

<p>H209 as approved by House Education</p>	<p>Amendment under consideration by Ways and Means VT LEG #347140 v.3</p>
<p><b>Moratorium on school construction aid since 2007</b></p> <p><b>Significant need to renovate, upgrade and replace school facilities</b></p> <p><b>State lacks comprehensive information on condition of school facilities necessary to inform strategic investment</b></p> <p><b>No apparent available funding source sufficient to support reestablishment of a construction aid program</b></p> <p><b>H.209 as approved by the House Education Committee was under development since early in the 2019 Legislative Session</b></p>	<p><b>Coronavirus Response Theme</b></p>
<p><b>Section 1</b>  <b>Update school facilities standards with a focus on modern educational requirements and opportunities.</b></p> <p><b>Update and adopt a capital outlay finance formula with allowances for maximum and minimum square footage allowances</b></p>	<p><b>Section 1</b>  <b>Retains language from House Education approved version and adds language to include infrastructure needs for remote learning</b></p>
<p><b>Section 2</b>  <b>Conduct a school facilities conditions analysis to inform on statewide school facilities needs and costs. <i>The analysis shall include a comprehensive review of both school facilities conditions and space needs.</i></b></p> <p><b>Third Party Analysis</b></p> <p><b>RFP issued by 02/15/2021 / Analysis completed by 06/15/2023</b></p> <p><b>Appropriates \$1.5 million from the Education Fund to Secretary of Education to oversee the process</b></p>	<p><b>Section 2</b>  <b>Conduct a school facilities condition <i>analysis specific to needs and costs resulting from the COVID-19 with a specific focus on health and safety facilities conditions, an assessment of infrastructure needs to meet social distancing requirements and an assessment of the adequacy of facilities for remote learning.</i></b></p> <p><b>Third Party Analysis</b></p> <p><b>RFP issued by 08/15/2020 / Analysis completed by 12/18/2020</b></p> <p><b>Appropriates \$800,000 from the Corona Virus Relief Fund to the Joint Fiscal Office to oversee the process</b></p>

**Sec. 3. SCHOOL CONSTRUCTION FUNDING; AGENCY OF EDUCATION; REPORT** (a) On or before **December 15, 2023**, the **Secretary of Education**, in consultation with the State Treasurer and the Executive Director of the Vermont Bond Bank, shall submit a report to the House Committees on Corrections and Institutions and on Education and the Senate Committees on Education and on Institutions that shall include the following: (1) an analysis of the challenges and opportunities to the State, if any, of funding school construction projects; (2) recommendations for a funding source, if any, for school construction projects that are linked to the inventory, needs, and conditions of all Vermont schools; and (3) an analysis of how other states are funding school construction projects. (b) As used in this section, “school” has the same meaning as in 16 V.S.A. § 3447.

**Sec. 3. SCHOOL CONSTRUCTION FUNDING; JOINT FISCAL OFFICE; REPORT** (a) On or before **January 15, 2022**, the **Joint Fiscal Office** shall submit a report to the House Committees on Education, on Corrections and Institutions, and on **Ways and Means** and the Senate Committees on Education, on **Finance** and on Institutions that shall include the following: (1) an overview of the recent history of Vermont’s school construction funding; (2) an analysis of the challenges and opportunities to the State, if any, of funding school construction projects; (3) review of the experience of other jurisdictions; and (4) options to address the school construction needs of the State, including funding, oversight, and setting priorities. (b) The Joint Fiscal Office shall have the assistance of the Office of 22 Legislative Council, the State Treasurer, the Vermont Bond Bank, the Agency of Education, and any other relevant State agency or department as needed. As part of its work, the Joint Fiscal Office shall consult with the Vermont School Boards Association, the Vermont Superintendents Association, and the Vermont Board of Education. (c) To the extent needed, the Joint Fiscal Office is appropriated \$30,000.00 5 [SOURCE OF FUNDS?] for consultants or study expenses for the report described in subsection (a) of this section.

**Sec. 4. EFFECTIVE DATE** This act shall take effect on July 1, 2020.

**Sec. 4. SCHOOL CONSTRUCTION PROJECTS; BONDING; FY 2021 to FY 20XX**  
(a) Beginning on July 1, 2020 and ending on January 1, 20XX, a school district shall not approve a bond for a school construction project in an amount greater than [XXXXXXXXXX] unless the school construction project is necessary to address imminent threats to physical safety and health of students or employees.  
(b) Notwithstanding subsection (a) of this section, a school district is authorized to approve a bond or accept any other available funds to address infrastructure needs attributable to the COVID-19 emergency.

**Sec. 5. EFFECTIVE DATE** 18 This act shall take effect on July 1, 2020.

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Discussion:

- 1) Do pursue a focused approach to support districts in identifying Coronavirus related capital needs
- 2) Do not jettison the important focus on capital construction needs of schools generally
- 3) Thoroughly examine the considerations related to the prohibition on school districts approving capital projects unless those projects meet an imminent threat

With respect to 1) above

- School districts may not be able to identify coronavirus-related **capital** needs easily or at this time
  - Health-based guidance on conditions for re-opening schools and operating and design considerations when schools open are still under development but may be predicated on community conditions, actual cases, outbreaks as well as the science on virus transmission
  - Aligning a study on capital needs this fall, as the understanding of virus is still evolving, may be challenging and could lead to incorrect assumptions about appropriate areas of investment
  - The timing and pace of determination of capital needs and best utilization of funding resources may not align
  - Immediate needs - signage, protective barriers, isolation spaces, equipment, may not meet the definition of capital investment and perhaps can be identified through methods other than a commissioned analysis - (survey, etc)
  - Remote learning infrastructure is a critical need and information - district-wide, regionally, etc may be available through means other than the analysis contemplated by this study
  - HVAC systems should be a major area of focus, the Senate Education Committee is looking at the area specifically

With respect to 2) above

- The impetus for H209 was a widening recognition that the moratorium on school construction aid was contributing to the inability to address the deterioration, antiquation and obsolescence of school facilities statewide (case by case but presumably significant) due to the vintage of school buildings; deferred maintenance in some cases; depopulation in some case; also the need to modernize to create appropriate learning environments
- H209 was under discussion in House Education and House Corrections and Institutions since early in the 2019 session with a great deal of stakeholder involvement

- Deferring or terminating advancement of the core elements of H209 as approved by the House Education Committee will be a significant setback for a necessary undertaking and will have detrimental effects on efforts to facilitate renewal of school facilities statewide
- The Coronavirus has created very compelling immediate needs; renewal of school facilities support generally is a compelling pre-coronavirus short, medium and long-term need

With respect to 3) above

- A survey by the Vermont Superintendents Association (VSA) with followup work by VSA, the Joint Fiscal Office and the Vermont Bond Bank identified more than a half billion dollars in planned and projected projects for the period between FY2020 and FY2023. This is an indication of pent-up need for facilities improvements and stopping that work by imposing a moratorium on bond financing will have consequences educationally and economically.
- My opinion is that a deliberate and deliberative analysis of the potential or likely causes and effects of that policy decision is in order.

Questions/Thoughts

- Can both the objectives of aid for coronavirus investment and the original basis for H209 be combined?
- Can methodology for identifying coronavirus needs complement the longer term capital needs analysis, thereby leveraging coronavirus relief funds?
- Are coronavirus needs sufficiently uniform that a survey methodology will suffice for identifying those needs and estimating costs?
- How will evolving science and health based guidance and under development for useful building modifications be reconciled with the availability and eligibility requirements of the funding source.
- What would be the implications of a moratorium on bonding for school construction projects?

Thank you very much for the opportunity to testify.