and maintain certificates of occupancy, and to ensure that DC public and public charter schools meet the requirements to provide information necessary to carry out evaluations.

Section 10. Extension of Authorization of Appropriations.

Authorizes the OSP and the three-sector funding approach for five additional years, through September 30, 2021.

Section 11. Effective Date.

The amendments in the Act take effect during the 2016-2017 school year and each succeeding school year.

EXPLANATION OF AMENDMENTS

Chairman Jason Chaffetz (R-UT) offered a Manager's Amendment. The amendment strengthens the accreditation standards in Section 6 by requiring schools that seek to participate in the OSP to actively pursue accreditation, and become accredited within five years of the bill's enactment. The amendment also clarifies how rollover funds are to be used for the OSP as described in Section 6. The amendment clarifies that any funds appropriated for the OSP, including funds appropriated in previous fiscal years under the DC School Choice Incentive Act of 2003 or the SOAR Act, that remain unobligated at the end of a fiscal year may be available to award scholarships for eligible students. These unobligated funds may be available during the next fiscal year, or if additional unobligated funds remain, in subsequent fiscal years. The amendment states that these unobligated funds are available to award scholarships for eligible students, except that an eligible entity may also use not more than 5 percent of the funds for administrative expenses, parental assistance, and tutoring. Additionally, the amendment ensures that the Department of Education continues to evaluate student satisfaction in its evaluation as described in Section 7. The amendment also makes technical corrections to clarify the terminology in Section 7 regarding college enrollment. Finally, the amendment ensures that the evaluators have access to necessary data on students not attending public schools to conduct a review while also protecting personally identifiable information. The amendment specifies that individuals carrying out the evaluation, or those individuals that have necessary information for the evaluation such as data providers, can disclose information to carry out the evaluation. The Manager's Amendment was adopted by a voice vote.

Delegate Eleanor Holmes Norton (D-DC) offered an amendment to Section 6 to limit schools that accept OSP scholarship students to 50 percent of total school enrollment, without affecting current voucher students or siblings. The amendment also changes the evaluation in Section 7 to maintain the strongest possible research design when evaluating the OSP. The amendment offered by Rep. Norton was defeated by a voice vote.

Rep. Mark Meadows (R-NC) offered an amendment to clarify and strengthen the required evaluation of the OSP in Section 7. This amendment clarifies that OSP students who were part of the previous evaluation of the OSP, including OSP students who were awarded scholarships, will be transitioned into the new evaluation. The amendment offered by Rep. Meadows was adopted by a voice vote.

COMMITTEE CONSIDERATION

On October 9, 2015 the Committee met in open session and ordered reported favorably the bill, H.R. 10, as amended, by roll call vote of 16 to 14, a quorum being present.

ROLL CALL VOTES

There was one recorded vote during consideration of H.R. 10:

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

114TH CONGRESS

ROLL CALL

Vote #: 1

Vote on: Favorably Report H.R. 10, as amended

Date: Friday, October 9, 2015

Republicans	Aye	No	Present	Democrats	Aye	No	Present
MR. CHAFFETZ (UT) <i>(Chairman)</i>	X			MR. CUMMINGS (MD) <i>(Ranking)</i>		X	
MR. MICA (FL)	X			MRS. MALONEY (NY)		X	
MR. TURNER (OH)				MS. NORTON (DC)		X	
MR. DUNCAN (TN)				MR. CLAY (MO)		X	
MR. JORDAN (OH)	X			MR. LYNCH (MA)		X	
MR. WALBERG (MI)	X			MR. COOPER (TN)		X	
MR. AMASH (MI)	X			MR. CONNOLLY (VA)		X	
MR. GOSAR (AZ)	X			MR. CARTWRIGHT (PA)		X	
MR. DesJARLAIS (TN)	X			MS. DUCKWORTH (IL)		X	
MR. GOWDY (SC)				MS. KELLY (IL)		X	
MR. FARENTHOLD (TX)				MS. LAWRENCE (MI)			
MRS. LUMMIS (WY)	X			MR. LIEU (CA)			
MR. MASSIE (KY)				MRS. COLEMAN (NJ)		X	
MR. MEADOWS (NC)	X			MS. PLASKETT (VI)		X	
MR. DeSANTIS (FL)	X			MR. DeSAULNIER (CA)		X	
MR. MULVANEY (SC)	X			MR. BOYLE (PA)			
MR. BUCK (CO)				MR. WELCH (VT)		X	
MR. WALKER (NC)	X			MR. LUJAN GRISHAM (NM)			
MR. BLUM (IA)							
MR. HICE (GA)	X						
MR. RUSSELL (OK)	X						
MR. CARTER (GA)	X						
MR. GROTHMAN (WI)							
MR. HURD (TX)	X						
MR. PALMER (AL)							

Roll Call Totals: Ayes: 16 Nays: 14 Present:

Passed: X Failed:

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104-1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill reauthorizes the Scholarships for Opportunity and Results Act. As such this bill does not relate to employment or access to public services and accommodations.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of Rule XIII and clause (2)(b)(1) of Rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee's performance goal or objective of this bill is to reauthorize the Scholarships for Opportunity and Results Act.

DUPLICATION OF FEDERAL PROGRAMS

No provision of this bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that enacting this bill does not direct the completion of any specific rule makings within the meaning of 5 U.S.C. 551.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandate Reform Act, P.L. 104-4) requires a statement as to whether the provisions of the reported include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

This bill does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of Rule XXI.

COMMITTEE ESTIMATE

Clause 3(d)(1) of Rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that Rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of Rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of Congressional Budget Office:



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 16, 2015

H.R. 10
Scholarships for Opportunity and Results
Reauthorization Act

*As ordered reported by the House Committee on Oversight and Government Reform
on October 9, 2015*

SUMMARY

H.R. 10 would amend and reauthorize the Scholarships for Opportunity and Results Act and would authorize the appropriation of \$60 million for each of fiscal years 2017 through 2021. CBO estimates that enacting H.R. 10 would cost \$240 million over the 2017-2020 period, assuming appropriation of the authorized amounts.

Enacting H.R. 10 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply to this legislation.

CBO estimates that enacting H.R. 10 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

H.R. 10 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Any costs incurred by the District of Columbia would be incurred voluntarily and would result from complying with conditions of assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 10 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions of Dollars					2016- 2020
	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	0	60	60	60	60	240
Estimated Outlays	0	60	60	60	60	240

BASIS OF ESTIMATE

H.R. 10 would authorize the appropriation of \$60 million for each of fiscal years 2017 through 2021. The program is currently authorized through fiscal year 2016 at \$60 million annually. In fiscal year 2015, the Congress appropriated \$45 million for this program.

The bill would direct the funds to be divided equally for the following three purposes:

- To provide scholarships for private-school tuition to parents of students who reside in the District of Columbia and meet certain criteria under the D.C. Opportunity Scholarship Program;
- To improve public education in the District of Columbia; and
- To improve and expand quality public charter schools in the District of Columbia.

Based on historical spending patterns for this program and assuming appropriation of the authorized amounts, CBO projects that enacting the bill would cost \$240 million over the 2017-2020 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG-TERM NET DIRECT SPENDING AND DEFICITS:

CBO estimates that enacting H.R. 10 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 10 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The provisions in H.R. 10 apply to grant conditions in the District of Columbia; therefore, they would be voluntary and not mandates as defined by UMRA. An educational entity of the District of Columbia may voluntarily choose to apply to the Department of Education to distribute the grants, but any requirements would be conditions of receiving a federal grant. If low-income students choose to attend private schools, the District of Columbia school system could lose federal funding based on the number of low-income students in the system.

ESTIMATE PREPARED BY:

Federal Costs: Leah Koestner

Impact on State, Local, and Tribal Governments: Jon Sperl

Impact on the Private Sector: Paige Piper-Bach

ESTIMATE APPROVED BY:

H. Samuel Papenfuss

Deputy Assistant Director for Budget Analysis

CHANGES IN EXISTING LAW MADE BY THE BILL AS REPORTED

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) 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 italics, and existing law in which no change is proposed is shown in roman):

SCHOLARSHIPS FOR OPPORTUNITY AND RESULTS ACT

* * * * *

DIVISION C—SCHOLARSHIPS FOR OPPORTUNITY AND RESULTS ACT

* * * * *

SEC. 3004. GENERAL AUTHORITY.

(a) OPPORTUNITY SCHOLARSHIPS.—

(1) IN GENERAL.—From funds appropriated under section 3014(a)(1), the Secretary shall award grants on a competitive basis to eligible entities with approved applications under section 3005 to carry out a program to provide eligible students with expanded school choice opportunities. The Secretary may award a single grant or multiple grants, depending on the quality of applications submitted and the priorities of this division.

(2) DURATION OF GRANTS.—The Secretary may make grants under this subsection for a period of not more than 5 years.

(3) PROHIBITING IMPOSITION OF LIMITS ON ELIGIBLE STUDENTS PARTICIPATING IN THE PROGRAM.—

(A) IN GENERAL.—*In carrying out the program under this division, the Secretary may not limit the number of eligible students receiving scholarships under section 3007(a), and may not prevent otherwise eligible students from participating in the program under this Act, on any of the following grounds:*

(i) The type of school the student previously attended.

(ii) Whether or not the student previously received a scholarship or participated in the program.

(iii) Whether or not the student was a member of the control group used by the Institute of Education Sciences to carry out previous evaluations of the program under section 3009.

(B) RULE OF CONSTRUCTION.—*Nothing in subparagraph (A) may be construed to waive the requirement under section 3005(b)(1)(B) that the entity carrying out the pro-*

gram under this Act must carry out a random selection process which gives weight to the priorities described in section 3006 if more eligible students seek admission in the program than the program can accommodate.

(b) DC PUBLIC SCHOOLS AND CHARTER SCHOOLS.—From funds appropriated under paragraphs (2) and (3) of section 3014(a), the Secretary shall provide funds to the Mayor of the District of Columbia, if the Mayor agrees to the requirements described in section 3011(a), for—

(1) the District of Columbia public schools to improve public education in the District of Columbia; and

(2) the District of Columbia public charter schools to improve and expand quality public charter schools in the District of Columbia.

SEC. 3005. APPLICATIONS.

(a) IN GENERAL.—In order to receive a grant under section 3004(a), an eligible entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

(b) CONTENTS.—The Secretary may not approve the request of an eligible entity for a grant under section 3004(a) unless the entity's application includes—

(1) a detailed description of—

(A) how the entity will address the priorities described in section 3006;

(B) how the entity will ensure that if more eligible students seek admission in the program of the entity than the program can accommodate, eligible students are selected for admission through a random selection process which gives weight to the priorities described in section 3006;

(C) how the entity will ensure that if more participating eligible students seek admission to a participating school than the school can accommodate, participating eligible students are selected for admission through a random selection process;

(D) how the entity will notify parents of eligible students of the expanded choice opportunities in order to allow the parents to make informed decisions;

(E) the activities that the entity will carry out to provide parents of eligible students with expanded choice opportunities through the awarding of scholarships under section 3007(a);

(F) how the entity will determine the amount that will be provided to parents under section 3007(a)(2) for the payment of tuition, fees, and transportation expenses, if any;

(G) how the entity will seek out private elementary schools and secondary schools in the District of Columbia to participate in the program;

(H) how the entity will ensure that each participating school will meet the reporting and other program requirements under this division;

(I) how the entity will ensure that participating schools submit to site visits by the entity as determined to be necessary by the entity, except that a participating school may not be required to submit to more than 1 site visit per school year;

(J) how the entity will ensure that participating schools are financially responsible and will use the funds received under section 3007 effectively;

(K) how the entity will address the renewal of scholarships to participating eligible students, including continued eligibility; [and]

(L) how the entity will ensure that a majority of its voting board members or governing organization are residents of the District of Columbia; and

(M) *how the entity will ensure that it utilizes internal fiscal and quality controls; and*

(2) an assurance that the entity will comply with all requests regarding any evaluation carried out under section 3009(a).

SEC. 3006. PRIORITIES.

In awarding grants under section 3004(a), the Secretary shall give priority to applications from eligible entities that will most effectively—

(1) in awarding scholarships under section 3007(a), give priority to—

(A) eligible students who, in the school year preceding the school year for which the eligible students are seeking a scholarship, attended an elementary school or secondary school [identified for improvement, corrective action, or restructuring under section 1116 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316)] *identified as a low-achieving school according to the Office of the State Superintendent of Education of the District of Columbia;*

(B) students who have been awarded a scholarship in a preceding year under this division or the DC School Choice Incentive Act of 2003 (sec. 38-1851.01 et seq., D.C. Official Code), as such Act was in effect on the day before the date of the enactment of this division, but who have not used the scholarship, including eligible students who were provided notification of selection for a scholarship for school year 2009-2010, which was later rescinded in accordance with direction from the Secretary of Education; and

(C) students whose household includes a sibling or other child who is already participating in the program of the eligible entity under this division, regardless of whether such students have, in the past, been assigned as members of a control study group for the purposes of an evaluation under section 3009(a)[;], *or whether such students have, in the past, attended a private school;*

(2) target resources to students and families that lack the financial resources to take advantage of available educational options; and

(3) provide students and families with the widest range of educational options.

SEC. 3007. USE OF FUNDS.

(a) OPPORTUNITY SCHOLARSHIPS.—

(1) IN GENERAL.—Subject to [paragraphs (2) and (3)] *paragraphs (2), (3), and (5)*, an eligible entity receiving a grant under section 3004(a) shall use the grant funds to provide eligible students with scholarships to pay the tuition, fees, and transportation expenses, if any, to enable the eligible students to attend the District of Columbia private elementary school or secondary school of their choice beginning in school year 2011-2012. Each such eligible entity shall ensure that the amount of any tuition or fees charged by a school participating in such entity's program under this division to an eligible student participating in the program does not exceed the amount of tuition or fees that the school charges to students who do not participate in the program.

(2) PAYMENTS TO PARENTS.—An eligible entity receiving a grant under section 3004(a) shall make scholarship payments under the entity's program under this division to the parent of the eligible student participating in the program, in a manner which ensures that such payments will be used for the payment of tuition, fees, and transportation expenses (if any), in accordance with this division.

(3) AMOUNT OF ASSISTANCE.—

(A) VARYING AMOUNTS PERMITTED.—Subject to the other requirements of this section, an eligible entity receiving a grant under section 3004(a) may award scholarships in larger amounts to those eligible students with the greatest need.

(B) ANNUAL LIMIT ON AMOUNT.—

(i) LIMIT FOR SCHOOL YEAR 2011-2012.—The amount of assistance provided to any eligible student by an eligible entity under the entity's program under this division for school year 2011-2012 may not exceed—

(I) \$8,000 for attendance in kindergarten through grade 8; and

(II) \$12,000 for attendance in grades 9 through 12.

(ii) CUMULATIVE INFLATION ADJUSTMENT.—Beginning with school year 2012-2013, the Secretary shall adjust the maximum amounts of assistance described in clause (i) for inflation, as measured by the percentage increase, if any, from the preceding fiscal year in the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor.

(4) PARTICIPATING SCHOOL REQUIREMENTS.—None of the funds provided under this division for opportunity scholarships

may be used by an eligible student to enroll in a participating private school unless the participating school—

(A) has and maintains a valid certificate of occupancy issued by the District of Columbia;

(B) makes readily available to all prospective students information on its school accreditation;

(C) in the case of a school that has been operating for 5 years or less, submits to the eligible entity administering the program proof of adequate financial resources reflecting the financial sustainability of the school and the school's ability to be in operation through the school year;

(D) agrees to submit to site visits as determined to be necessary by the eligible entity pursuant to section 3005(b)(1)(I);

(E) has financial systems, controls, policies, and procedures to ensure that funds are used according to this division; [and]

(F) ensures that, with respect to core academic subjects (as such term is defined in section 9101(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(11)), participating students are taught by a teacher who has a baccalaureate degree or equivalent degree, whether such degree was awarded in or outside of the United States[.];

(G) conducts criminal background checks on school employees who have direct and unsupervised interaction with students; and

(H) complies with all requests for data and information regarding the reporting requirements described in section 3010.

(5) ACCREDITATION REQUIREMENTS.—

(A) *IN GENERAL.*—None of the funds provided under this division for opportunity scholarships may be used by an eligible student to enroll in a participating private school unless one of the following applies:

(i) In the case of a school that, as of the date of enactment of the SOAR Reauthorization Act, is a participating school, the school is provisionally or fully accredited by an accrediting body described in subparagraphs (A) through (G) of section 2202(16) of the District of Columbia School Reform Act of 1995 (sec. 38–1802.02(16)(A–G), D.C. Official Code), or by any other accrediting body determined appropriate by the District of Columbia Office of the State Superintendent for Schools for the purposes of accrediting an elementary or secondary school.

(ii) In the case of a school that, as of the day before the date of enactment of the SOAR Reauthorization Act, is a participating school but does not meet the requirements of clause (i)—

(I) not later than 1 year after the date of enactment of such Act, the school is pursuing full ac-

creditation by an accrediting body described in clause (i); and

(II) not later than 5 years after the date of enactment of such Act, the school meets the requirements of clause (i), except that an eligible entity may extend this deadline for a single 1-year period if the school provides the eligible entity with evidence from such an accrediting body that the school's application for accreditation is in process and that the school will be awarded accreditation before the end of such period.

(iii) In the case of a school that, as of the date of enactment of the SOAR Reauthorization Act, is not a participating school, the school meets the requirements of clause (i) or, if it does not meet the requirements of clause (i)—

(I) at the time the school notifies an eligible entity that it seeks to be a participating school, the school is actively pursuing full accreditation by an accrediting body described in clause (i);

(II) not later than 5 years after the school notifies an eligible entity that it seeks to be a participating school, the school meets the requirements of clause (i), except that an eligible entity may extend this deadline for a single 1-year period if the school provides the eligible entity with evidence from such an accrediting body that the school's application for accreditation is in process and that the school will be awarded accreditation before the end of such period; and

(III) the school meets all of the other requirements for participating schools under this Act.

(B) **REPORTS TO ELIGIBLE ENTITY.**—Not later than 5 years after the date of enactment of the SOAR Reauthorization Act, each participating school shall submit to the eligible entity a certification that the school has been fully or provisionally accredited in accordance with subparagraph (A), or has been granted an extension by the eligible entity in accordance with subparagraph (A)(ii)(II).

(C) **ASSISTING STUDENTS IN ENROLLING IN OTHER SCHOOLS.**—If a participating school fails to meet the requirements of subparagraph (A), the eligible entity shall assist the parents of the eligible students who attend the school in identifying, applying to, and enrolling in another participating school under this Act.

[(b) ADMINISTRATIVE EXPENSES.—An eligible entity receiving a grant under section 3004(a) may use not more than 3 percent of the amount provided under the grant each year for the administrative expenses of carrying out its program under this division during the year, including—

- [(1) determining the eligibility of students to participate;**
- [(2) selecting eligible students to receive scholarships;**

[(3) determining the amount of scholarships and issuing the scholarships to eligible students;

[(4) compiling and maintaining financial and programmatic records; and

[(5) conducting site visits as described in section 3005(b)(1)(I).

[(c) PARENTAL ASSISTANCE.—An eligible entity receiving a grant under section 3004(a) may use not more than 2 percent of the amount provided under the grant each year for the expenses of educating parents about the entity's program under this division, and assisting parents through the application process, under this division, including—

[(1) providing information about the program and the participating schools to parents of eligible students;

[(2) providing funds to assist parents of students in meeting expenses that might otherwise preclude the participation of eligible students in the program; and

[(3) streamlining the application process for parents.]

(b) ADMINISTRATIVE EXPENSES AND PARENTAL ASSISTANCE.—*The Secretary shall make \$2,000,000 of the amount provided under the grant each year available to an eligible entity receiving a grant under section 3004(a) to cover the following expenses:*

(1) *The administrative expenses of carrying out its program under this Act during the year, including—*

(A) *determining the eligibility of students to participate;*

(B) *selecting the eligible students to receive scholarships;*

(C) *determining the amount of the scholarships and issuing the scholarships to eligible students;*

(D) *compiling and maintaining financial and programmatic records; and*

(E) *conducting site visits as described in section 3005(b)(1)(I).*

(2) *The expenses of educating parents about the entity's program under this Act, and assisting parents through the application process under this Act, including—*

(A) *providing information about the program and the participating schools to parents of eligible students;*

(B) *providing funds to assist parents of students in meeting expenses that might otherwise preclude the participation of eligible students in the program; and*

(C) *streamlining the application process for parents.*

[(d)] (c) STUDENT ACADEMIC ASSISTANCE.—An eligible entity receiving a grant under section 3004(a) may use not more than 1 percent of the amount provided under the grant each year for expenses to provide tutoring services to participating eligible students that need additional academic assistance. If there are insufficient funds to provide tutoring services to all such students in a year, the eligible entity shall give priority in such year to students who previously attended an elementary school or secondary school that was [identified for improvement, corrective action, or restructuring under section 1116 of the Elementary and Secondary Edu-

education Act of 1965 (20 U.S.C. 6316)] identified as a low-achieving school according to the Office of the State Superintendent of Education of the District of Columbia.

(d) *PERMITTING USE OF FUNDS REMAINING UNOBLIGATED FROM PREVIOUS FISCAL YEARS.*—To the extent that any funds appropriated for the opportunity scholarship program under this Act for any fiscal year (including a fiscal year occurring prior to the enactment of this subsection) remain unobligated at the end of the fiscal year, the Secretary shall make such funds available during the next fiscal year and (if still unobligated as of the end of that fiscal year) any subsequent fiscal year for scholarships for eligible students, except that an eligible entity may use not more than 5 percent of the funds for administrative expenses, parental assistance, and tutoring, in addition to the amounts appropriated for such purposes under section 3007(b) and (c).

* * * * *

SEC. 3009. EVALUATIONS.

[(a) IN GENERAL.—

[(1) DUTIES OF THE SECRETARY AND THE MAYOR.—The Secretary and the Mayor of the District of Columbia shall—

[(A) jointly enter into an agreement with the Institute of Education Sciences of the Department of Education to evaluate annually the performance of students who received scholarships under the 5-year program under this division;

[(B) jointly enter into an agreement to monitor and evaluate the use of funds authorized and appropriated for the District of Columbia public schools and the District of Columbia public charter schools under this division; and

[(C) make the evaluations described in subparagraphs (A) and (B) public in accordance with subsection (c).

[(2) DUTIES OF THE SECRETARY.—The Secretary, through a grant, contract, or cooperative agreement, shall—

[(A) ensure that the evaluation under paragraph (1)(A)—

[(i) is conducted using the strongest possible research design for determining the effectiveness of the opportunity scholarship program under this division; and

[(ii) addresses the issues described in paragraph (4); and

[(B) disseminate information on the impact of the program—

[(i) in increasing the academic growth and achievement of participating eligible students; and

[(ii) on students and schools in the District of Columbia.

[(3) DUTIES OF THE INSTITUTE OF EDUCATION SCIENCES.—The Institute of Education Sciences of the Department of Education shall—

[(A) use a grade appropriate, nationally norm-referenced standardized test each school year to assess par-

ticipating eligible students in a manner consistent with section 3008(h);

[(B) measure the academic achievement of all participating eligible students; and

[(C) work with the eligible entities to ensure that the parents of each student who applies for a scholarship under this division (regardless of whether the student receives the scholarship) and the parents of each student participating in the scholarship program under this division, agree that the student will participate, if requested by the Institute of Education Sciences, in the measurements given annually by the Institute of Educational Sciences for the period for which the student applied for or received the scholarship, respectively, except that nothing in this subparagraph shall affect a student's priority for an opportunity scholarship as provided under section 3006.

[(4) ISSUES TO BE EVALUATED.—The issues to be evaluated under paragraph (1)(A) shall include the following:

[(A) A comparison of the academic growth and achievement of participating eligible students in the measurements described in paragraph (3) to the academic growth and achievement of the eligible students in the same grades who sought to participate in the scholarship program under this division but were not selected.

[(B) The success of the program in expanding choice options for parents of participating eligible students, improving parental and student satisfaction of such parents and students, respectively, and increasing parental involvement of such parents in the education of their children.

[(C) The reasons parents of participating eligible students choose for their children to participate in the program, including important characteristics for selecting schools.

[(D) A comparison of the retention rates, high school graduation rates, and college admission rates of participating eligible students with the retention rates, high school graduation rates, and college admission rates of students of similar backgrounds who do not participate in such program.

[(E) A comparison of the safety of the schools attended by participating eligible students and the schools in the District of Columbia attended by students who do not participate in the program, based on the perceptions of the students and parents.

[(F) Such other issues with respect to participating eligible students as the Secretary considers appropriate for inclusion in the evaluation, such as the impact of the program on public elementary schools and secondary schools in the District of Columbia.

[(G) An analysis of the issues described in subparagraphs (A) through (F) by applying such subparagraphs by substituting "the subgroup of participating eligible stu-

dents who have used each opportunity scholarship awarded to such students under this division to attend a participating school” for “participating eligible students” each place such term appears.

[(5) PROHIBITION.—Personally identifiable information regarding the results of the measurements used for the evaluations may not be disclosed, except to the parents of the student to whom the information relates.]

(a) IN GENERAL.—

(1) DUTIES OF THE SECRETARY AND THE MAYOR.—The Secretary and the Mayor of the District of Columbia shall—

(A) jointly enter into an agreement with the Institute of Education Sciences of the Department of Education to evaluate annually the opportunity scholarship program under this Act;

(B) jointly enter into an agreement to monitor and evaluate the use of funds authorized and appropriated for the District of Columbia Public Schools and the District of Columbia public charter schools under this Act; and

(C) make the evaluations described in subparagraphs (A) and (B) public in accordance with subsection (c).

(2) DUTIES OF THE SECRETARY.—The Secretary, through a grant, contract, or cooperative agreement, shall—

(A) ensure that the evaluation under paragraph (1)(A)—

(i) is conducted using an acceptable quasi-experimental research design for determining the effectiveness of the opportunity scholarship program under this Act which does not use a control study group consisting of students who applied for but who did not receive opportunity scholarships; and

(ii) addresses the issues described in paragraph (4); and

(B) disseminate information on the impact of the program—

(i) in increasing academic achievement and educational attainment of participating eligible students; and

(ii) on students and schools in the District of Columbia.

(3) DUTIES OF THE INSTITUTE OF EDUCATION SCIENCES.—The Institute of Education Sciences of the Department of Education shall—

(A) assess participating eligible students in each of the grades 3 through 8, as well as one of the grades in the high school level, by supervising the administration of the same reading and math assessment used by the District of Columbia Public Schools to comply with section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b));

(B) measure the academic achievement of all participating students in the grades described in subparagraph (A); and

(C) *work with the eligible entities to ensure that the parents of each student who receives a scholarship under this Act agree to permit the student to participate in the evaluations and assessments carried out by the Institute under this subsection.*

(4) *ISSUES TO BE EVALUATED.—The issues to be evaluated under paragraph (1)(A) shall include the following:*

(A) *A comparison of the academic achievement of participating eligible students in the measurements described in paragraph (3) to the academic achievement of a comparison group of students with similar backgrounds in the District of Columbia Public Schools.*

(B) *The success of the program under this Act in expanding choice options for parents of participating eligible students and increasing the satisfaction of such parents and students with their choice.*

(C) *The reasons parents of participating eligible students choose for their children to participate in the program, including important characteristics for selecting schools.*

(D) *A comparison of the retention rates, high school graduation rates, college enrollment rates, college persistence rates, and college graduation rates of participating eligible students with the rates of students in the comparison group described in subparagraph (A).*

(E) *A comparison of the college enrollment rates, college persistence rates, and college graduation rates of students who participated in the program in 2004, 2005, 2011, 2012, 2013, 2014, and 2015 as the result of winning the Opportunity Scholarship Program lottery with the rates of students who entered but did not win such lottery in those years and who, as a result, served as the control group for previous evaluations of the program under this Act.*

(F) *A comparison of the safety of the schools attended by participating eligible students and the schools in the District of Columbia attended by students in the comparison group described in subparagraph (A), based on the perceptions of the students and parents.*

(G) *Such other issues with respect to participating eligible students as the Secretary considers appropriate for inclusion in the evaluation, such as the impact of the program on public elementary schools and secondary schools in the District of Columbia.*

(5) *PROHIBITING DISCLOSURE OF PERSONAL INFORMATION.—*

(A) *IN GENERAL.—Any disclosure of personally identifiable information shall be in compliance with section 444 of the General Education Provisions Act (commonly known as the “Family Educational Rights and Privacy Act of 1974”) (20 U.S.C. 1232g).*

(B) *STUDENTS NOT ATTENDING PUBLIC SCHOOLS.—With respect to any student who is not attending a public elementary school or secondary school, personally identifiable information may not be disclosed outside of the group of in-*

dividuals carrying out the evaluation for such student or the group of individuals providing information for carrying out the evaluation of such student, other than to the parents of such student.

(b) **REPORTS.**—The Secretary shall submit to the Committees on Appropriations, Education and the Workforce, and Oversight and Government Reform of the House of Representatives and the Committees on Appropriations, Health, Education, Labor, and Pensions, and Homeland Security and Governmental Affairs of the Senate—

(1) annual interim reports, not later than April 1 of the year following the year of the date of enactment of this division, and each subsequent year through the year in which the final report is submitted under paragraph (2), on the progress and preliminary results of the evaluation of the opportunity scholarship program funded under this division; and

(2) a final report, not later than 1 year after the final year for which a grant is made under section 3004(a), on the results of the evaluation of the program.

(c) **PUBLIC AVAILABILITY.**—All reports and underlying data gathered pursuant to this section shall be made available to the public upon request, in a timely manner following submission of the applicable report under subsection (b), except that personally identifiable information shall not be disclosed or made available to the public.

(d) **LIMIT ON AMOUNT EXPENDED.**—The amount expended by the Secretary to carry out this section for any fiscal year may not exceed 5 percent of the total amount appropriated under section 3014(a)(1) for the fiscal year.

* * * * *

SEC. 3011. DC PUBLIC SCHOOLS AND DC PUBLIC CHARTER SCHOOLS.

(a) **CONDITION OF RECEIPT OF FUNDS.**—As a condition of receiving funds under this division on behalf of the District of Columbia public schools and the District of Columbia public charter schools, the Mayor shall agree to carry out the following:

[(1) **INFORMATION REQUESTS.**—Ensure that all the District of Columbia public schools and the District of Columbia public charter schools comply with all reasonable requests for information for purposes of the evaluation under section 3009(a).]

(1) **INFORMATION NECESSARY TO CARRY OUT EVALUATIONS.**—*Ensure that all District of Columbia public schools and District of Columbia public charter schools make available to the Institute of Education Sciences of the Department of Education all of the information the Institute requires to carry out the assessments and perform the evaluations required under section 3009(a).*

(2) **AGREEMENT WITH THE SECRETARY.**—Enter into the agreement described in section 3009(a)(1)(B) to monitor and evaluate the use of funds authorized and appropriated for the District of Columbia public schools and the District of Columbia public charter schools under this division.

(3) SUBMISSION OF REPORT.—Not later than 6 months after the first appropriation of funds under section 3014, and each succeeding year thereafter, submit to the Committee on Appropriations, the Committee on Education and the Workforce, and the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Appropriations, the Committee on Health, Education, Labor, and Pensions, and the Committee on Homeland Security and Governmental Affairs of the Senate, information on—

(A) how the funds authorized and appropriated under this division for the District of Columbia public schools and the District of Columbia public charter schools were used in the preceding school year; and

(B) how such funds are contributing to student achievement.

[(b) ENFORCEMENT.—If, after reasonable notice and an opportunity for a hearing for the Mayor, the Secretary determines that the Mayor has not been in compliance with 1 or more of the requirements described in subsection (a), the Secretary may withhold from the Mayor, in whole or in part, further funds under this division for the District of Columbia public schools and the District of Columbia public charter schools.]

(b) ENFORCEMENT.—If, after reasonable notice and an opportunity for a hearing, the Secretary determines that the Mayor has failed to comply with any of the requirements of subsection (a), the Secretary may withhold from the Mayor, in whole or in part—

(1) the funds otherwise authorized to be appropriated under section 3014(a)(2), if the failure to comply relates to the District of Columbia public schools;

(2) the funds otherwise authorized to be appropriated under section 3014(a)(3), if the failure to comply relates to the District of Columbia public charter schools; or

(3) the funds otherwise authorized to be appropriated under both section 3014(a)(2) and section 3014(a)(3), if the failure relates to both the District of Columbia public schools and the District of Columbia public charter schools.

(c) SPECIFIC RULES REGARDING FUNDS PROVIDED FOR SUPPORT OF PUBLIC CHARTER SCHOOLS.—The following rules shall apply with respect to the funds provided under this Act for the support of District of Columbia public charter schools:

(1) The Secretary may direct the funds provided for any fiscal year, or any portion thereof, to the Office of the State Superintendent of Education of the District of Columbia (OSSE).

(2) The OSSE may transfer the funds to subgrantees who are specific District of Columbia public charter schools or networks of such schools or who are District of Columbia-based non-profit organizations with experience in successfully providing support or assistance to District of Columbia public charter schools or networks of schools.

(3) The funds shall be available to any District of Columbia public charter school in good standing with the District of Columbia Charter School Board (Board), and the OSSE and Board may not restrict the availability of the funds to certain

types of schools on the basis of the school's location, governing body, or any other characteristic.

[(c)] (d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to reduce, or otherwise affect, funding provided under this division for the opportunity scholarship program under this division.

* * * * *

SEC. 3014. AUTHORIZATION OF APPROPRIATIONS.

(a) **IN GENERAL.**—There are authorized to be appropriated \$60,000,000 for fiscal year 2012 and for **[each of the 4 succeeding fiscal years]** *each of the 9 succeeding fiscal years*, of which—

(1) one-third shall be made available to carry out the opportunity scholarship program under this division for each fiscal year;

(2) one-third shall be made available to carry out section 3004(b)(1) for each fiscal year; and

(3) one-third shall be made available to carry out section 3004(b)(2) for each fiscal year.

(b) **APPORTIONMENT.**—If the total amount of funds appropriated under subsection (a) for a fiscal year does not equal \$60,000,000, the funds shall be apportioned in the manner described in subsection (a) for such fiscal year.

MINORITY VIEWS

Minority Views

H.R. 10, The Scholarships for Opportunity and Results Reauthorization Act

We strongly oppose H.R. 10 because the District of Columbia private school voucher program has failed to improve academic achievement; is unnecessary given the city's own robust public school choice programs; provides federal funds to schools that are unaccountable to the public and not subject to all federal civil rights laws; and violates the District's right to self-government.

The bill reauthorizes a program that Congress imposed on the District of Columbia in 2004¹ and reauthorized in 2011,² in neither case at the District's request or with its consent.³ A majority of the D.C. Council submitted a letter to the Committee in opposition to the bill.⁴ Under the Home Rule Act of 1973, the city has authority to establish its own education system, including a private school voucher program. The city has never created its own voucher program.

The prior authorizations mandated an evaluation of the program's effectiveness. The program has failed to improve academic achievement, as measured by math and reading scores.⁵ Moreover, while the program prioritizes the admission of students from the lowest performing public schools, it has had "no significant impacts" on the academic achievement of these students.⁶ The program is required to be "conducted using the strongest possible research design for determining the effectiveness of the program," and it has been evaluated with the gold standard of scientific research, a randomized controlled trial. That is, the study compared the outcomes of eligible applicants randomly assigned to receive or not receive a voucher.

We are disappointed that the bill abandons Congress' commitment to a rigorous evaluation of the program and that the Committee rejected Congresswoman Norton's amendment to restore the current evaluation requirement. The bill requires the evaluation to be conducted "using an acceptable quasi-experimental research design," and it expressly prohibits the use of a randomized controlled trial. However, according to the researchers conducting the current evaluation, a randomized controlled trial "is especially important in the context of school choice because families wanting to apply for a choice program may have educational goals and

¹ Consolidated Appropriations Act, Pub. L. No. 108-199.

² Department of Defense and Full-Year Continuing Appropriations Act, Pub. L. No. 112-10.

³ The Majority did not invite any District government officials to testify at the Committee's hearing this year on the program.

⁴ Letter from Eight D.C. Council Members to the House Committee on Oversight and Government Reform (Oct. 8, 2015).

⁵ Department of Education, Institute of Education Sciences, *Evaluation of the DC Opportunity Scholarship Program: Final Report* (June 2010).

⁶ *Id.*

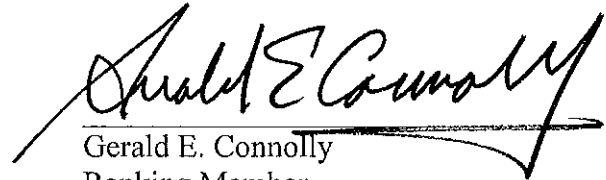
aspirations that differ from the average family.”⁷ While the program has improved high school graduation rates, the evaluation did not examine either the rigor of the schools’ curriculum or graduation requirements. The program improved parents’, but not students’, ratings of satisfaction and safety.

The District has robust public school choice programs that include publically accountable charter schools, and the District permits students in traditional public schools to attend out-of-boundary schools. Currently, approximately 44% of D.C. public school students attend charter schools, and the National Alliance for Public Charter Schools ranked the District as the “healthiest charter school movement” in the country.⁸ In addition, 75% of students in public schools attend out-of-boundary schools.


In July, both the House and Senate considered several national voucher amendments during debate on the reauthorization of the Elementary and Secondary Education Act, and yet none passed. That outcome mirrors those in the states. Since 1970, every state referendum to establish a voucher program or tuition tax credit has failed. The timing of the bill is also striking. At the same time House Republicans are supporting funding for the program, they are proposing to cut \$2 billion from K-12 public school programs nationally.



Elijah E. Cummings
Ranking Member



Gerald E. Connolly
Ranking Member
Subcommittee on Government
Operations



Eleanor Holmes Norton
Member of Congress

⁷ Department of Education, Institute of Education Sciences, *Evaluation of the DC Opportunity Scholarship Program: An Early Look at Applicants and Participating Schools Under the SOAR Act* (Oct. 2014).

⁸ National Alliance for Public Charter Schools, *The Health of the Public Charter School Movement: A State-By-State Analysis* (Oct. 2014).