Page 37, after line 3, insert the following:

(1) the State will develop a plan to identify and reduce inequities in the allocation of State and local resources, including personnel and nonpersonnel resources, between schools that are receiving funds under this title and schools that are not receiving such funds under this title, consistent with the requirements in section 1120A, including—

(A) a description of how the State will support local educational agencies in meeting the requirements of section 1120A; and

(B) a description of how the State will support local educational agencies to align plans under subparagraph (A), efforts to improve educator supports and working conditions described in section 2112(b)(3), and efforts to improve the equitable distribution of teachers and principals described in section 2112(b)(5), with efforts to improve the equitable allocation of resources as described in this subsection;
Page 37, beginning on line 4, redesignate paragraphs (1) through (7) as paragraph (2) through (8), respectively.

Page 88, strike lines 1 through 3 and insert the following:

(2) by amending subsection (c) to read as follows:

“(c) EQUITABLE ALLOCATION OF EXPENDITURES.—

“(1) IN GENERAL.—

“(A) EQUITABLE FUNDING.—After 5 full school years of the date of enactment of the Student Success Act, except as provided in paragraphs (5), (6), and (7), a local educational agency may receive funds under this part for a fiscal year only if for the preceding fiscal year, the combined expenditure per pupil of State and local funds, including personnel and non-personnel costs, in each school served under this part was at least equitable to the average combined expenditure per pupil of State and local funds, including personnel and non-personnel costs, across all schools served by the local educational agency that are not receiving funds under this part.
“(B) EQUITABLE FUNDING AMONG TITLE I SCHOOLS.—In any case where all of the schools served by a local educational agency receive support under this part, such agency may receive funds under this part only if for the preceding fiscal year, the combined expenditure per pupil of State and local funds in each higher poverty school is at least equitable to the average combined expenditure per pupil of State and local funds across all lower poverty schools.

“(2) EQUIVALENCE.—A local educational agency shall be considered to have met the requirements of paragraph (1), and to be eligible to receive funds under this part, if—

“(A) such agency has filed annually with the State educational agency a school-by-school listing of per-pupil expenditures of State and local funds, as described in paragraph (1), for each school served by the agency for the preceding fiscal year; and

“(B) the listing described in subparagraph (A) demonstrates equitable allocation of per-pupil expenditures across schools as required by subparagraph (A) or (B) of paragraph (1).
“(3) BASIS.—A local educational agency may meet the requirements of paragraphs (1) or (2) across all schools or among schools serving a particular grade span, if the local educational agency compares schools within not more than three grade spans.

“(4) REQUIREMENTS.—

“(A) REQUIREMENTS OF THE SECRETARY.—The Secretary shall issue regulations concerning the responsibilities of State educational agencies and local educational agencies for meeting the requirements of this subsection.

“(B) REQUIREMENTS OF STATES.—Each State educational agency receiving funds under this part shall—

“(i) create and distribute to local educational agencies, and make available to the public, regulations on the responsibilities of local educational agencies for meeting the requirements of this subsection; and

“(ii) submit a plan to the Secretary, as required under section 1111(c)(1).

“(C) REQUIREMENTS OF LOCAL EDUCATIONAL AGENCIES.—Not later than 18
months after the date of enactment of the Student Success Act, each local educational agency receiving funds under this part shall develop and submit to the State educational agency a plan, which shall be made available to the public, that will ensure equitable allocation of resources as described in paragraph (1) not later than 5 full school years after the date of enactment of the Student Success Act, including information on—

“(i) a timeline and annual benchmarks for making progress toward achieving equitable allocation of resources; and

“(ii) how the local educational agency is aligning school improvement efforts, efforts to improve educator supports and working conditions, and efforts to improve the equitable distribution of teachers and principals with efforts to improve the equitable allocation of resources as described in this subsection.

“(5) INAPPLICABILITY.—This subsection shall not apply to a local educational agency that does not have more than one building for each grade span.
“(6) COMPLIANCE.—For the purpose of determining compliance with paragraph (1), a local educational agency—

“(A) shall exclude State and local funds expended for the excess costs of providing English language instruction for Limited English Proficient students as determined by the local educational agency; 

“(B) shall exclude State and local funds expended for the excess costs of providing services to children with disabilities as determined by the local educational agency;

“(C) may exclude capital expenditures; and

“(D) may exclude supplemental State or local funds expended in any school attendance area or school for programs that meet the intent and purpose of this part.

“(7) EXCLUSIONS.—A local educational agency need not include unpredictable or significant changes in student enrollment or personnel assignments that occur after the beginning of a school year in determining the equitable allocation of expenditures under this subsection.

“(8) TRANSITIONAL COMPLIANCE.—A local educational agency shall be deemed to be in compli-
ance with paragraph (1) and paragraph (4)(C)(i) for any school year, within 5 years of the date of enactment of the Student Success Act, if the teachers hired to fill vacancies for individual schools served under this part, and for the schools not served under this part, improve the equitable allocation of combined State and local per pupil expenditures compared to the preceding school year.

“(9) WAIVER.—A local educational agency may apply to the Secretary for a temporary waiver of the requirements of this section in the case of a natural disaster or other unforeseen circumstance that results in a substantial decrease in revenue.

“(10) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded school or local educational agency employees under Federal, State, or local laws (including applicable regulations or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.”.