

1 Sec. 1. 16 V.S.A. § 3442 is added to read:

2 § 3442. STATE AID FOR CAPITAL CONSTRUCTION PROGRAM

3 The Agency of Education shall be responsible for implementing the State
4 Aid for Capital Construction Program according to the provisions of this
5 chapter. The Agency shall be responsible for:

6 (1) reviewing all preliminary applications for State school construction
7 aid and issuing an approval or denial in accordance with section 3445 of this
8 chapter;

9 (2) adopting rules pursuant to 3 V.S.A. chapter 25 pertaining to school
10 construction and capital outlay, provided that the Agency shall commence the
11 formal rulemaking process for a proposed rule only once the State Aid for
12 Capital School Construction Board has approved the proposed rule;

13 (3) developing a prequalification and review process for project delivery
14 consultants and architecture and engineering firms specializing in kindergarten
15 through grade 12 school design, renovation, and construction and maintaining
16 a list of such prequalified firms and consultants;

17 (4) providing technical assistance and guidance to school districts and
18 supervisory unions on all phases of school capital projects;

19 (5) providing technical advice and assistance, training, and education to
20 school districts, supervisory unions, general contractors, subcontractors,

1 construction or project managers, designers, and other vendors in the planning,
2 maintenance, and establishment of school facility space;

3 (6) maintaining a current list of school construction projects that have
4 received preliminary approval, projects that have received final approval, and
5 the priority points awarded to each project;

6 (7) collecting and maintaining readily available data on all public school
7 facilities in the State, including capital needs and a list of facilities targeted for
8 closure];

9 (8) collecting, maintaining, and making publicly available quarterly
10 progress reports of all ongoing school construction projects that shall include,
11 at a minimum, the costs of the project and the time schedule of the project;

12 (9) recommending policies and procedures designed to reduce
13 borrowing for school construction programs at both State and local levels;

14 (10) conducting a needs survey at least every five years to ascertain the
15 capital construction, reconstruction, maintenance, and other capital needs for
16 all public schools;

17 (11) developing a formal enrollment projection model or using
18 projection models already available;

19 (12) encouraging school districts and supervisory unions to investigate
20 opportunities for the maximum utilization of space in and around the district or
21 supervisory union;

1 (13) collecting and maintaining a clearinghouse of prototypical school
2 plans that may be consulted by eligible applicants;

3 (14) retaining the services of consultants, as necessary, to effectuate the
4 roles and responsibilities listed within this section; and

5 (15) notwithstanding 2 V.S.A. § 20(d), annually on or before December
6 15, submitting a written report to the General Assembly regarding the status
7 and implementation of the State Aid for Capital Construction Program,
8 including the data required to be collected pursuant to this section.

9 Sec. 2. 16 V.S.A. § 3443 is added to read:

10 § 3443. STATE AID FOR CAPITAL SCHOOL CONSTRUCTION BOARD

11 (a) Creation. There is hereby created the State Aid for Capital School
12 Construction Board, which shall review and preliminarily approve or deny
13 Agency rules for school construction and capital outlay and advise the Agency
14 on the implementation of the State Aid for Capital Construction Program in
15 accordance with the provisions of this chapter, including the setting of
16 statewide priorities, criteria for project approval, and recommendations for
17 project approval and prioritization.

18 (b) Membership.

19 (1) Composition. The Board shall be composed of the following eight
20 members:

21 (A) four members who shall serve as ex officio members:

1 (i) the State Treasurer or designee;

2 (ii) the Commissioner of Buildings and General Services or
3 designee;

4 (iii) the Executive Director of the Vermont Bond Bank or
5 designee; and

6 (iv) the Chair of the State Board of Education or designee; and

7 (B) four members of the general public who shall serve four-year
8 terms as follows:

9 (i) two members, appointed by the Speaker of the House, each of
10 whom shall have expertise in education or construction, real estate, or finance
11 and one of whom shall represent a supervisory union; and

12 (ii) two members, appointed by the Committee on Committees,
13 each of whom shall have expertise in education or construction, real estate, or
14 finance and one of whom shall be an educator.

15 (2) Members with four-year terms.

16 (A) A member with a term limit shall serve a term of four years and
17 until a successor is appointed. A term shall begin on January 1 of the year of
18 appointment and run through December 31 of the last year of the term. Terms
19 of these members shall be staggered so that not all terms expire at the same
20 time.

1 (B) A vacancy created before the expiration of a term shall be filled
2 in the same manner as the original appointment for the unexpired portion of the
3 term.

4 (C) A member with a term limit shall not serve more than two
5 consecutive terms. A member appointed to fill a vacancy created before the
6 expiration of a term shall not be deemed to have served a term for the purpose
7 of this subdivision (C).

8 (c) Duties.

9 (1) The Board shall review and approve or deny any proposed rule
10 submitted by the Agency to the Board and shall provide a written response to
11 the Agency explaining its reason or reasons for any denial.

12 (2) The Board shall advise the Agency on the implementation of the
13 State Aid for Capital Construction Program in accordance with the provisions
14 of this chapter, including:

15 (A) project priorities;

16 (B) proposed legislation the Board deems desirable or necessary
17 related to the State Aid for Capital Construction Program, the provisions of
18 this chapter, and any related laws;

19 (C) policies and procedures designed to reduce borrowing for school
20 construction programs at both State and local levels;

1 (D) development of a formal enrollment projection model or the
2 consideration of using projection models already available;

3 (E) processes and procedures necessary to apply for, receive,
4 administer, and comply with the conditions and requirements of any grant, gift,
5 appropriation of property, services, or monies;

6 (F) the collection and maintenance of a clearinghouse of prototypical
7 school plans that may be consulted by eligible applicants and recommended
8 incentives to utilize such prototypes;

9 (G) the determination of eligible cost components of projects for
10 funding or reimbursement, including partial or full eligibility for project
11 components for which the benefit is shared between the school and other
12 municipal and community entities;

13 (H) development of a long-term vision for a statewide capital plan in
14 accordance with needs and projected funding;

15 (I) collection and maintenance of data on all public school facilities
16 in the State, including information on size, usage, enrollment, available facility
17 space, and maintenance;

18 (J) advising districts on the use of a needs survey to ascertain the
19 capital construction, reconstruction, maintenance, and other capital needs for
20 schools across the State; and

1 (K) encouraging school districts and supervisory unions to
2 investigate opportunities for the maximum utilization of space in and around
3 the district or supervisory union.

4 (d) Meetings.

5 (1) The State Treasurer shall call the first meeting of the Board to occur
6 on or before August 15, 2025.

7 (2) The Board shall select a chair from among its members.

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

9 (4) The Board shall meet not more than six times per year.

10 (e) Assistance. The Board shall have the administrative, technical, and
11 legal assistance of the Agency of Education.

12 (f) Compensation and reimbursement. Members of the Board shall be
13 entitled to per diem compensation and reimbursement of expenses as permitted
14 under 32 V.S.A. § 1010 for not more than six meetings per year.

15 Sec. 3. 16 V.S.A. § 3444 is added to read:

16 § 3444. SCHOOL CONSTRUCTION AID SPECIAL FUND

17 (a) Creation. There is created the School Construction Aid Special Fund,
18 to be administered by the Agency of Education. Monies in the Fund shall be
19 used for the purpose of providing State school construction aid as prescribed in
20 this chapter.

21 (b) Funds. The Fund shall consist of:

1 (1) any amounts transferred or appropriated to it by the General
2 Assembly; and

3 (2) any interest earned by the Fund.

4 Sec. 4. 16 V.S.A. § 3445 is added to read:

5 § 3445. APPROVAL AND FUNDING OF SCHOOL CONSTRUCTION
6 PROJECTS

7 (a) Construction aid.

8 (1) Preliminary application for construction aid. A school district
9 eligible for assistance under section 3447 of this title that intends to construct
10 or purchase a new school, or make extensive additions or alterations to its
11 existing school, and desires to avail itself of State school construction aid shall
12 submit a written preliminary application to the Secretary. A preliminary
13 application shall include information required by the Agency by rule and shall
14 specify the need for and purpose of the project.

15 (2) Approval of preliminary application.

16 (A) When reviewing a preliminary application for approval, the
17 Secretary shall consider:

18 (i) regional educational opportunities and needs, including school
19 building capacities across school district boundaries, and available
20 infrastructure in neighboring communities;

21 (ii) economic efficiencies;

1 (iii) the suitability of an existing school building to continue to
2 meet educational needs; and

3 (iv) statewide educational initiatives and the strategic plan of the
4 State Board of Education.

5 (B) The Secretary may approve a preliminary application if:

6 (i) the project or part of the project fulfills a need occasioned by:

7 (I) conditions that threaten the health or safety of students or
8 employees;

9 (II) facilities that are inadequate to provide programs required
10 by State or federal law or regulation;

11 (III) excessive energy use resulting from the design of a
12 building or reliance on fossil fuels or electric space heat; or

13 (IV) deterioration of an existing building;

14 (ii) the need addressed by the project cannot reasonably be met by
15 another means;

16 (iii) the proposed type, kind, quality, size, and estimated cost of
17 the project are suitable for the proposed curriculum and meet all legal
18 standards;

19 (iv) the applicant achieves the level of “proficiency” in the school
20 district quality standards regarding facilities management adopted by rule by
21 the Agency; and

1 (v) the applicant has completed a facilities master planning
2 process that:
3 (I) engages robust community involvement;
4 (II) considers regional solutions;
5 (III) evaluates environmental contaminants; and
6 (IV) produces a facilities master plan that unites the applicant’s
7 vision statement, educational needs, enrollment projections, renovation needs,
8 and construction projects.

9 (3) Priorities. Following approval of a preliminary application and
10 provided that the district has voted funds or authorized a bond for the total
11 estimated cost of a project, the Agency, with the advice of the State Aid for
12 Capital School Construction Board, shall assign points to the project as
13 prescribed by rule of the Agency so that the project can be placed on a priority
14 list based on the number of points received. Once a project receives points, if
15 it does not receive funding in a given year, it shall not lose points in
16 subsequent years and, pursuant to rule of the Agency and provided the scope of
17 the project remains the same, it shall gain points due to length of time on the
18 list and may gain points for any other reason.

19 (4) Request for legislative appropriation.

20 (5) Final approval for construction aid.

21 (6) Award of construction aid.

- 1 (7) Eligible construction cost.
- 2 (8) Payment.
- 3 (b) Refund upon sale.
- 4 (c) Repayment as a condition of general aid.
- 5 (d) Emergency aid.
- 6 (e) Rules.
- 7 (f) Aid in excess of statutory percentages.

8 Sec. 5. 16 V.S.A. § 3446 is added to read:

9 § 3446. APPEAL

10 Any municipal corporation as defined in section 3447 of this title aggrieved
11 by an order, allocation, or award of the Agency of Education may, within 30
12 days, appeal to the Superior Court in the county in which the project is located.