To: House and Senate Committees on Education (other committees TBD)

From: The State Aid for School Construction Working Group

Act 149 of 2024 created the State Aid for School Construction Working Group to examine, make recommendations and propose legislation for a statewide school construction aid program. The Working Group met monthly from July to December and has created a draft bill for committees of jurisdiction to consider and refine.

The Working Group relied heavily on the prior work of the The School Construction Taskforce report (submitted to the legislature pursuant to Act 78 of 2023), guidance from the Agency of Education and technical support from the Joint Fiscal Office and Legislative Counsel.

We are pleased to have a bill ready for introduction in 2025 but want to make note of several items the Working Group could not resolve and/or may need more refinement through committee work.

Unresolved questions and issues:

Look-back (or "Grandfathering") Provisions: There needs to be a clear decision on whether projects approved and started before the bill's enactment or the program's operational start will be eligible for any support.

21st Century Standards for School Facilities: It's important for committees of jurisdiction to seek expert testimony on what constitutes 21st century standards for school facilities. This is distinct from standards for student learning, as it focuses on the physical environment necessary for modern education (such as "swing space"), technology integration, sustainability, safety, and accessibility.

Emergency Facilities Funding: There's a concern that the current eligibility for emergency facilities funding is too restrictive, especially when issues arise that impact daily learning or prevent a school from operating. The AOE (Agency of Education) has raised concerns that the current thresholds may not adequately address real, urgent needs and the distinction of what is caused by "deferred maintenance" can be hard to make.

Excess Spending Threshold Exemptions: The threshold for excess spending needs further examination. While it may be functioning as intended, the impact of this threshold can be financially painful for some districts

Largest Points of Discussion and Areas for Refinement:

Budget Request from AOE and Capacity for Implementation:

- The AOE will need clear budgetary support from the General Assembly, based on the Administration's budget proposal, to ensure it has the necessary resources and staff capacity to effectively administer the program.
- The estimated need is for 3 full-time equivalents (FTEs), which should be carefully scrutinized to ensure AOE can fulfill the program's goals efficiently.

Advisory Council's Role and Purpose:

- The Working Group found it necessary for the Advisory Council to serve as a
 counterbalance to the AOE but the construct of an Advisory Council needs more
 discussion to better articulate its role. The committees should explore whether the
 Advisory Council needs more authority, potentially including enforcement powers or
 formal advisory responsibilities.
- Some members of the Working Group felt it is important to get further testimony on shifting the facilities oversight role away from the State Board of Education (the Chair and Vice Chair testified on 11/12/24 that they lacked capacity and generally supported the concept of an Advisory Council).
- Finally, the Working Group did not reach a final consensus as to whether legislators should be eligible to serve on the Advisory Council.

Further Definition of Priorities and Bonus Incentives:

- The Working Group had extensive material to consider in setting priorities and bonus incentives, including the work of the prior School Construction Taskforce, extensive testimony from the Director of the Rhode Island School Building Authority during the 2024 session and initial suggestions on a Vermont framework of incentive categories from the Agency of Education.
- Ultimately, we did not define the bonus incentives per se. In practicality, the power of bonus incentives depends greatly on the funds available for school facilities. We intentionally created a Special Fund so that school facilities work has its own "bucket" for funding. The need is extraordinary while the budgetary challenges are equally great and we realize this will be part of larger budget discussions in the upcoming session. The Working Group tried to make our intent clear through the purpose section of the bill and in the process of approving any application that regionalization, economic efficiency and long term strategic planning must drive future investment in facilities.

Finally, there were many organizations and stakeholders listed for consultation in the enabling legislation that we intended to get written feedback from during our work. Given how limited our time was and that we worked to produce a draft bill, we were not able to accomplish this. It will be very important for the committees of jurisdiction to get this feedback as the bill is considered.

We appreciate your consideration and look forward to further testimony and extensive discussion in the upcoming legislative session.

Sincerely,

Rep. Erin Brady, Co-Chair of the Working Group

Senator Martine Gulick, Co-Chair of the Working Group