

1 Sec. 1. 16 V.S.A. § 3445(a)(6) is amended to read:

2 (6) Award of construction aid.

3 (A) ~~The base amount of an award shall be 20~~ A school district that  
4 receives final approval for construction aid shall be eligible to receive  
5 construction aid of 100 percent of the eligible debt service cost of a the  
6 approved project. ~~Projects are eligible for additional bonus incentives as~~  
7 ~~specified in rule for up to an additional 20 percent of the eligible debt service~~  
8 ~~cost. Amounts~~

9 (B) A school district that has outstanding capital debt as of December  
10 31, 2025, shall be eligible to receive construction aid of 100 percent of the debt  
11 service cost of the district's outstanding capital debt.

12 (C) Construction aid shall be awarded annually for annual debt  
13 service costs up to a maximum total annual amount of \$XX,000 and are is  
14 subject to an annual appropriation for the purposes of the program.

15 ~~(B)~~(D) As used in subdivision (A) of this subdivision (6), “eligible  
16 debt service cost” of a project means the product of the lifetime cost of the  
17 bond authorized for the project and the ratio of the approved cost of a the  
18 project to the total cost of the project.

19 Sec. 2. REPEAL

20 16 V.S.A. § 3454 (deferred maintenance) is repealed.

21 Sec. 3. EFFECTIVE DATE

1      This act shall take effect on July 1, 2026.

DRAFT