

1 TO THE HONORABLE SENATE:

2 The Committee on Education to which was referred House Bill No. 426
3 entitled “An act relating to addressing the needs and conditions of public
4 school facilities in the State” respectfully reports that it has considered the
5 same and recommends that the bill be amended by striking out all after the
6 enacting clause and inserting in lieu thereof the following:

7 Sec. 1. FINDINGS; INTENT; PURPOSE

8 (a) The General Assembly finds that:

9 (1) In 2007 Acts and Resolves No. 52, Sec. 36, the General Assembly
10 suspended State aid for school construction in order to permit the Secretary of
11 Education and the Commissioner of Finance and Management to recommend a
12 sustainable plan for State aid for school construction.

13 (2) In 2008 Acts and Resolves No. 200, Sec. 45, as amended by 2009
14 Acts and Resolves No. 54, Sec. 22, the General Assembly, in the absence of a
15 recommendation, extended the suspension until a sustainable plan for State aid
16 for school construction is developed and adopted.

17 (3) Between Fiscal Years 2008 and 2016, the State honored its
18 obligation to repay the remaining outstanding obligations for projects for
19 which State aid had been committed prior to the suspension.

20 (b) The General Assembly also finds that:

1 (1) The State of Vermont is the only state in the Northeast that does not
2 have a school construction program.

3 (2) Between 2008 and 2019, school districts in Vermont issued
4 approximately \$211,000,000.00 in bonds for school construction projects. In
5 2020, there was an estimated \$445,000,000.00 in bonding planned and
6 proposed by school districts for future school construction projects statewide.

7 (c) The General Assembly also finds that the backlog in the State’s school
8 construction projects has resulted in unsafe and unhealthy learning
9 environments and disparities in the quality of education, including between
10 wealthier communities and communities in need across the State.

11 (d) It is the intent of the General Assembly to develop a plan to address the
12 needs and conditions of the State’s school buildings in order to create better
13 learning environments for Vermont’s students and increase the equity in the
14 quality of education around the State.

15 (e) The purpose of the funding appropriated in this act is to enable
16 supervisory unions and supervisory districts to utilize their **Elementary and**
17 **Secondary School Emergency Relief Fund** allocations to improve the
18 conditions for health and safety of students and staff, to address other eligible
19 facilities needs, and to position the State in addressing the backlog of school
20 facilities needs in an efficient and equitable manner.

1 Sec. 2. SCHOOL FACILITIES CONDITIONS INVENTORY; AGENCY
2 OF EDUCATION; REPORT

3 (a) The Secretary of Education shall contract with an independent third
4 party to conduct an inventory of school facilities to ascertain the extent of need
5 for additional support to school districts as a result of the COVID-19 pandemic
6 and other causes. The inventory shall collect information about the current
7 state of school facilities and immediate plans to invest in school facilities,
8 including:

9 (1) general information about facilities, age of buildings, and major
10 mechanical systems;

11 (2) a review of school facility conditions, space utilization, and
12 suitability of the facility and its spaces to deliver educational and support
13 services; and

14 (3) building systems' condition and performance to address health and
15 safety of students and employees, including energy efficiency improvements
16 and indoor air quality, accessibility to and within buildings, and condition of
17 technology systems.

18 (b) The Secretary is authorized to use not more than \$500,000.00 from the
19 amount allocated to the Agency of Education from the Elementary and
20 Secondary School Emergency Relief Fund pursuant to Section 2001(c) of the
21 American Rescue Plan Act of 2021, Pub. L. No. 117-2 to conduct the

1 inventory described in subsection (a) of this section. The inventory shall be
2 completed on or before January 15, 2022.

3 (c) On or before January 15, 2022, the Secretary of Education shall submit
4 a report to the House and Senate Committees on Education presenting the
5 findings of the inventory described in subsection (a) of this section.

6 (d) As used in this section, “school” means a public school as defined in
7 16 V.S.A. § 11.

8 Sec. 3. 16 V.S.A. § 559 is amended to read:

9 § 559. PUBLIC BIDS

10 (a) Cost threshold. When the cost exceeds ~~\$15,000.00~~ \$40,000.00, a
11 school board or supervisory union board shall publicly advertise or invite three
12 or more bids from persons deemed capable of providing items or services if
13 costs are in excess of ~~\$15,000.00~~ \$40,000.00 for any of the following:

14 (1) the construction, purchase, lease, or improvement of any school
15 building;

16 (2) the purchase or lease of any item or items required for supply,
17 equipment, maintenance, repair, or transportation of students; or

18 (3) a contract for transportation, maintenance, or repair services.

19 * * *

1 Sec. 4. MUNICIPAL ENERGY LOAN PILOT PROGRAM; FINANCING
2 FOR SCHOOLS

3 On or before January 15, 2023, the Agency of Education, in coordination
4 with the Department of Buildings and General Services, shall submit a report
5 to the House Committees on Corrections and Institutions and on Education and
6 the Senate Committees on Education and on Institutions to determine how the
7 Municipal Energy Loan Pilot Program, established in Sec. E.112 of the Fiscal
8 2022 Appropriations Act, shall support schools to implement needed energy
9 efficiency and conservation measures, including those identified in the
10 inventory required by Sec. 2 of this act.

11 Sec. 5. SCHOOL FACILITIES; HEALTH AND SAFETY PROJECTS;
12 COVID-19

13 (a) On or before September 30, 2023, Agency of Education shall contract
14 with an independent third party to assist any school district using funds
15 allocated to it from the Elementary and Secondary School Emergency Relief
16 Fund pursuant to Section 2001(d) of the American Rescue Plan Act of 2021,
17 Pub. L. No. 117-2 and any other federal sources, to improve the overall health
18 and safety of any of the district's school facilities as a result of the COVID-19
19 pandemic. The contractor's responsibilities shall include:

- 20 (1) project coordination;
21 (2) servicing as a liaison;

1 (A) between the school district, the Agency of Education, the
2 Department of Health, and any other relevant entities in the State that may be
3 leveraged to support the work, including to coordinate the use of federal
4 funding programs and maximize funding, labor, and equipment resources;

5 (B) between the school district and the Agency of Education to:

6 (i) facilitate the district prioritization of school safety and health
7 issues;

8 (ii) support a school district, in coordination with the Agency of
9 Education, in defining their investment strategies for the improvement of
10 school facilities in a manner consistent with the intent and purpose of any
11 funding source; and

12 (iii) develop communications to support the prioritization of
13 projects; and

14 (C) provide status updates and a final report on project work to the
15 school district and the Agency of Education, including recommendations on
16 how to maintain the facility after the performance period of the grant funds.

17 (b)(1) The Agency is authorized to allocate not more than \$500,000.00 of
18 the amount allocated to the Agency of Education from the **Elementary and**
19 **Secondary School Emergency Relief Fund pursuant to Section 2001(c) of the**
20 **American Rescue Plan Act of 2021, Pub. L. No. 117-2** for the purpose
21 described in subsection (a) of this section.

1 (2) The Agency of Education shall reserve not more than \$1,000,000.00
2 from the amount allocated to the Agency of Education from the Elementary
3 and Secondary School Emergency Relief Fund pursuant to Section 2001(c) of
4 the American Rescue Plan Act of 2021, Pub. L. No. 117-2 if a school district
5 has used all of the funds allocated to it from the Elementary and Secondary
6 School Emergency Relief Fund pursuant to Section 2001(d) of the American
7 Rescue Plan Act of 2021, Pub. L. No. 117-2 and needs additional funding to
8 plan and implement improvements to its facilities pursuant to this section.

9 * * * School Indoor Air Quality Grant Program * * *

10 **Sec. 6.** SCHOOL INDOOR AIR QUALITY GRANT PROGRAM;

11 GRANTS FOR RENEWABLE AND EFFICIENT HEATING

12 SYSTEMS IN SCHOOLS; APPROPRIATION

13 (a) Appropriation. In fiscal year 2022, \$6,000,000.00 is appropriated from
14 the amount provided to the State by the American Rescue Plan Act of 2021 in
15 the State and Local Coronavirus Fiscal Recovery Fund to expand the School
16 Indoor Air Quality Grant Program established in 2020 Acts and Resolves
17 No. 120, Sec. A.51 to award grants for renewable and efficient heating systems
18 in schools. Renewable and efficient heating systems grants shall be used to
19 make necessary improvements to address building systems in covered schools
20 to improve health, safety, and efficiency in response to the COVID-19
21 emergency.

1 (b) Definition. As used in this section, “covered school” means public
2 schools and approved independent schools as defined under 16 V.S.A. § 11.

3 (c) Grant awards established. There is created within the School Indoor
4 Air Quality Grant Program, established in 2020 Acts and Resolves No. 120,
5 Sec. A.51, the Renewable and Efficiency Heating Systems Grant Program (the
6 Program) to make necessary improvements to address thermal enclosure and
7 building systems in covered schools.

8 (d) Administration; implementation.

9 (1) Efficiency Vermont shall administer the Program and is authorized
10 to use the amount appropriated in subsection (a) of this section for the
11 following:

12 (A) provide consulting services to covered schools;

13 (B) award grant funds to covered schools of not more than 50 percent
14 of the total cost for the improvement or repair of existing heating systems, with
15 a focus on energy efficiency and providing appropriate space conditioning; and

16 (C) award grant funds to covered schools for the installation of
17 renewable or efficiency electric space heating and conditioning systems.

18 (2) Grant program design. Efficiency Vermont, in consultation with the
19 Agency of Education, the Vermont Superintendents Association, and experts in
20 the field of thermal enclosure, energy efficiency, and renewable building space
21 systems, shall design the Program. The Program design shall establish:

1 (A) an outreach and education plan, including specific tactics to
2 reach and support all covered schools;

3 (B) an equitable system for distributing grants statewide based on
4 geographic location, school size, grant dollar amount, and assessed need, with
5 an emphasis on schools that may not have administrative support to apply for
6 grants; and

7 (C) guidelines for thermal enclosure and renewable and energy
8 efficiency buildings systems resilience, durability, health, and efficiency
9 measures and costs that will be eligible for grant funding.

10 (e) Costs and fees.

11 (1) Efficiency Vermont is authorized to use up to \$150,000.00 of the
12 amount appropriated in subsection (a) of this section for direct labor costs.

13 (2) As the entity appointed to serve as Efficiency Vermont, the Vermont
14 Energy Investment Corp. (VEIC) is also authorized to collect their federal
15 approved indirect rate of 9.3 percent on the funds expended in this section.

16 (3) Nothing shall prohibit Efficiency Vermont from supplementing total
17 project costs completed under this section with a portion of its Public Utility
18 Commission-approved budget for the purpose of achieving higher levels of
19 efficiency and claiming efficiency savings toward completing of performance
20 targets pursuant to 30 V.S.A. § 209(d).

1 (f) Coordination. Efficiency Vermont shall coordinate with the Agency of
2 Education and any other State entities and agencies working with covered
3 schools to provide grants for the Program.

4 (g) Reporting. On or before January 15, 2022, the Agency of Education
5 shall report to the House and Senate Committees on Appropriations on the
6 specific uses of the funds appropriated in subsection (a) of this section, the
7 costs of any projects funded through the Program, and a description of the
8 projects.

9 (h) Disclosures. Efficiency Vermont shall require that any school that
10 receives a grant through the Program shall authorize Efficiency Vermont to
11 release the school name and grant amount in any report requested by the
12 General Assembly.

13 (i) Use of funds. The amount appropriated in this section shall only be
14 used for the Program and shall not be used to carry out the duties of the School
15 Indoor Air Quality Grant Program as described in 2020 Acts and Resolves No.
16 120, Sec. A.51 and 2021 Acts and Resolves No. [X], Sec. 15.

17 Sec. 7. EFFECTIVE DATE

18 This act shall take effect on passage.

19 (Committee vote: _____)

20 _____

21 Senator _____

1

FOR THE COMMITTEE