

**AMENDMENT OFFERED BY \_\_\_\_\_**  
**TO THE AMENDMENT IN THE NATURE OF A**  
**SUBSTITUTE**  
**TO H.R. 1429**

At an appropriate place, insert the following (and make such technical and conforming changes as may be appropriate):

1 **SEC. \_\_\_\_ . OPERATIONAL RULE.**

2       The Head Start Act (42 U.S.C. 9831 et seq.) is  
3 amended by inserting after section 654 the following:

4 **“SEC. 654A. OPERATIONAL RULE.**

5       “(a) RELIGIOUS ORGANIZATIONS INCLUDED AS NON-  
6 GOVERNMENTAL PROVIDERS.—For any program carried  
7 out under this subchapter, the government shall consider,  
8 on the same basis as other nongovernmental organiza-  
9 tions, religious organizations to provide the assistance  
10 under the program, so long as the program is implemented  
11 in a manner consistent with the Establishment Clause of  
12 the first amendment to the Constitution. The Federal  
13 Government shall not discriminate against an organization  
14 that provides assistance under, or applies to provide as-  
15 sistance under, this subchapter, on the basis that the orga-  
16 nization has a religious character.

1       “(b) RELIGIOUS CHARACTER AND INDEPEND-  
2 ENCE.—

3           “(1) IN GENERAL.—A religious organization  
4 that provides assistance under a program described  
5 in subsection (a) shall retain its religious character  
6 and control over the definition, development, prac-  
7 tice, and expression of its religious beliefs.

8           “(2) ADDITIONAL SAFEGUARDS.—The Federal  
9 Government shall not require a religious organiza-  
10 tion—

11           “(A) to alter its form of internal govern-  
12 ance; or

13           “(B) to remove religious art, icons, scrip-  
14 ture, or other symbols;

15 in order to be eligible to provide assistance under a  
16 program described in subsection (a).

17           “(3) EMPLOYMENT PRACTICES.—Notwith-  
18 standing section 654, a religious organization’s ex-  
19 emption provided under section 702 of the Civil  
20 Rights Act of 1964 ( 42 U.S.C. 2000e-1) regarding  
21 employment practices shall not be affected by its  
22 participation in, or receipt of funds from, programs  
23 described in subsection (a).

24       “(c) LIMITATIONS ON USE OF FUNDS FOR CERTAIN  
25 PURPOSES.—No funds provided directly to a religious or-

1 ganization to provide assistance under any program de-  
2 scribed in subsection (a) shall be expended for sectarian  
3 worship, instruction, or proselytization.

4 “(d) FISCAL ACCOUNTABILITY.—

5 “(1) IN GENERAL.—Except as provided in para-  
6 graph (2), any religious organization providing as-  
7 sistance under any program described in subsection  
8 (a) shall be subject to the same regulations as other  
9 nongovernmental organizations to account in accord  
10 with generally accepted accounting principles for the  
11 use of such funds provided under such program.

12 “(2) LIMITED AUDIT.—Such organization shall  
13 segregate government funds provided under such  
14 program into a separate account. Only the govern-  
15 ment funds shall be subject to audit by the govern-  
16 ment.”.