

**“(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NON-FEDERAL FUNDS.—**

“(1) **IN GENERAL.**—A State educational agency or local educational agency shall use Federal funds received under this part only to supplement the funds that would, in the absence of such Federal funds, be made available from State and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds.

“(2) **COMPLIANCE.**—To demonstrate compliance with paragraph (1), a local educational agency shall demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under this part ensures that such school receives all of the State and local funds it would otherwise receive if it were not receiving assistance under this part.

“(3) **SPECIAL RULE.**—No local educational agency shall be required to—

“(A) identify that an individual cost or service supported under this part is supplemental; or

“(B) provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate such agency’s compliance with paragraph (1).

“(4) **PROHIBITION.**—Nothing in this section shall be construed to authorize or permit the Secretary to prescribe the specific methodology a local educational agency uses to allocate State and local funds to each school receiving assistance under this part.

“(5) **TIMELINE.**—A local educational agency—

“(A) shall meet the compliance requirement under paragraph (2) not later than 2 years after the date of enactment of the Every Student Succeeds Act; and

“(B) may demonstrate compliance with the requirement under paragraph (1) before the end of such 2-year period using the method such local educational agency used on the day before the date of enactment of the Every Student Succeeds Act.”.

**SEC. 1013. COORDINATION REQUIREMENTS.**

Section 1119, as redesignated by section 1000(5), is amended—

(1) in subsection (a)—

(A) by striking “such as the Early Reading First program”; and

(B) by adding at the end the following new sentence: “Each local educational agency shall develop agreements with such Head Start agencies and other entities to carry out such activities.”; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “early childhood development programs, such as the Early Reading First program,” and inserting “early childhood education programs”;

(B) in paragraph (1), by striking “early childhood development program such as the Early Reading First program” and inserting “early childhood education program”;

(C) in paragraph (2), by striking “early childhood development programs such as the Early Reading First