

1 Introduced by Committee on Education

2 Date:

3 Subject: Education; school construction; facilities; grant program; PCBs

4 Statement of purpose of bill as introduced: This bill proposes to:

5 (1) create the Facilities Master Plan Grant Program to support
6 supervisory unions and independent career and technical education districts to
7 support the development of a master plan that complies with State construction
8 aid requirements;

9 (2) require the Department of Buildings and General Services to
10 establish a list of prequalified architecture and engineering consultants;

11 (3) create the State Aid for School Construction Working Group to
12 study and design a plan for a statewide school construction aid program;

13 (4) require the Joint Fiscal Office to model stable perpetual revenue
14 sources to fund a statewide school construction aid program; and

15 (5) pause PCB testing in schools.

16 An act relating to the development of an updated State aid to school
17 construction program

18 It is hereby enacted by the General Assembly of the State of Vermont:

19 Sec. 1. 16 V.S.A. § 3441 is added to read:

20 § 3441. FACILITIES MASTER PLAN GRANT PROGRAM; REPORT

1 (a) Intent. It is the intent of the General Assembly that the Facilities
2 Master Plan Grant Program established pursuant to this section shall enable
3 supervisory unions to develop a supervisory union level vision for all school
4 buildings that meets the educational needs and goals of the supervisory union.
5 The goal of a facilities master plan shall be to facilitate an evaluation of the
6 capacity of existing facilities to deliver on identified 21st century educational
7 goals. A facilities master plan shall also enable and require supervisory unions
8 to engage in intentional and robust conversations with the larger community
9 that will hopefully lead to the successful passage of bonds needed to support
10 the renovation or construction needs of the supervisory union.

11 (b) Establishment. There is established the Facilities Master Plan Grant
12 Program to be administered by the Agency of Education, from funds
13 appropriated for this purpose, to supervisory unions and independent career
14 and technical education districts to support the development of educational
15 facilities master plans. Grant funds may be used to hire a consultant to assist
16 in the development of the master plan with the goal of developing a final
17 master plan that complies with State construction aid requirements

18 (c) Standards for the disbursement of funds. The Agency shall develop
19 standards for the disbursement of grant funds in accordance with the following:

20 (1) Grants shall be awarded to applicants with the highest facilities
21 needs. The Agency shall develop a prioritization formula based on an

1 applicant's poverty factor and average facilities condition index score. The
2 Agency shall develop or choose a poverty metric to use for the prioritization
3 formula. The Agency may give priority to applications with a regionalization
4 focus that consist of more than one supervisory union or independent career
5 and technical education district that apply as a consortium.

6 (2) Award amounts shall be commensurate with the gross square
7 footage of buildings located within the applicable supervisory union or career
8 and technical education district.

9 (3) Grants shall include a funding match from other sources, including
10 grants from businesses, foundations, or other federal or local funding, in an
11 amount equal to [decision point—flat rate or tiered based on need]

12 (4) The Agency shall develop minimum requirements for an educational
13 facilities master plan, which shall include, at a minimum, the following
14 elements:

15 (A) a description of the educational mission, vision, and goals of the
16 supervisory union;

17 (B) a description of educational programs and services offered by the
18 supervisory union;

19 (C) the performance of a space utilization assessment;

20 (D) the identification of new program needs;

21 (E) the development of enrollment projections;

1 (F) the performance of a facilities assessment; and
2 (G) information regarding the various design options explored to
3 address the supervisory union’s identified needs.

4 (d) Report. Annually on or before December 31, the Agency shall submit
5 to the House and Senate Committees on Education a written report with
6 information on the implementation of the grant program created in this section.

7 Sec. 2. REPEAL; FACILITIES MASTER PLAN GRANT PROGRAM

8 16 V.S.A. § 3441 (Facilities Master Plan Grant Program) as added by this
9 act is repealed on June 30, 2029.

10 Sec. 3. PREQUALIFIED ARCHITECTURE AND ENGINEERING

11 CONSULTANTS

12 On or before October 15, 2024, the Department of Buildings and General
13 Services shall assist the Agency of Education in developing prequalification
14 criteria for architecture and engineering firms specializing in prekindergarten
15 through grade 12 school design and construction.

16 Sec. 4. STATE AID FOR SCHOOL CONSTRUCTION WORKING GROUP;

17 REPORT

18 (a) Creation. There is created the State Aid for School Construction
19 Working Group to study and design a plan for a statewide school construction
20 aid program.

1 **(b) Membership.** The Working Group shall **be composed of the following**
2 **members:**

3 (1) three current members of the House of Representatives, not all from
4 the same political party, who shall be appointed by the Speaker of the House;

5 (2) three current members of the Senate, not all from the same political
6 party, who shall be appointed by the Committee on Committees; and

7 (3) the Secretary of Education, or designee.

8 **(c) Powers and duties.**

9 (1) The Working Group shall study and create a recommended plan for
10 a statewide school construction aid program, including recommendations on
11 implementation. To facilitate its understanding of school construction projects
12 and other school construction state aid programs, the Working Group may
13 travel to conduct site visits at schools or other state programs. In creating its
14 recommendations, the Working Group shall address the following topics,
15 building from the recommendations contained in the report of the School
16 Construction Aid Task Force, created in 2023 Acts and Resolves No. 78, Sec.
17 E.131.1:

18 **(A) Governance.** The Working Group shall study other state
19 governance models for school construction aid programs, including inviting
20 testimony from school officials from those states, and make a recommendation
21 for a governance model for Vermont that aligns with the other funding and

1 programmatic recommendations of the Working Group. Governance
2 recommendations shall include recommendations on staffing levels and a
3 stable appropriation for the funding of the recommended governance structure.

4 **(B) Prioritization criteria.** The Working Group shall make
5 recommendations on state aid prioritization criteria that will drive funding
6 towards projects that are aligned to the State’s educational policies and
7 priorities.

8 **(C) Eligibility criteria.** The Working Group shall consider the
9 following state aid eligibility criteria:

10 (i) appropriate maintenance and operations budgeting at the
11 supervisory union level;

12 (ii) a requirement for eligible supervisory unions to have a five
13 year capital plan;

14 (iii) a facility condition index maximum level that would preclude
15 eligibility but may qualify a building for a State share percentage bonus to
16 replace the building;

17 (iv) a requirement for a supervisory union master planning process
18 that would require consideration of the adaptive reuse of schools for housing or
19 other social infrastructure; and

20 (v) a prohibition on exclusionary zoning regulations that would
21 preclude lesser resourced families from living in the applicable school district.

1 **(D) State base share.** The Working Group shall make
2 recommendations for tiered levels of State support based on student or
3 community poverty factors. The Working Group shall consider factors such as
4 local taxing capacity, student poverty data, environmental justice metrics, and
5 energy burden metrics.

6 **(E) Incentives.** The Working Group shall consider the use of
7 incentives or State share bonuses that align with Vermont’s educational
8 priorities with the goal of using taxpayer supported school construction aid to
9 improve student learning environments and opportunities. The Working
10 Group shall consider appropriate limits on cumulative incentives and whether
11 incentives shall be bundled for eligibility. Policy areas to consider for
12 incentives include:

13 (i) school safety and security;

14 (ii) health;

15 (iii) educational enhancements;

16 (iv) overcrowding solutions;

17 (v) environmental performance;

18 (vi) newer and fewer buildings;

19 (vii) major renovations to improve prek-12 systems educational

20 alignment and capacity; and

1 (viii) replacement of facilities with a current facility condition
2 index of 65 percent or higher, in combination with other policy area incentives.

3 **(F) Assurance and certification process.**

4 (i) The Working Group shall make recommendations for an
5 assurance and certification process that requires the following:

6 (I) a district’s commitment to adequate funding for ongoing
7 maintenance and operations of any State-funded improvements;

8 (II) a district to assure to adequate training for facilities and
9 custodial staff to properly operate and maintain systems funded through State
10 aid;

11 (III) a district to complete a full commissioning process as a
12 requirement to receive State funds at the end of the project; and

13 (IV) a clerk of the works throughout the lifespan of the project.

14 (ii) The Working Group shall also consider whether the assurance
15 and certification process shall be eligible for State funding support, as well as
16 whether a preferred vendor list for the commissioning process and clerk of the
17 works is advisable.

18 **(G) Environmental hazards and contaminants.** The Working
19 Group shall make recommendations that approach environmental hazards and
20 contaminants in a comprehensive manner, incorporating existing programs into
21 the school construction aid program where possible.

1 **(H) Pre-program construction aid.** The Working Group shall
2 consider whether and to what extent State aid should be made available to
3 school districts that begin construction projects prior to the establishment or
4 renewal of a State school construction aid program.

5 **(I) Current law.** The Working Group shall review State statutes and
6 State Board of Education rules that concern or impact school construction and
7 make recommendations to the General Assembly for any amendments
8 necessary to align with the Working Group’s proposed construction aid
9 program.

10 **(J) Efficiencies.** The Working Group shall identify areas where
11 economizations or efficiencies might be gained in the creation of the program,
12 including consideration of the following:

13 (i) a prequalification process for consultants with experience in the
14 planning, renovation, and construction of kindergarten through grade 12
15 schools; and

16 (ii) cost containment strategies such as the use of building
17 templates for new construction.

18 **(K) Fiscal modeling.** The Working Group shall align the proposed
19 construction aid program with fiscal modeling produced by the Joint Fiscal
20 Office.

1 **(L) School Construction Planning Guide.** The Working Group
2 shall review the Vermont School Construction Planning Guide and make
3 recommendations for any amendments necessary to align with the Working
4 Group’s proposed construction aid program.

5 **(M) Additional considerations.** The Working Group may consider
6 any other topic, factor, or issue that it deems relevant to its work and
7 recommendations.

8 (2) The Working Group shall consult with the following entities in
9 developing its proposed plan to ensure all applicable areas of Vermont law and
10 federal funding opportunities are taken into consideration:

11 (A) the Agency of Education;

12 (B) the Agency of Natural Resources;

13 (C) the Department of Public Safety, Division of Fire Safety;

14 (D) the Natural Resources Board;

15 (E) the Agency of Commerce and Community Development,

16 Division for Historic Preservation;

17 (F) the U.S. Department of Education;

18 (G) U.S. Department of Agriculture, Rural Development; and

19 (H) any other entity the Working Group deems relevant to its work.

20 (d) Assistance. The Working Group shall have the administrative,
21 technical, and legal assistance of the Agency of Education, the Office of

1 Legislative Counsel, the Joint Fiscal Office, and the Office of Legislative
2 Operations.

3 (e) Report. On or before December 15, 2024, the Working Group shall
4 submit a written report to House and Senate Committees on Education with its
5 proposed plan for a statewide school construction aid program, which shall
6 include recommendations for each topic included in subsection (c). The report
7 shall also include recommendations for legislative action.

8 (f) Meetings.

9 (1) The Office of Legislative Counsel shall call the first meeting of the
10 Working Group to occur on or before July 15, 2024.

11 (2) The Working Group shall select co-chairs from among its members
12 at the first meeting, one a member of the House and the other a member from
13 the Senate.

14 (3) A majority of the membership shall constitute a quorum.

15 (4) The Working Group shall cease to exist on December 31, 2024.

16 (g) Compensation and reimbursement. For attendance at meetings during
17 adjournment of the General Assembly, members of the Study Committee shall
18 be entitled to per diem compensation and reimbursement of expenses pursuant
19 to 2 V.S.A. § 23 for not more than 10 meetings. These payments shall be
20 made from monies appropriated to the General Assembly.

1 Sec. 5. APPROPRIATION; STATE AID FOR SCHOOL CONSTRUCTION

2 WORKING GROUP

3 The sum of \$5,000.00 is appropriated from the General Fund to the General
4 Assembly in fiscal year 2025 for the purpose of funding travel by the State Aid
5 for School Construction Working Group pursuant to Sec. 4, subsection (c).

6 Sec. 6. REVENUE SOURCES

7 On or before December 1, 2024, the Joint Fiscal Office shall model
8 potential sources of funding to sustainably support a school construction aid
9 program. Modeling shall be performed at the direction of the chairs of the
10 House Committee on Ways and Means, the House Committee on
11 Appropriations, the Senate Committee on Finance, and the Senate Committee
12 on Appropriations, and in consultation with the chairs of the House and Senate
13 Committees on Education.

14 Sec. 7. PCB TESTING PAUSE

15 (a) Notwithstanding subsection (b) of this section, if a school is required to
16 test for the presence of polychlorinated biphenyls (PCBs) pursuant to 2021
17 Acts and Resolves No. 74, Sec. E.709.1, the Agency of Natural Resources
18 (ANR) shall conduct the testing or pay for testing conducted by the school.

19 (b) In order to better incorporate PCBs testing into long- range school
20 construction planning, testing for PCBs in schools shall cease according to the
21 following terms:

1 (1) Notwithstanding the requirements and authority under 2021 Acts and
2 Resolves No. 74, Sec. E.709.1 for ANR to test the indoor air quality of schools
3 for PCBs, ANR shall not initiate testing for PCBs at any school in the State
4 after the effective date of this act.

5 (2) If ANR has initiated on-site testing for PCBs in indoor air quality of
6 a school prior to the effective date of this act, the Agency shall complete the
7 testing. If ANR has only approved a workplan or cost estimate to conduct an
8 inventory or testing at a school but no on-site testing has been conducted, ANR
9 shall not conduct on-site testing at that school under the authority set forth in
10 this subdivision.

11 (3) At the end of fiscal year 2024, any funds remaining from the
12 appropriation to the Agency of Natural Resources in 2021 Acts and Resolves
13 No. 74, Sec. E.709.1 for PCBs testing of schools shall revert to the Education
14 Fund to be held in reserve for future school construction needs.

15 (4) Pursuant to the nonappropriations clause in the standard terms and
16 conditions of State contracts required by Administrative Bulletin 3.5, ANR
17 shall, at the end of fiscal year 2024, cancel any contracted services for PCBs
18 testing of indoor air quality of schools scheduled to be initiated after the
19 effective date of this act.

20 Sec. 8. EFFECTIVE DATE

21 This act shall take effect on July 1, 2024.