

# Union Calendar No. 467

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 604

**[Report No. 117-607, Part I]**

To provide for the long-term improvement of public school facilities, and  
for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2021

Mr. SCOTT of Virginia (for himself, Mr. NORCROSS, Ms. ADAMS, Mr. AGUILAR, Mr. AUCHINCLOSS, Mrs. AXNE, Ms. BARRAGÁN, Ms. BASS, Mrs. BEATTY, Mr. BEYER, Mr. BISHOP of Georgia, Mr. BLUMENAUER, Ms. BLUNT ROCHESTER, Ms. BONAMICI, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. BROWN of Maryland, Ms. BROWNLEY, Mr. BUTTERFIELD, Mr. CARBAJAL, Mr. CÁRDENAS, Mr. CARSON, Mr. CASTEN, Ms. CASTOR of Florida, Mr. CASTRO of Texas, Ms. CHU, Mr. CICILLINE, Ms. CLARK of Massachusetts, Ms. CLARKE of New York, Mr. CLEAVER, Mr. CONNOLLY, Mr. COURTNEY, Ms. CRAIG, Mr. CROW, Mr. CUELLAR, Mr. DANNY K. DAVIS of Illinois, Ms. DEAN, Mr. DEFazio, Ms. DEGETTE, Mr. DELGADO, Mrs. DEMINGS, Mr. DESAULNIER, Mr. MICHAEL F. DOYLE of Pennsylvania, Ms. ESCOBAR, Ms. ESHOO, Mr. ESPAILLAT, Mr. EVANS, Mr. FOSTER, Ms. LOIS FRANKEL of Florida, Mr. GALLEGO, Mr. GARAMENDI, Ms. GARCIA of Texas, Mr. GARCÍA of Illinois, Mr. GOMEZ, Mr. GRIJALVA, Mr. HASTINGS, Mrs. HAYES, Mr. HORSFORD, Ms. HOULAHAN, Mr. HUFFMAN, Ms. JACKSON LEE, Ms. JACOBS of California, Mr. JOHNSON of Georgia, Mr. JONES, Ms. KAPTUR, Ms. KELLY of Illinois, Mr. KHANNA, Mr. KILDEE, Mr. KILMER, Mr. KIM of New Jersey, Mrs. KIRKPATRICK, Mr. KRISHNAMOORTHY, Ms. KUSTER, Mr. LAMB, Mr. LANGEVIN, Mrs. LAWRENCE, Mr. LAWSON of Florida, Ms. LEE of California, Mrs. LEE of Nevada, Mr. LEVIN of Michigan, Mr. LEVIN of California, Mr. LIEU, Ms. LOFGREN, Mr. SEAN PATRICK MALONEY of New York, Mrs. MCBATH, Mr. MCEACHIN, Mr. MCGOVERN, Mr. MCNERNEY, Ms. MENG, Ms. MOORE of Wisconsin, Mr. MORELLE, Mr. NADLER, Mrs. NAPOLITANO, Mr. NEGUSE, Ms. NORTON, Mr. O'HALLERAN, Ms. OMAR, Mr. PANETTA, Mr. PASCRELL, Mr. PAYNE, Ms. PINGREE, Mr. POCAN, Ms. PORTER, Ms. PRESSLEY, Mr. PRICE of North Carolina, Mr. RASKIN, Miss RICE of New York, Ms. ROSS, Ms. ROYBAL-

ALLARD, Mr. RUPPERSBERGER, Mr. RYAN of Ohio, Mr. SABLAN, Ms. SÁNCHEZ, Mr. SAN NICOLAS, Mr. SARBANES, Ms. SCANLON, Ms. SCHAKOWSKY, Ms. SCHRIER, Mr. DAVID SCOTT of Georgia, Ms. SEWELL, Mr. SHERMAN, Mr. SIRES, Mr. SMITH of Washington, Mr. SOTO, Ms. SPANBERGER, Ms. STEVENS, Mr. SUOZZI, Mr. SWALWELL, Mr. TAKANO, Mr. THOMPSON of Mississippi, Mr. THOMPSON of California, Ms. TITUS, Ms. TLAIB, Mr. TONKO, Mrs. TRAHAN, Mr. TRONE, Mr. VARGAS, Mr. VEASEY, Mr. VELA, Ms. VELÁZQUEZ, Ms. WASSERMAN SCHULTZ, Mr. WELCH, Ms. WEXTON, Ms. WILD, Ms. WILLIAMS of Georgia, Ms. WILSON of Florida, and Mrs. LURIA) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

DECEMBER 7, 2022

Reported from the Committee on Education and Labor with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

DECEMBER 7, 2022

Referral to the Committee on Ways and Means extended for a period ending not later than December 15, 2022

DECEMBER 16, 2022

Additional sponsors: Mr. MRVAN, Ms. LEGER FERNANDEZ, Mr. BOWMAN, Ms. PLASKETT, Mr. ALLRED, Mr. QUIGLEY, Mr. CARTWRIGHT, Ms. DELBENE, Mr. RUSH, Ms. JAYAPAL, Mr. PERLMUTTER, Mr. MOULTON, Mr. YARMUTH, Ms. MANNING, Ms. SHERRILL, Mr. HIMES, Ms. STRICKLAND, Ms. BUSH, Mr. BACON, Ms. MCCOLLUM, Mrs. MURPHY of Florida, Ms. WATERS, Mr. PALLONE, Mr. KEATING, Mrs. DINGELL, Mrs. CAROLYN B. MALONEY of New York, Ms. NEWMAN, Mr. LARSEN of Washington, Mrs. CHERFILUS-MCCORMICK, Mr. LARSON of Connecticut, and Mr. MFUME

DECEMBER 16, 2022

Committee on Ways and Means discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on January 28, 2021]

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## A BILL

To provide for the long-term improvement of public school facilities, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4        (a) *SHORT TITLE.*—*This Act may be cited as the “Re-*  
 5 *build America’s Schools Act of 2022”.*

6        (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 7 *this Act is as follows:*

*Sec. 1. Short title; table of contents.*

*Sec. 2. Definitions.*

**TITLE I—GRANTS FOR THE LONG-TERM IMPROVEMENT OF PUBLIC  
SCHOOL FACILITIES**

*Sec. 101. Purpose and reservation.*

*Sec. 102. Allocation to states.*

*Sec. 103. Need-based grants to qualified local educational agencies.*

*Sec. 104. Annual report on grant program.*

*Sec. 105. Authorization of appropriations.*

**TITLE II—SCHOOL INFRASTRUCTURE BONDS**

*Sec. 201. Restoration of certain qualified tax credit bonds.*

*Sec. 202. School infrastructure bonds.*

*Sec. 203. Annual report on bond program.*

**TITLE III—USES OF FUNDS**

*Sec. 301. Allowable uses of funds.*

*Sec. 302. Prohibited uses.*

*Sec. 303. Requirements for hazard-resistance and energy and water conservation.*

*Sec. 304. Green practices.*

*Sec. 305. Use of american iron, steel, and manufactured products.*

**TITLE IV—REPORTS AND OTHER MATTERS**

*Sec. 401. Comptroller general report.*

*Sec. 402. Study and report on physical condition of public schools.*

*Sec. 403. Office of School Infrastructure and Sustainability.*

*Sec. 404. Development of data standards.*

*Sec. 405. Information clearinghouse.*

*Sec. 406. Sense of congress on opportunity zones.*

**TITLE V—IMPACT AID CONSTRUCTION**

*Sec. 501. Temporary increase in funding for impact aid construction.*

**TITLE VI—ASSISTANCE FOR REPAIR OF SCHOOL FOUNDATIONS  
AFFECTED BY PYRRHOTITE**

*Sec. 601. Allocations to States.*

*Sec. 602. Grants to local educational agencies.*

*Sec. 603. Definitions.*

*Sec. 604. Authorization of appropriations.*

1 **SEC. 2. DEFINITIONS.**

2 *In this Act:*

3 (1) *APPROPRIATE CONGRESSIONAL COMMIT-*  
4 *TEES.—The term “appropriate congressional commit-*  
5 *tees” means the Committee on Education and Labor*  
6 *of the House of Representatives and the Committee on*  
7 *Health, Education, Labor and Pensions of the Senate.*

8 (2) *BUREAU-FUNDED SCHOOL.—The term “Bu-*  
9 *reau-funded school” has the meaning given that term*  
10 *in section 1141 of the Education Amendments of 1978*  
11 *(25 U.S.C. 2021).*

12 (3) *COVERED FUNDS.—The term “covered funds”*  
13 *means funds received—*

14 (A) *under title I of this Act;*

15 (B) *from a school infrastructure bond; or*

16 (C) *from a qualified zone academy bond (as*  
17 *such term is defined in section 54E of the Inter-*  
18 *nal Revenue Code of 1986 (as restored by section*  
19 *201)).*

20 (4) *ESEA TERMS.—The terms “elementary*  
21 *school”, “outlying area”, and “secondary school” have*  
22 *the meanings given those terms in section 8101 of the*  
23 *Elementary and Secondary Education Act of 1965*  
24 *(20 U.S.C. 7801).*

1           (5) *LOCAL EDUCATIONAL AGENCY.*—*The term*  
2           *“local educational agency” has the meaning given*  
3           *that term in section 8101 of the Elementary and Sec-*  
4           *ondary Education Act of 1965 (20 U.S.C. 7801) ex-*  
5           *cept that such term does not include a Bureau-funded*  
6           *school.*

7           (6) *PUBLIC SCHOOL FACILITIES.*—*The term*  
8           *“public school facilities” means the facilities and*  
9           *grounds of a public elementary school or a public sec-*  
10          *ondary school.*

11          (7) *QUALIFIED LOCAL EDUCATIONAL AGENCY.*—  
12          *The term “qualified local educational agency” means*  
13          *a local educational agency that receives funds under*  
14          *part A of title I of the Elementary and Secondary*  
15          *Education Act of 1965 (20 U.S.C. 6311 et seq.).*

16          (8) *SCHOOL INFRASTRUCTURE BOND.*—*The term*  
17          *“school infrastructure bond” has the meaning given*  
18          *such term in section 54BB of the Internal Revenue*  
19          *Code of 1986 (as added by section 202).*

20          (9) *SECRETARY.*—*The term “Secretary” means*  
21          *the Secretary of Education.*

22          (10) *STATE.*—*The term “State” means each of*  
23          *the 50 States, the District of Columbia, and the Com-*  
24          *monwealth of Puerto Rico.*

1           (11) *NET ZERO ENERGY SCHOOL.*—*The term*  
 2           “*net zero energy school*” *means a public elementary*  
 3           *school or public secondary school that—*

4                     (A) *generates renewable energy on-site; and*

5                     (B) *on an annual basis, exports an amount*  
 6           *of such renewable energy that equals or exceeds*  
 7           *the total amount of renewable energy that is de-*  
 8           *livered to the school from outside sources.*

9           ***TITLE I—GRANTS FOR THE***  
 10           ***LONG-TERM IMPROVEMENT***  
 11           ***OF PUBLIC SCHOOL FACILI-***  
 12           ***TIES***

13           ***SEC. 101. PURPOSE AND RESERVATION.***

14           (a) *PURPOSE.*—*Funds made available under this title*  
 15           *shall be for the purpose of supporting long-term improve-*  
 16           *ments to public school facilities in accordance with this Act.*

17           (b) *RESERVATION FOR OUTLYING AREAS AND BU-*  
 18           *REAU-FUNDED SCHOOLS.*—

19                     (1) *IN GENERAL.*—*For each of fiscal years 2023*  
 20           *through 2027, the Secretary shall reserve, from the*  
 21           *amount appropriated to carry out this title—*

22                     (A) *one-half of 1 percent, to make alloca-*  
 23           *tions to the outlying areas in accordance with*  
 24           *paragraph (3); and*

1           (B) one-half of 1 percent, for payments to  
2           the Secretary of the Interior to provide assist-  
3           ance to Bureau-funded schools.

4           (2) *USE OF RESERVED FUNDS.*—

5           (A) *IN GENERAL.*—Funds reserved under  
6           paragraph (1) shall be used in accordance with  
7           title III.

8           (B) *SPECIAL RULES FOR BUREAU-FUNDED*  
9           *SCHOOLS.*—

10           (i) *APPLICABILITY.*—The provisions of  
11           title III shall apply to a Bureau-funded  
12           school that receives assistance under para-  
13           graph (1)(B) in the same manner that such  
14           provisions apply to a qualified local edu-  
15           cational agency that receives covered funds.  
16           The facilities of a Bureau-funded school  
17           shall be treated as public school facilities for  
18           purposes of the application of such provi-  
19           sions.

20           (ii) *TREATMENT OF TRIBALLY OPER-*  
21           *ATED SCHOOLS.*—The Secretary of the Inte-  
22           rior shall provide assistance to Bureau-  
23           funded schools under paragraph (1)(B)  
24           without regard to whether such schools are  
25           operated by the Bureau of Indian Edu-

1            *cation or by an Indian Tribe. In the case*  
2            *of a Bureau-funded school that is a contract*  
3            *or grant school (as that term is defined in*  
4            *section 1141 of the Education Amendments*  
5            *of 1978 (25 U.S.C. 2021)) operated by an*  
6            *Indian Tribe, the Secretary of the Interior*  
7            *shall provide assistance under such para-*  
8            *graph to the Indian Tribe concerned.*

9            (3) *ALLOCATION TO OUTLYING AREAS.—From*  
10          *the amount reserved under paragraph (1)(A) for a fis-*  
11          *cal year, the Secretary shall allocate to each outlying*  
12          *area an amount in proportion to the amount received*  
13          *by the outlying area under part A of title I of the El-*  
14          *ementary and Secondary Education Act of 1965 (20*  
15          *U.S.C. 6311 et seq.) for the previous fiscal year rel-*  
16          *ative to the total such amount received by all outlying*  
17          *areas for such previous fiscal year.*

18 **SEC. 102. ALLOCATION TO STATES.**

19          (a) *ALLOCATION TO STATES.—*

20                  (1) *STATE-BY-STATE ALLOCATION.—*

21                          (A) *FISCAL YEAR 2023.—Of the amount ap-*  
22                          *propriated to carry out this title for fiscal year*  
23                          *2023 and not reserved under section 101(b), not*  
24                          *later than 30 days after such funds are appro-*  
25                          *priated, each State that provides an assurance to*



1           *the Secretary that the State will comply with the*  
2           *requirements of section 103(c) shall be allocated*  
3           *an amount in proportion to the amount received*  
4           *by all local educational agencies in the State*  
5           *under part A of title I of the Elementary and*  
6           *Secondary Education Act of 1965 (20 U.S.C.*  
7           *6311 et seq.) for the previous fiscal year relative*  
8           *to the total amount received under such part for*  
9           *such fiscal year by all local educational agencies*  
10          *in every State that provides such an assurance*  
11          *to the Secretary.*

12            (B) *OTHER FISCAL YEARS.*—*Of the amount*  
13            *appropriated to carry out this title for each fis-*  
14            *cal year other than fiscal year 2023 and not re-*  
15            *served under section 101(b), each State that has*  
16            *a plan approved by the Secretary under sub-*  
17            *section (b) shall be allocated an amount in pro-*  
18            *portion to the amount received by all local edu-*  
19            *cational agencies in the State under part A of*  
20            *title I of the Elementary and Secondary Edu-*  
21            *cation Act of 1965 (20 U.S.C. 6311 et seq.) for*  
22            *the previous fiscal year relative to the total*  
23            *amount received under such part for such fiscal*  
24            *year by all local educational agencies in every*

1           *State that has a plan approved by the Secretary*  
2           *under subsection (b).*

3           (2) *STATE RESERVATION.*—*A State may reserve*  
4           *not more than 5 percent of its allocation under para-*  
5           *graph (1) to carry out its responsibilities under this*  
6           *Act, which shall include—*

7                   (A) *providing technical assistance to local*  
8                   *educational agencies, including by—*

9                           (i) *identifying which State agencies*  
10                           *have programs, resources, and expertise rel-*  
11                           *evant to the activities supported by the allo-*  
12                           *cation under this section; and*

13                           (ii) *coordinating the provision of tech-*  
14                           *nical assistance across such agencies;*

15                   (B) *in accordance with the guidance issued*  
16                   *by the Secretary under section 404, developing*  
17                   *an online, publicly searchable database that con-*  
18                   *tains an inventory of the infrastructure of all*  
19                   *public school facilities in the State (including*  
20                   *the facilities of Bureau-funded schools, as appro-*  
21                   *priate), including, with respect to each such fa-*  
22                   *cility, an identification of—*

23                           (i) *the information described in clauses*

24                           (i) *through (vii) of subparagraph (F);*

1                   (ii) the age (including an identifica-  
2                   tion of the date of any retrofits or recent  
3                   renovations) of—

4                               (I) the facility;

5                               (II) its roof;

6                               (III) its electrical panels and  
7                   lighting system;

8                               (IV) its windows and any sky-  
9                   lights;

10                              (V) its cooking equipment and  
11                   major appliances;

12                              (VI) its plumbing; and

13                              (VII) its heating, ventilation, and  
14                   air conditioning system, including any  
15                   energy management controls and sys-  
16                   tems;

17                              (iii) fire safety inspection results;

18                              (iv) the proximity of the facilities to  
19                   toxic sites, including sites contaminated by  
20                   per- and polyfluoroalkyl substances, or the  
21                   vulnerability of the facilities to natural dis-  
22                   asters, including the extent to which facili-  
23                   ties that are vulnerable to seismic natural  
24                   disasters are seismically retrofitted;

1           (v) any previous inspections showing  
2           the presence of toxic substances, including  
3           per- and polyfluoroalkyl substances;

4           (vi) any improvements that are needed  
5           to support indoor and outdoor social  
6           distancing, personal hygiene, and building  
7           hygiene (including with respect to heating,  
8           ventilation, and air conditioning usage) in  
9           school facilities, consistent with guidance  
10          issued by the Centers for Disease Control  
11          and Prevention; and

12          (vii) any improvements that are need-  
13          ed to support energy and water efficiency,  
14          resilience, and climate mitigation;

15          (C) updating the database developed under  
16          subparagraph (B) not less frequently than once  
17          every 3 years;

18          (D) ensuring that the information in the  
19          database developed under subparagraph (B)—

20                 (i) is posted on a publicly accessible  
21                 State website; and

22                 (ii) is regularly distributed to local  
23                 educational agencies and Tribal govern-  
24                 ments in the State;

1           (E) issuing and reviewing regulations to  
2 ensure the health and safety of students and staff  
3 during construction or renovation projects;

4           (F) issuing or reviewing regulations to en-  
5 sure safe, healthy, and high-performing school  
6 buildings, including regulations governing—

7                 (i) indoor environmental quality and  
8 ventilation, including exposure to carbon  
9 monoxide, carbon dioxide, lead-based paint,  
10 and other combustion by-products such as  
11 oxides of nitrogen;

12                 (ii) mold, mildew, and moisture con-  
13 trol;

14                 (iii) the safety of drinking water at the  
15 tap and water used for meal preparation,  
16 including regulations that—

17                         (I) address the presence of lead  
18 and other contaminants, including per-  
19 and polyfluoroalkyl substances, in such  
20 water; and

21                         (II) require the regular testing of  
22 the potability of water at the tap and  
23 testing for contaminants, including  
24 per- and polyfluoroalkyl substances;

25                         (iv) energy and water efficiency;

1                   (v) *excessive classroom noise due to ac-*  
2                   *tivities allowable under section 301;*

3                   (vi) *the levels of maintenance work,*  
4                   *operational spending, and capital invest-*  
5                   *ment needed to maintain the quality of*  
6                   *public school facilities; and*

7                   (vii) *the construction or renovation of*  
8                   *such facilities, including applicable build-*  
9                   *ing codes;*

10                  (G) *creating a plan to reduce or eliminate*  
11                  *exposure to toxic substances, including mercury,*  
12                  *radon, PCBs, lead, vapor intrusions, per- and*  
13                  *polyfluoroalkyl substances, and asbestos; and*

14                  (H) *creating a plan to increase the number*  
15                  *of net zero energy schools in the State, including*  
16                  *professional development opportunities for State*  
17                  *and local educational agency staff involved in*  
18                  *maintenance, operations, and school facilities*  
19                  *capital outlay projects related to energy and*  
20                  *water efficiency, resilience, climate mitigation,*  
21                  *renewable energy, energy storage, and building*  
22                  *electrification.*

23                  (b) *STATE PLAN.—*

24                         (1) *IN GENERAL.—Except as provided in para-*  
25                         *graph (2), to be eligible to receive an allocation under*

1        *this section, a State shall submit to the Secretary a*  
2        *plan that—*

3                *(A) describes how the State will use the allo-*  
4                *cation to make long-term improvements to public*  
5                *school facilities;*

6                *(B) explains how the State will carry out*  
7                *each of its responsibilities under subsection*  
8                *(a)(2);*

9                *(C) explains how the State will make the*  
10                *determinations under subsections (b) through (d)*  
11                *of section 103, including how the State will con-*  
12                *sider the impact that projects will have on stu-*  
13                *dent diversity and racial and socioeconomic iso-*  
14                *lation of students attending any current (as of*  
15                *the time of the submission of the plan) or future*  
16                *public school facilities supported by such*  
17                *projects;*

18                *(D) identifies how long, and at what levels,*  
19                *the State will maintain fiscal effort for the ac-*  
20                *tivities supported by the allocation after the*  
21                *State no longer receives the allocation; and*

22                *(E) includes such other information as the*  
23                *Secretary may require.*

24                *(2) EXPEDITED PROCESS FOR FISCAL YEAR*  
25                *2023.—*

1           (A) *ASSURANCE TO SECRETARY.*—*To be eli-*  
2           *gible to receive an allocation for fiscal year 2023*  
3           *under section 101(a)(1)(A), a State shall provide*  
4           *to the Secretary an assurance that the State will*  
5           *comply with the requirements of section 103(c).*

6           (B) *SUBMITTAL OF STATE PLAN.*—*A State*  
7           *shall not be required to submit a State plan*  
8           *under paragraph (1) before receiving an alloca-*  
9           *tion for fiscal year 2023 under section subsection*  
10          *(a)(1)(A). A State that receives an allocation*  
11          *under such subsection for such fiscal year shall*  
12          *submit to the Secretary the State plan described*  
13          *in paragraph (1) not later than 90 days after*  
14          *the date on which such allocation is received.*

15          (3) *APPROVAL AND DISAPPROVAL.*—*The Sec-*  
16          *retary shall have the authority to approve or dis-*  
17          *approve a State plan submitted under paragraph (1).*

18          (c) *CONDITIONS.*—*As a condition of receiving an allo-*  
19          *cation under this section, a State shall agree to the fol-*  
20          *lowing:*

21               (1) *MATCHING REQUIREMENT.*—

22                       (A) *IN GENERAL.*—*The State shall con-*  
23                       *tribute, from non-Federal sources, an amount*  
24                       *equal to 10 percent of the amount of the alloca-*



1           tion received under this section to carry out the  
2           activities supported by the allocation.

3           (B) *DEADLINE.*—The State shall provide  
4           any contribution required under subparagraph  
5           (A) not later than September 30, 2030.

6           (C) *CERTAIN FISCAL YEARS.*—With respect  
7           to a fiscal year for which more than  
8           \$7,000,000,000 are appropriated to carry out  
9           this title, subparagraph (A) shall be applied as  
10          if “, from non-Federal sources,” were struck.

11          (D) *COMMITMENT TO PROPORTIONAL STATE*  
12          *INVESTMENT IN SCHOOL FACILITIES.*—

13           (i) *IN GENERAL.*—The State shall pro-  
14           vide an assurance to the Secretary that for  
15           each fiscal year that the State receives an  
16           allocation under this section, the State’s  
17           share of school facilities capital outlay will  
18           be not less than 90 percent of the average of  
19           the State’s share of school facilities capital  
20           outlay for the 5 years preceding the fiscal  
21           year for which the allocation is received.

22           (ii) *WAIVER.*—Notwithstanding clause  
23           (i), in response to a request from a State,  
24           the Secretary may modify or waive, in  
25           whole or in part, the requirement of clause

1           *(i) if the Secretary determines that such*  
2           *State demonstrates an exceptional or uncon-*  
3           *trollable circumstance, such as a natural*  
4           *disaster, pandemic, or precipitous decline*  
5           *in revenue.*

6           *(iii) STATE'S SHARE OF SCHOOL FA-*  
7           *CILITIES CAPITAL OUTLAY.—In this sub-*  
8           *paragraph, the term “State’s share of school*  
9           *facilities capital outlay” means—*

10                   *(I) the total State expenditures on*  
11                   *school facilities capital outlay projects;*  
12                   *divided by*

13                   *(II) the total school facilities cap-*  
14                   *ital expenditures in the State on school*  
15                   *facilities capital outlay projects.*

16           *(iv) TOTAL STATE EXPENDITURES.—In*  
17           *this subparagraph, the term “total State ex-*  
18           *penditures” means the State’s total expendi-*  
19           *tures (from funds other than an allocation*  
20           *under this section) on school facilities cap-*  
21           *ital outlay projects, including—*

22                   *(I) any direct expenditures by the*  
23                   *State for the purpose of school facilities*  
24                   *capital outlay projects; and*

1                   (ii) funds provided by the State  
2                   to local educational agencies for the  
3                   purpose of school facilities capital out-  
4                   lay projects.

5                   (v) *TOTAL SCHOOL FACILITIES CAP-*  
6                   *ITAL EXPENDITURES IN THE STATE.*—In  
7                   this subparagraph, the term “total school fa-  
8                   cilities capital expenditures in the State”,  
9                   means the sum of—

10                   (I) the total state expenditures  
11                   calculated under clause (iv); plus

12                   (II) all additional expenditures  
13                   (from funds other than an allocation  
14                   under this section) on school facilities  
15                   capital outlay projects by local edu-  
16                   cational agencies in the State that  
17                   were not included in the calculation of  
18                   total state expenditures under clause  
19                   (iv).

20                   (2) *SUPPLEMENT NOT SUPPLANT.*—The State  
21                   shall use an allocation under this section only to sup-  
22                   plement the level of State public funds that would, in  
23                   absence of the receipt of Federal funds under this sec-  
24                   tion, be made available for the State’s contribution to

1        *school facilities capital outlays, and not to supplant*  
2        *such State public funds.*

3    **SEC. 103. NEED-BASED GRANTS TO QUALIFIED LOCAL EDU-**  
4                                    **CATIONAL AGENCIES.**

5        *(a) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—*

6                    *(1) IN GENERAL.—Subject to paragraph (2),*  
7        *from the amounts allocated to a State under section*  
8        *102(a) and contributed by the State under section*  
9        *102(c)(1), the State shall award grants to qualified*  
10       *local educational agencies, on a competitive basis, to*  
11       *carry out the activities described in section 301(a).*

12                   *(2) ALLOWANCE FOR DIGITAL LEARNING.—A*  
13       *State may use up to 10 percent of the amount de-*  
14       *scribed in paragraph (1) to make grants to qualified*  
15       *local educational agencies carry out activities to im-*  
16       *prove digital learning in accordance with section*  
17       *301(b).*

18       *(b) ELIGIBILITY.—*

19                   *(1) IN GENERAL.—To be eligible to receive a*  
20       *grant under this section, a qualified local educational*  
21       *agency—*

22                                    *(A) shall be among the local educational*  
23                                    *agencies in the State with the highest numbers or*  
24                                    *percentages of students counted under section*

1            *1124(c) of the Elementary and Secondary Edu-*  
2            *cation Act of 1965 (20 U.S.C. 6333(c));*

3            *(B) shall agree to prioritize the improve-*  
4            *ment of the facilities of public schools that serve*  
5            *the highest percentages of students who are eligi-*  
6            *ble for a free or reduced price lunch under the*  
7            *Richard B. Russell National School Lunch Act*  
8            *(42 U.S.C. 1751 et seq.) (which, in the case of*  
9            *a high school, may be calculated using com-*  
10           *parable data from the schools that feed into the*  
11           *high school), as compared to other public schools*  
12           *in the jurisdiction of the agency; and*

13           *(C) shall be among the local educational*  
14           *agencies in the State with the most limited ca-*  
15           *capacity to raise funds for the long-term improve-*  
16           *ment of public school facilities, as determined by*  
17           *an assessment of—*

18                    *(i) the current and historic ability of*  
19                    *the agency to raise funds for construction,*  
20                    *renovation, modernization, and major re-*  
21                    *pair projects for schools;*

22                    *(ii) whether the agency has been able to*  
23                    *issue bonds or receive other funds to support*  
24                    *school construction projects; and*

25                    *(iii) the bond rating of the agency.*

1           (2) *EQUITABLE DISTRIBUTION.*—

2                   (A) *NUMBERS AND PERCENTAGES OF CER-*  
3           *TAIN STUDENTS.*—*In making the determination*  
4           *under paragraph (1)(A), the State shall ensure*  
5           *that grants under this section are equitably dis-*  
6           *tributed among—*

7                           (i) *qualified local educational agencies*  
8                           *in the State with the highest numbers of*  
9                           *students counted under section 1124(c) of*  
10                           *the Elementary and Secondary Education*  
11                           *Act of 1965 (20 U.S.C. 6333(c)); and*

12                           (ii) *qualified local educational agencies*  
13                           *in the State with the highest percentages of*  
14                           *students counted under such section.*

15                   (B) *GEOGRAPHIC DIVERSITY.*—*The State*  
16           *shall ensure that grants under this section are*  
17           *awarded to qualified local educational agencies*  
18           *that represent the geographic diversity of the*  
19           *State.*

20           (3) *STATEWIDE THRESHOLDS.*—*The State shall*  
21           *establish reasonable thresholds for determining wheth-*  
22           *er a local educational agency is among agencies in*  
23           *the State with the highest numbers or percentages of*  
24           *students counted under section 1124(c) of the Elemen-*

1 *tary and Secondary Education Act of 1965 (20*  
2 *U.S.C. 6333(c)) as required under paragraph (1)(A).*

3 *(c) PRIORITY OF GRANTS FOR FISCAL YEAR 2023.—*  
4 *In awarding grants under this section for fiscal year*  
5 *2023—*

6 *(1) the State shall first award grants to qualified*  
7 *local educational agencies that meet the requirements*  
8 *of subsection (d)(1) that will use the grant to improve*  
9 *the facilities of schools described in subsection*  
10 *(d)(1)(B) to support indoor and outdoor social*  
11 *distancing, personal hygiene, and building hygiene*  
12 *(including with respect to heating, ventilation, and*  
13 *air conditioning usage) in school facilities, consistent*  
14 *with guidance issued by the Centers for Disease Con-*  
15 *trol and Prevention; and*

16 *(2) from any funds remaining after making*  
17 *grants to qualified local educational agencies that*  
18 *meet the requirements of paragraph (1), the State*  
19 *may award grants to other qualified local agencies in*  
20 *accordance with the priorities established under sub-*  
21 *section (d).*

22 *(d) PRIORITY OF GRANTS FOR OTHER FISCAL*  
23 *YEARS.—Except as provided in subsection (c), in awarding*  
24 *grants under this section, the State shall give priority to*  
25 *qualified local educational agencies that—*

1           (1)(A) *demonstrate the greatest need for such a*  
2 *grant, as determined by a comparison of the factors*  
3 *described in subsection (b)(1) and other indicators of*  
4 *need in the public school facilities of such local edu-*  
5 *cational agencies, including—*

6                   (i) *the median age of facilities;*

7                   (ii) *the extent to which student enrollment*  
8 *exceeds physical and instructional capacity;*

9                   (iii) *the condition of major building systems*  
10 *such as heating, ventilation, air conditioning,*  
11 *electrical, water, and sewer systems;*

12                   (iv) *the condition of roofs, windows, and*  
13 *doors; and*

14                   (v) *other critical health and safety condi-*  
15 *tions;*

16           (B) *will use the grant to improve the facilities*  
17 *of—*

18                   (i) *elementary schools or middle schools that*  
19 *have an enrollment of students who are eligible*  
20 *for a free or reduced price lunch under the Rich-*  
21 *ard B. Russell National School Lunch Act (42*  
22 *U.S.C. 1751 et seq.) that constitutes not less than*  
23 *40 percent of the total student enrollment at such*  
24 *schools; or*



1           (ii) high schools that have an enrollment of  
2           students who are eligible for a free or reduced  
3           price lunch under such Act that constitutes not  
4           less than 30 percent of the total student enroll-  
5           ment at such schools (which may be calculated  
6           using comparable data from the schools that feed  
7           into the high school); and

8           (C) operate public school facilities that pose a se-  
9           vere health and safety threat to students and staff,  
10          which may include consideration of threats posed by  
11          the proximity of the facilities to toxic sites or  
12          brownfield sites or the vulnerability of the facilities to  
13          natural disasters; or

14          (2)(A) will use the grant to improve access to  
15          high-speed broadband sufficient to support digital  
16          learning in accordance with section 301(b);

17          (B) serve elementary schools or secondary  
18          schools, including rural schools, that lack such access;  
19          and

20          (C) meet one or more of the requirements set  
21          forth in subparagraphs (A) through (C) of paragraph  
22          (1).

23          (e) APPLICATION.—To be considered for a grant under  
24          this section, a qualified local educational agency shall sub-  
25          mit an application to the State at such time, in such man-

1 *ner, and containing such information as the State may re-*  
2 *quire. Such application shall include, at minimum—*

3 *(1) the information necessary for the State to*  
4 *make the determinations under subsections (b)*  
5 *through (d);*

6 *(2) a description of the projects that the agency*  
7 *plans to carry out with the grant;*

8 *(3) an explanation of how such projects will—*

9 *(A) improve conditions for the health and*  
10 *safety of staff and students at schools served by*  
11 *the agency; and*

12 *(B) improve learning and reduce inequity*  
13 *for such students;*

14 *(4) an explanation of how such projects will im-*  
15 *prove school facilities' performance with respect to en-*  
16 *ergy and water efficiency, resilience, and climate*  
17 *mitigation;*

18 *(5) in the case of a local educational agency that*  
19 *proposes to fund a repair, renovation, or construction*  
20 *project for a public charter school, the extent to*  
21 *which—*

22 *(A) the public charter school lacks access to*  
23 *funding for school repair, renovation, and con-*  
24 *struction through the financing methods avail-*

1           *able to other public schools or local educational*  
2           *agencies in the State; and*

3                   *(B) the charter school operator owns or has*  
4           *care and control of the facility that is to be re-*  
5           *paired, renovated, or constructed; and*

6           *(6) an explanation of how the local educational*  
7           *agency plans to increase the number of contracts such*  
8           *agency has with certified small businesses, minority-*  
9           *owned businesses, veteran-owned businesses, or*  
10          *women-owned businesses as of the date of submission*  
11          *of the application by awarding such contracts under*  
12          *projects supported by the grant.*

13          *(f) FACILITIES MASTER PLAN.—*

14                   *(1) PLAN REQUIRED.—Not later than 180 days*  
15          *after receiving a grant under this section, a qualified*  
16          *local educational agency shall submit to the State a*  
17          *comprehensive 10-year facilities master plan.*

18                   *(2) ELEMENTS.—The facilities master plan re-*  
19          *quired under paragraph (1) shall include, with re-*  
20          *spect to all public school facilities of the qualified*  
21          *local educational agency, a description of—*

22                           *(A) the extent to which public school facili-*  
23                   *ties meet students' educational needs and sup-*  
24                   *port the agency's educational mission and vi-*  
25                   *sion;*

1           (B) *the physical condition of the public*  
2 *school facilities;*

3           (C) *the current health, safety, and environ-*  
4 *mental conditions of the public school facilities,*  
5 *including—*

6                 (i) *indoor air quality;*

7                 (ii) *the presence of toxic substances;*

8                 (iii) *the safety of drinking water at the*  
9 *tap and water used for meal preparation,*  
10 *including the level of lead and other con-*  
11 *taminants in such water;*

12                (iv) *energy and water efficiency, resil-*  
13 *ience, and climate mitigation;*

14                (v) *excessive classroom noise; and*

15                (vi) *other health, safety, and environ-*  
16 *mental conditions that would impact the*  
17 *health, safety, and learning ability of stu-*  
18 *dents;*

19           (D) *how the local educational agency will*  
20 *address any conditions identified under subpara-*  
21 *graph (C);*

22           (E) *the impact of current and future stu-*  
23 *dent enrollment levels (as of the date of applica-*  
24 *tion) on the design of current and future public*

1           *school facilities, as well as the financial implica-*  
2           *tions of such enrollment levels;*

3           *(F) the dollar amount and percentage of*  
4           *funds the local educational agency will dedicate*  
5           *to capital construction projects for public school*  
6           *facilities, including—*

7                     *(i) any funds in the budget of the agen-*  
8                     *cy that will be dedicated to such projects;*  
9                     *and*

10                    *(ii) any funds not in the budget of the*  
11                    *agency that will be dedicated to such*  
12                    *projects, including any funds available to*  
13                    *the agency as the result of a bond issue; and*

14           *(G) the dollar amount and percentage of*  
15           *funds the local educational agency will dedicate*  
16           *to the maintenance and operation of public*  
17           *school facilities, including—*

18                     *(i) any funds in the budget of the agen-*  
19                     *cy that will be dedicated to the maintenance*  
20                     *and operation of such facilities; and*

21                     *(ii) any funds not in the budget of the*  
22                     *agency that will be dedicated to the mainte-*  
23                     *nance and operation of such facilities.*

24           *(3) CONSULTATION.—In developing the facilities*  
25           *master plan required under paragraph (1)—*

1           (A) a qualified local educational agency  
2 shall consult with teachers, principals and other  
3 school leaders, custodial and maintenance staff,  
4 emergency first responders, school facilities direc-  
5 tors, students and families, community residents,  
6 and Indian Tribes; and

7           (B) in addition to the consultation required  
8 under subparagraph (A), a Bureau-funded school  
9 shall consult with the Bureau of Indian Edu-  
10 cation.

11 **SEC. 104. ANNUAL REPORT ON GRANT PROGRAM.**

12       (a) *IN GENERAL.*—Not later than September 30 of  
13 each fiscal year beginning after the date of the enactment  
14 of this Act, the Secretary shall submit to the appropriate  
15 congressional committees a report on the projects carried  
16 out with funds made available under this title.

17       (b) *ELEMENTS.*—The report under subsection (a) shall  
18 include, with respect to the fiscal year preceding the year  
19 in which the report is submitted, the following:

20           (1) An identification of each local educational  
21 agency that received a grant under this title.

22           (2) With respect to each such agency, a descrip-  
23 tion of—

1           (A) the demographic composition of the stu-  
2           dent population served by the agency,  
3           disaggregated by—

4                   (i) race;

5                   (ii) the number and percentage of stu-  
6           dents counted under section 1124(c) of the  
7           Elementary and Secondary Education Act  
8           of 1965 (20 U.S.C. 6333(c)); and

9                   (iii) the number and percentage of stu-  
10          dents who are eligible for a free or reduced  
11          price lunch under the Richard B. Russell  
12          National School Lunch Act (42 U.S.C. 1751  
13          et seq.);

14          (B) the population density of the geographic  
15          area served by the agency;

16          (C) the projects for which the agency used  
17          the grant received under this title, described  
18          using measurements of school facility quality  
19          from the most recent available version of the  
20          Common Education Data Standards published  
21          by the National Center for Education Statistics;

22          (D) the demonstrable or expected benefits of  
23          the projects, including any improvements—

24                   (i) to conditions for health, safety, and  
25          learning; and

- 1                   (ii) to school facilities with respect to  
2                   energy and water efficiency, resilience, re-  
3                   duced carbon emissions, and climate miti-  
4                   gation;
- 5                   (E) the square footage of the improvements  
6                   made with covered funds;
- 7                   (F) the total cost of each such project—  
8                   (i) in total; and  
9                   (ii) disaggregated by the costs of plan-  
10                  ning, design, construction, site purchase,  
11                  and improvements;
- 12                  (G) the estimated number of jobs created by  
13                  the projects;
- 14                  (H) of the total number of contracts award-  
15                  ed under the project, the percentage of such con-  
16                  tracts that were awarded to certified small busi-  
17                  nesses, minority-owned businesses, veteran-owned  
18                  businesses, and women-owned businesses; and
- 19                  (I)(i) the total dollar value of contracts  
20                  awarded under the project to certified small busi-  
21                  nesses, minority-owned businesses, veteran-owned  
22                  businesses, and women-owned businesses, respec-  
23                  tively; and



1           (ii) the total dollar value of contracts  
2           awarded under the project to all such businesses  
3           combined.

4           (3) The total dollar amount of all grants received  
5           by local educational agencies under this title.

6           (c) *LEA INFORMATION COLLECTION*.—A local edu-  
7           cational agency that receives a grant under this title shall—

8           (1) annually compile the information described  
9           in subsection (b)(2);

10          (2) make the information available to the public,  
11          including by posting the information on a publicly  
12          accessible agency website; and

13          (3) submit the information to the State.

14          (d) *STATE INFORMATION DISTRIBUTION*.—A State  
15          that receives information from a local educational agency  
16          under subsection (c) shall—

17          (1) compile the information and report it annu-  
18          ally to the Secretary at such time and in such man-  
19          ner as the Secretary may require;

20          (2) make the information available to the public,  
21          including by posting the information on a publicly  
22          accessible State website; and

23          (3) regularly distribute the information to local  
24          educational agencies and Tribal governments in the  
25          State.

1 **SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

2 *There are authorized to be appropriated*  
3 *\$20,000,000,000 for each of fiscal years 2023 through 2027*  
4 *to carry out this title. Amounts so appropriated are author-*  
5 *ized to remain available through fiscal year 2032.*

6 **TITLE II—SCHOOL**  
7 **INFRASTRUCTURE BONDS**

8 **SEC. 201. RESTORATION OF CERTAIN QUALIFIED TAX CRED-**  
9 **IT BONDS.**

10 *(a) ALLOWANCE OF CREDIT.—*

11 *(1) IN GENERAL.—Section 54A of the Internal*  
12 *Revenue Code of 1986, as in effect on the day before*  
13 *repeal by Public Law 115–97, is revived.*

14 *(2) CREDIT LIMITED TO CERTAIN BONDS.—*

15 *(A) IN GENERAL.—Section 54A(d)(1) of*  
16 *such Code, as revived by paragraph (1), is*  
17 *amended by striking “means—” and all that fol-*  
18 *lows through “which is part” and inserting*  
19 *“means a qualified zone academy bond which is*  
20 *part”.*

21 *(B) CONFORMING AMENDMENT.—Section*  
22 *54A(c)(2)(C) of such Code, as revived by para-*  
23 *graph (1), is amended by striking “means—”*  
24 *and all that follows and inserting “a purpose*  
25 *specified in section 54E(a)(1)”.*

26 *(3) CONFORMING AMENDMENTS.—*

1           (A) *The Internal Revenue Code of 1986 is*  
 2           *amended by inserting before section 54A (as re-*  
 3           *vived by paragraph (1)) the following:*

4           **“Subpart I—Qualified Tax Credit Bonds**

*“Sec. 54A. Credit to holder of qualified tax credit bonds.”.*

5           (B) *Section 6401(b)(1) of such Code is*  
 6           *amended by striking “and G” and inserting “G,*  
 7           *and I”.*

8           (C) *The table of subparts for part IV of sub-*  
 9           *chapter A of chapter 1 of such Code is amended*  
 10          *by adding at the end the following:*

*“SUBPART I—QUALIFIED TAX CREDIT BONDS”.*

11          (b) *CREDIT ALLOWED TO ISSUER.—*

12           (1) *IN GENERAL.—Section 6431 of the Internal*  
 13          *Revenue Code of 1986, as in effect on the day before*  
 14          *repeal by Public Law 115–97, is revived.*

15           (2) *CONFORMING AMENDMENT.—Section*  
 16          *6211(b)(4) of such Code is amended by striking “and*  
 17          *6428A” and inserting “6428A, and 6431”.*

18          (c) *QUALIFIED ZONE ACADEMY BONDS.—*

19           (1) *IN GENERAL.—Section 54E of the Internal*  
 20          *Revenue Code of 1986, as in effect on the day before*  
 21          *repeal by Public Law 115–97, is revived.*

22           (2) *EXTENSION OF LIMITATION.—Section*  
 23          *54(E)(c)(1) of such Code is amended—*

1           (A) by striking “and \$400,000,000” and in-  
2           serting “\$400,000,000”, and

3           (B) by striking “and, except as provided”  
4           and all that follows through the period at the end  
5           and inserting “, and \$1,400,000,000 for 2022  
6           and each calendar year thereafter.”.

7           (3) *REMOVAL OF PRIVATE BUSINESS CONTRIBU-*  
8           *TION REQUIREMENT.*—Section 54E of the Internal  
9           Revenue Code of 1986, as revived by paragraph (1)  
10          and amended by paragraph (2), is amended—

11           (A) in subsection (a)(3), by inserting “and”  
12           at the end of subparagraph (A), by striking sub-  
13           paragraph (B), and by redesignating subpara-  
14           graph (C) as subparagraph (B),

15           (B) by striking subsection (b), and

16           (C) by redesignating subsections (c) and (d)  
17           as subsections (b) and (c), respectively.

18           (4) *CONSTRUCTION OF A PUBLIC SCHOOL FACIL-*  
19           *ITY.*—Section 54E(c)(3)(A) of the Internal Revenue  
20           Code of 1986, as revived by paragraph (1) and reded-  
21           signated in paragraph (3)(C), is amended by striking  
22           “rehabilitating or repairing” and inserting “con-  
23           structing, rehabilitating, retrofitting, or repairing”.

24           (d) *CONFORMING AMENDMENT RELATED TO APPLICA-*  
25           *TION OF CERTAIN LABOR STANDARDS.*—

1           (1) *IN GENERAL.*—Subchapter IV of chapter 31  
 2           of the title 40, United States Code, shall apply to  
 3           projects financed with the proceeds of any qualified  
 4           zone academy bond (as defined in section 54E of the  
 5           Internal Revenue Code of 1986) issued after the date  
 6           of the enactment of the American Recovery and Rein-  
 7           vestment Tax Act of 2009.

8           (2) *CONFORMING AMENDMENT.*—Section 1601 of  
 9           the American Recovery and Reinvestment Tax Act of  
 10          2009 is amended by striking paragraph (3) and re-  
 11          designating paragraphs (4) and (5) as paragraphs  
 12          (3) and (4), respectively.

13          (e) *EFFECTIVE DATE.*—The amendments made by this  
 14          section shall apply to obligations issued after December 31,  
 15          2022.

16 **SEC. 202. SCHOOL INFRASTRUCTURE BONDS.**

17          (a) *IN GENERAL.*—The Internal Revenue Code of 1986  
 18          is amended by inserting after subpart I (as revived by sec-  
 19          tion 201) of part IV of subchapter A of chapter 1 the fol-  
 20          lowing new subpart:

21                 **“Subpart J—School Infrastructure Bonds**

                  “Sec. 54BB. School infrastructure bonds.

22                 **“SEC. 54BB. SCHOOL INFRASTRUCTURE BONDS.**

23                 “(a) *IN GENERAL.*—If a taxpayer holds a school infra-  
 24          structure bond on one or more interest payment dates of

1 *the bond during any taxable year, there shall be allowed*  
2 *as a credit against the tax imposed by this chapter for the*  
3 *taxable year an amount equal to the sum of the credits de-*  
4 *termined under subsection (b) with respect to such dates.*

5       “(b) *AMOUNT OF CREDIT.*—*The amount of the credit*  
6 *determined under this subsection with respect to any inter-*  
7 *est payment date for a school infrastructure bond is 100*  
8 *percent of the amount of interest payable by the issuer with*  
9 *respect to such date.*

10       “(c) *LIMITATION BASED ON AMOUNT OF TAX.*—

11               “(1) *IN GENERAL.*—*The credit allowed under*  
12 *subsection (a) for any taxable year shall not exceed*  
13 *the excess of—*

14                       “(A) *the sum of the regular tax liability of*  
15 *the taxpayer (as defined in section 26(b)) plus*  
16 *the tax imposed by section 55, over*

17                       “(B) *the sum of the credits allowable under*  
18 *this part (other than subpart C and this sub-*  
19 *part).*

20               “(2) *CARRYOVER OF UNUSED CREDIT.*—*If the*  
21 *credit allowable under subsection (a) exceeds the limi-*  
22 *tation imposed by paragraph (1) for such taxable*  
23 *year, such excess shall be carried to the succeeding*  
24 *taxable year and added to the credit allowable under*  
25 *subsection (a) for such taxable year (determined be-*

1       *fore the application of paragraph (1) for such suc-*  
2       *ceeding taxable year).*

3       “(d) *SCHOOL INFRASTRUCTURE BOND.*—

4               “(1) *IN GENERAL.*—*For purposes of this section,*  
5       *the term ‘school infrastructure bond’ means any bond*  
6       *issued as part of an issue if—*

7               “(A) *100 percent of the available project*  
8       *proceeds of such issue are to be used for the pur-*  
9       *poses described in section 301 of the Reopen and*  
10       *Rebuild America’s Schools Act of 2021,*

11              “(B) *the interest on such obligation would*  
12       *(but for this section) be excludable from gross in-*  
13       *come under section 103,*

14              “(C) *the issue meets the requirements of*  
15       *paragraph (3), and*

16              “(D) *the issuer designates such bond for*  
17       *purposes of this section.*

18              “(2) *APPLICABLE RULES.*—*For purposes of ap-*  
19       *plying paragraph (1)—*

20              “(A) *for purposes of section 149(b), a school*  
21       *infrastructure bond shall not be treated as feder-*  
22       *ally guaranteed by reason of the credit allowed*  
23       *under section 6431(a),*

24              “(B) *for purposes of section 148, the yield*  
25       *on a school infrastructure bond shall be deter-*

1           *mined without regard to the credit allowed under*  
2           *subsection (a), and*

3           “(C) *a bond shall not be treated as a school*  
4           *infrastructure bond if the issue price has more*  
5           *than a de minimis amount (determined under*  
6           *rules similar to the rules of section 1273(a)(3))*  
7           *of premium over the stated principal amount of*  
8           *the bond.*

9           “(3) *6-YEAR EXPENDITURE PERIOD.—*

10           “(A) *IN GENERAL.—An issue shall be treat-*  
11           *ed as meeting the requirements of this paragraph*  
12           *if, as of the date of issuance, the issuer reason-*  
13           *ably expects 100 percent of the available project*  
14           *proceeds to be spent for purposes described in*  
15           *section 301 of the Reopen and Rebuild America’s*  
16           *Schools Act of 2021 within the 6-year period be-*  
17           *ginning on such date of issuance.*

18           “(B) *FAILURE TO SPEND REQUIRED*  
19           *AMOUNT OF BOND PROCEEDS WITHIN 6 YEARS.—*  
20           *To the extent that less than 100 percent of the*  
21           *available project proceeds of the issue are ex-*  
22           *pended at the close of the period described in*  
23           *subparagraph (A) with respect to such issue, the*  
24           *issuer shall redeem all of the nonqualified bonds*  
25           *within 90 days after the end of such period. For*



1           *purposes of this paragraph, the amount of the*  
2           *nonqualified bonds required to be redeemed shall*  
3           *be determined in the same manner as under sec-*  
4           *tion 142.*

5           “(e) *LIMITATION ON AMOUNT OF BONDS DES-*  
6 *IGNATED.*—*The maximum aggregate face amount of bonds*  
7 *issued during any calendar year which may be designated*  
8 *under subsection (d)(1)(D) by any issuer shall not exceed*  
9 *the limitation amount allocated under subsection (g) for*  
10 *such calendar year to such issuer.*

11          “(f) *NATIONAL LIMITATION ON AMOUNT OF BONDS*  
12 *DESIGNATED.*—*The national qualified school infrastructure*  
13 *bond limitation for each calendar year is—*

14                 “(1) *\$10,000,000,000 for 2022,*

15                 “(2) *\$10,000,000,000 for 2023, and*

16                 “(3) *\$10,000,000,000 for 2024.*

17          “(g) *ALLOCATION OF LIMITATION.*—

18                 “(1) *ALLOCATIONS.*—

19                         “(A) *STATES.*—*After application of sub-*  
20 *paragraph (B) and paragraph (3)(A), the limi-*  
21 *tation applicable under subsection (f) for a cal-*  
22 *endar year shall be allocated by the Secretary*  
23 *among the States in proportion to the respective*  
24 *amounts received by all local educational agen-*  
25 *cies in each State under part A of title I of the*

1           *Elementary and Secondary Education Act of*  
2           *1965 (20 U.S.C. 6311 et seq.) for the previous*  
3           *fiscal year relative to the total such amount re-*  
4           *ceived by all local educational agencies for the*  
5           *most recent fiscal year ending before such cal-*  
6           *endar year.*

7           “(B) *CERTAIN POSSESSIONS.—One-half of 1*  
8           *percent of the amount of the limitation applica-*  
9           *ble under subsection (f) for a calendar year shall*  
10          *be allocated by the Secretary to possessions of the*  
11          *United States other than Puerto Rico for such*  
12          *calendar year.*

13          “(2) *ALLOCATIONS TO SCHOOLS.—The limitation*  
14          *amount allocated to a State or possession under para-*  
15          *graph (1) shall be allocated by the State educational*  
16          *agency (or such other agency as is authorized under*  
17          *State law to make such allocation) to issuers within*  
18          *such State or possession in accordance with the prior-*  
19          *ities described in subsections (c) and (d) of section*  
20          *103 of the Reopen and Rebuild America’s Schools Act*  
21          *of 2021 and the eligibility requirements described in*  
22          *section 103(b) of such Act, except that paragraph*  
23          *(1)(C) of such section shall not apply to the deter-*  
24          *mination of eligibility for such allocation.*

25          “(3) *ALLOCATIONS FOR INDIAN SCHOOLS.—*

1           “(A) *IN GENERAL.*—One-half of 1 percent of  
2           *the amount of the limitation applicable under*  
3           *subsection (f) for any calendar year shall be allo-*  
4           *cated by the Secretary to the Secretary of the In-*  
5           *terior for schools funded by the Bureau of Indian*  
6           *Affairs for such calendar year.*

7           “(B) *ALLOCATION TO SCHOOLS.*—*The limi-*  
8           *tation amount allocated to the Secretary of the*  
9           *Interior under paragraph (1) shall be allocated*  
10          *by such Secretary to issuers or schools funded as*  
11          *described in paragraph (2). In the case of*  
12          *amounts allocated under the preceding sentence,*  
13          *Indian tribal governments shall be treated as*  
14          *qualified issuers for purposes of this subchapter.*

15          “(4) *DIGITAL LEARNING.*—*Up to 10 percent of*  
16          *the limitation amount allocated under paragraph (1)*  
17          *or (3)(A) may be allocated by the State to issuers*  
18          *within such State (in the case of an amount allocated*  
19          *under paragraph (1)) or by the Secretary of the Inte-*  
20          *rior to issuers or schools funded by the Bureau of In-*  
21          *dian Affairs (in the case of an amount allocated*  
22          *under paragraph (3)(A)) to carry out activities to*  
23          *improve digital learning in accordance with section*  
24          *301(b) of the Reopen and Rebuild America’s Schools*  
25          *Act of 2021.*

1       “(h) *INTEREST PAYMENT DATE.*—For purposes of this  
2 section, the term ‘interest payment date’ means any date  
3 on which the holder of record of the school infrastructure  
4 bond is entitled to a payment of interest under such bond.

5       “(i) *SPECIAL RULES.*—

6               “(1) *INTEREST ON SCHOOL INFRASTRUCTURE*  
7 *BONDS INCLUDIBLE IN GROSS INCOME FOR FEDERAL*  
8 *INCOME TAX PURPOSES.*—For purposes of this title,  
9 interest on any school infrastructure bond shall be in-  
10 cludible in gross income.

11              “(2) *APPLICATION OF CERTAIN RULES.*—Rules  
12 similar to the rules of subsections (f), (g), (h), and (i)  
13 of section 54A shall apply for purposes of the credit  
14 allowed under subsection (a).”.

15       (b) *CREDIT ALLOWED TO ISSUER.*—Section  
16 6431(f)(3)(A) of such Code, as revived by section 201(b)(1),  
17 is amended by striking “means any qualified tax credit  
18 bond” and all that follows through the end of subparagraph  
19 (A) and inserting “means any bond if—

20                       “(A) such bond is—

21                               “(i) a qualified tax credit bond which  
22 is a qualified zone academy bond (as de-  
23 fined in section 54E) determined without  
24 regard to any allocation relating to the na-  
25 tional zone academy bond limitation for

1                   *years after 2010 or any carryforward of*  
2                   *any such allocation, or*

3                   “*(ii) any school infrastructure bond*  
4                   *(as defined in section 54BB), and*”.

5           (c) *APPLICATION OF CERTAIN LABOR STANDARDS.—*  
6 *Subchapter IV of chapter 31 of the title 40, United States*  
7 *Code, shall apply to projects financed with the proceeds of*  
8 *any qualified zone academy bond (as defined in section 54E*  
9 *of the Internal Revenue Code of 1986) issued after the date*  
10 *of the enactment of this Act.*

11           (d) *CONFORMING AMENDMENTS.—*

12                   (1) *Section 6401(b)(1) of the Internal Revenue*  
13 *Code of 1986, as amended by section 201(a), is*  
14 *amended by striking “and I” and inserting “I, and*  
15 *J”.*

16                   (2) *The table of subparts for part IV of sub-*  
17 *chapter A of chapter 1 of such Code, as amended by*  
18 *section 201(a), is amended by adding at the end the*  
19 *following:*

“*SUBPART J—SCHOOL INFRASTRUCTURE BONDS*”.

20           (e) *EFFECTIVE DATE.—The amendments made by this*  
21 *section shall apply to obligations issued after December 31,*  
22 *2022.*

23 **SEC. 203. ANNUAL REPORT ON BOND PROGRAM.**

24           (a) *IN GENERAL.—Not later than September 30 of*  
25 *each fiscal year beginning after the date of the enactment*

1 *of this Act, the Secretary of the Treasury shall submit to*  
2 *the appropriate congressional committees a report on the*  
3 *amendments made by sections 201 and 202.*

4 *(b) ELEMENTS.—The report under paragraph (1) shall*  
5 *include, with respect to the fiscal year preceding the year*  
6 *in which the report is submitted, the following:*

7 *(1) An identification of—*

8 *(A) each local educational agency (if any)*  
9 *that received an allocation under section*  
10 *54E(b)(2) or 54BB(g) of the Internal Revenue*  
11 *Code of 1986, and*

12 *(B) each local educational agency (if any)*  
13 *that was eligible to receive such funds but did*  
14 *not receive such funds.*

15 *(2) With respect to each local educational agency*  
16 *described in paragraph (1)—*

17 *(A) an assessment of the capacity of the*  
18 *agency to raise funds for the long-term improve-*  
19 *ment of public school facilities, as determined by*  
20 *an assessment of—*

21 *(i) the current and historic ability of*  
22 *the agency to raise funds for construction,*  
23 *renovation, modernization, and major re-*  
24 *pair projects for schools, including the abil-*

1            *ity of the agency to raise funds through im-*  
2            *position of property taxes,*

3            *(ii) whether the agency has been able to*  
4            *issue bonds to fund construction projects,*  
5            *including—*

6                    *(I) qualified zone academy bonds*  
7                    *under section 54E of the Internal Rev-*  
8                    *enue Code of 1986, and*

9                    *(II) school infrastructure bonds*  
10                   *under section 54BB of the Internal*  
11                   *Revenue Code of 1986, and*

12                   *(iii) the bond rating of the agency,*

13            *(B) the demographic composition of the stu-*  
14            *dent population served by the agency,*  
15            *disaggregated by—*

16                   *(i) race,*

17                   *(ii) the number and percentage of stu-*  
18                   *dents counted under section 1124(c) of the*  
19                   *Elementary and Secondary Education Act*  
20                   *of 1965 (20 U.S.C. 6333(c)), and*

21                   *(iii) the number and percentage of stu-*  
22                   *dents who are eligible for a free or reduced*  
23                   *price lunch under the Richard B. Russell*  
24                   *National School Lunch Act (42 U.S.C. 1751*  
25                   *et seq.),*

1           (C) the population density of the geographic  
2 area served by the agency,

3           (D) a description of the projects carried out  
4 with funds received from school infrastructure  
5 bonds,

6           (E) a description of the demonstrable or ex-  
7 pected benefits of the projects, and

8           (F) the estimated number of jobs created by  
9 the projects.

10          (3) The total dollar amount of all funds received  
11 by local educational agencies from school infrastruc-  
12 ture bonds.

13          (4) Any other factors that the Secretary of the  
14 Treasury determines to be appropriate.

15          (c) *INFORMATION COLLECTION.*—A State or local edu-  
16 cational agency that receives an allocation under section  
17 54E(b)(2) or 54BB(g) of the Internal Revenue Code of 1986  
18 shall—

19           (1) annually compile the information necessary  
20 for the Secretary of the Treasury to determine the ele-  
21 ments described in subsection (b), and

22           (2) report the information to the Secretary of the  
23 Treasury at such time and in such manner as the  
24 Secretary of the Treasury may require.



1       (d) *SECRETARY OF THE TREASURY.*—For purposes of  
2 this section, the term “Secretary of the Treasury” includes  
3 the Secretary’s delegate.

## 4       **TITLE III—USES OF FUNDS**

### 5       **SEC. 301. ALLOWABLE USES OF FUNDS.**

6       (a) *IN GENERAL.*—Except as provided in section 302,  
7 a local educational agency that receives covered funds may  
8 use such funds to—

9               (1) *develop, maintain, and update (as necessary)*  
10 *the facilities master plan required under section*  
11 *103(f);*

12               (2) *construct, modernize, renovate, or retrofit*  
13 *public school facilities, which may include seismic*  
14 *retrofitting for schools vulnerable to seismic natural*  
15 *disasters;*

16               (3) *decarbonize public school facilities through*  
17 *the adoption of all-electric space and water heating*  
18 *systems and cooking equipment, including other effi-*  
19 *ciency improvements and on-site renewable energy in-*  
20 *stallation;*

21               (4) *carry out major repairs of public school fa-*  
22 *ilities, including deferred maintenance projects;*

23               (5) *install furniture or fixtures with at least a*  
24 *10-year life in public school facilities;*

25               (6) *construct new public school facilities;*

1           (7) *acquire and prepare sites on which new pub-*  
2           *lic school facilities will be constructed;*

3           (8) *extend the life of basic systems and compo-*  
4           *nents of public school facilities;*

5           (9) *ensure current or anticipated enrollment does*  
6           *not exceed the physical and instructional capacity of*  
7           *public school facilities;*

8           (10) *ensure the building envelopes and interiors*  
9           *of public school facilities protect occupants from nat-*  
10           *ural elements and human threats, and are struc-*  
11           *turally sound and secure;*

12           (11) *compose building design plans that*  
13           *strengthen the safety and security on school premises*  
14           *by utilizing design elements, principles, and tech-*  
15           *nology that—*

16                   (A) *guarantee layers of security throughout*  
17                   *the school premises; and*

18                   (B) *uphold the aesthetics of the school prem-*  
19                   *ises as a learning and teaching environment;*

20           (12) *improve energy and water efficiency to*  
21           *lower the costs of energy and water consumption in*  
22           *public school facilities;*

23           (13) *improve indoor air quality in public school*  
24           *facilities;*

25           (14) *reduce or eliminate the presence of—*

1           (A) *toxic substances, including mercury,*  
2           *radon, PCBs, lead, per- and polyfluoroalkyl sub-*  
3           *stances, and asbestos;*

4           (B) *mold and mildew; or*

5           (C) *rodents and pests;*

6           (15) *ensure the safety of drinking water at the*  
7           *tap and water used for meal preparation in public*  
8           *school facilities, which may include testing of the po-*  
9           *tability of water at the tap for the presence of lead*  
10           *and other contaminants, including per- and*  
11           *polyfluoroalkyl substances;*

12           (16) *bring public school facilities into compli-*  
13           *ance with applicable fire, health, and safety codes;*

14           (17) *make public school facilities accessible to*  
15           *people with disabilities through compliance with the*  
16           *Americans with Disabilities Act of 1990 (42 U.S.C.*  
17           *12101 et seq.) and section 504 of the Rehabilitation*  
18           *Act of 1973 (29 U.S.C. 794);*

19           (18) *provide instructional program space im-*  
20           *provements for programs relating to early learning*  
21           *(including early learning programs operated by part-*  
22           *ners of the agency), special education, science, tech-*  
23           *nology, career and technical education, physical edu-*  
24           *cation, music, the arts, and literacy (including li-*  
25           *brary programs);*

1           (19) *improving the public school facilities of*  
2           *magnet schools, or other instructional programs, de-*  
3           *signed to increase student diversity and decrease ra-*  
4           *cial or socioeconomic isolation;*

5           (20) *increase the use of public school facilities for*  
6           *the purpose of community-based partnerships that*  
7           *provide students with academic, health, and social*  
8           *services;*

9           (21) *ensure the health of students and staff dur-*  
10          *ing the construction or modernization of public school*  
11          *facilities; or*

12          (22) *reduce or eliminate excessive classroom*  
13          *noise due to activities allowable under this section.*

14          (b) *ALLOWANCE FOR DIGITAL LEARNING.—A local*  
15          *educational agency may use covered funds to leverage exist-*  
16          *ing public programs or public-private partnerships to ex-*  
17          *pand access to high-speed broadband sufficient for digital*  
18          *learning.*

19          **SEC. 302. PROHIBITED USES.**

20          (a) *IN GENERAL.—A local educational agency that re-*  
21          *ceives covered funds may not use such funds for—*

22                  (1) *payment of routine and predictable mainte-*  
23                  *nance costs and minor repairs;*

1           (2) *any facility that is primarily used for ath-*  
 2           *letic contests or exhibitions or other events for which*  
 3           *admission is charged to the general public;*

4           (3) *vehicles; or*

5           (4) *central offices, operation centers, or other fa-*  
 6           *cilities that are not primarily used to educate stu-*  
 7           *dents.*

8           (b) *ADDITIONAL PROHIBITIONS RELATING TO CHAR-*  
 9           *TER SCHOOLS.—No covered funds may be used—*

10           (1) *for the facilities of a public charter school*  
 11           *that is operated or managed by a for-profit entity; or*

12           (2) *for the facilities of a public charter school*  
 13           *if—*

14                   (A) *the school leases the facilities from an*  
 15                   *individual or for-profit entity; and*

16                   (B) *such individual, or an individual with*  
 17                   *a direct or indirect financial interest in such en-*  
 18                   *tity, has a management or governance role in*  
 19                   *such school.*

20           **SEC. 303. REQUIREMENTS FOR HAZARD-RESISTANCE AND**  
 21                   **ENERGY AND WATER CONSERVATION.**

22           *A local educational agency that receives covered funds*  
 23           *shall ensure that any new construction, modernization, or*  
 24           *renovation project carried out with such funds meets or ex-*  
 25           *ceeds the requirements of the following:*

1           (1) *Requirements for such projects set forth in*  
2 *the most recent published edition of a nationally rec-*  
3 *ognized, consensus-based model building code.*

4           (2) *Requirements for such projects set forth in*  
5 *the most recent published edition of a nationally rec-*  
6 *ognized, consensus-based model energy conservation*  
7 *code.*

8           (3) *Performance criteria under the WaterSense*  
9 *program, established under section 324B of the of the*  
10 *Energy Policy and Conservation Act (42 U.S.C.*  
11 *6294b), applicable to such projects within a nation-*  
12 *ally recognized, consensus-based model code.*

13           (4) *Indoor environmental air quality require-*  
14 *ments applicable to such projects as set forth in the*  
15 *most recent published edition of a nationally recog-*  
16 *nized, consensus-based code or standard.*

17 **SEC. 304. GREEN PRACTICES.**

18           (a) *IN GENERAL.*—*A local educational agency that*  
19 *uses covered funds for a new construction project shall en-*  
20 *sure that such project for new construction is certified,*  
21 *verified, or consistent with the applicable provisions of—*

22           (1) *the United States Green Building Council*  
23 *Leadership in Energy and Environmental Design*  
24 *green building rating standard (commonly known as*  
25 *the “LEED Green Building Rating System”);*

1           (2) *the Living Building Challenge developed by*  
2           *the International Living Future Institute;*

3           (3) *a green building rating program developed*  
4           *by the Collaborative for High-Performance Schools*  
5           *(commonly known as “CHPS”) that is CHPS-*  
6           *verified;*

7           (4) *the Green Building Initiative Green Globes*  
8           *rating system; or*

9           (5) *a program that—*

10                   (A) *has standards that are equivalent to or*  
11                   *more stringent than the standards of a program*  
12                   *described in paragraphs (1) through (4);*

13                   (B) *is adopted by the State or another juris-*  
14                   *isdiction with authority over the agency; and*

15                   (C) *includes a verifiable method to dem-*  
16                   *onstrate compliance with such program.*

17 **SEC. 305. USE OF AMERICAN IRON, STEEL, AND MANUFAC-**  
18 **TURED PRODUCTS.**

19           (a) *IN GENERAL.—A local educational agency that re-*  
20 *ceives covered funds shall ensure that any iron, steel, and*  
21 *manufactured products used in projects carried out with*  
22 *such funds are produced in the United States.*

23           (b) *WAIVER AUTHORITY.—*

1           (1) *IN GENERAL.*—*The Secretary may waive the*  
2           *requirement of subsection (a) if the Secretary deter-*  
3           *mines that—*

4                   (A) *applying subsection (a) would be incon-*  
5                   *sistent with the public interest;*

6                   (B) *iron, steel, and manufactured products*  
7                   *produced in the United States are not produced*  
8                   *in a sufficient and reasonably available amount*  
9                   *or are not of a satisfactory quality; or*

10                  (C) *using iron, steel, and manufactured*  
11                  *products produced in the United States will in-*  
12                  *crease the cost of the overall project by more than*  
13                  *25 percent.*

14           (2) *PUBLICATION.*—*Before issuing a waiver*  
15           *under paragraph (1), the Secretary shall publish in*  
16           *the Federal Register a detailed written explanation of*  
17           *the waiver determination.*

18           (c) *CONSISTENCY WITH INTERNATIONAL AGREE-*  
19           *MENTS.*—*This section shall be applied in a manner con-*  
20           *sistent with the obligations of the United States under inter-*  
21           *national agreements.*

22           (d) *DEFINITIONS.*—*In this section:*

23                   (1) *PRODUCED IN THE UNITED STATES.*—*The*  
24                   *term “produced in the United States” means the fol-*  
25                   *lowing:*



1           (A) *When used with respect to a manufac-*  
2 *tured product, the product was manufactured in*  
3 *the United States and the cost of the components*  
4 *of such product that were mined, produced, or*  
5 *manufactured in the United States exceeds 60*  
6 *percent of the total cost of all components of the*  
7 *product.*

8           (B) *When used with respect to iron or steel*  
9 *products, or an individual component of a man-*  
10 *ufactured product, all manufacturing processes*  
11 *for such iron or steel products or components,*  
12 *from the initial melting stage through the appli-*  
13 *cation of coatings, occurred in the United States,*  
14 *except that the term does not include—*

15                 (i) *steel or iron material or products*  
16 *manufactured abroad from semi-finished*  
17 *steel or iron from the United States; and*

18                 (ii) *steel or iron material or products*  
19 *manufactured in the United States from*  
20 *semi-finished steel or iron of foreign origin.*

21           (2) *MANUFACTURED PRODUCT.—The term “man-*  
22 *ufactured product” means any construction material*  
23 *or end product (as such terms are defined in part*  
24 *25.003 of the Federal Acquisition Regulation) that is*  
25 *not an iron or steel product, including—*

- 1                   (A) *electrical components; and*
- 2                   (B) *nonferrous building materials, includ-*
- 3                   *ing, aluminum and polyvinylchloride (PVC),*
- 4                   *glass, fiber optics, plastic, wood, masonry, rub-*
- 5                   *ber, manufactured stone, any other nonferrous*
- 6                   *metals, and any unmanufactured construction*
- 7                   *material.*

8                   ***TITLE IV—REPORTS AND OTHER***

9                   ***MATTERS***

10                  ***SEC. 401. COMPTROLLER GENERAL REPORT.***

11                  (a) *IN GENERAL.*—*Not later than 2 years after the*

12                  *date on which the majority of States receiving allocations*

13                  *under section 102 have made subgrants to local educational*

14                  *agencies under section 103, the Comptroller General of the*

15                  *United States shall submit to the appropriate congressional*

16                  *committees a report on the projects carried out with covered*

17                  *funds.*

18                  (b) *ELEMENTS.*—*The report under subsection (a) shall*

19                  *include an assessment of—*

20                         (1) *State activities, including—*

21                                 (A) *criteria used by each State to determine*

22                                 *high-need students and facilities for purposes of*

23                                 *the projects carried out with covered funds; and*

24                                 (B) *whether the State issued new regula-*

25                                 *tions to ensure the health and safety of students*

1           *and staff during construction or renovation*  
2           *projects or to ensure safe, healthy, and high-per-*  
3           *forming school buildings;*

4           (2) *the types of projects carried out with covered*  
5           *funds, including—*

6                   (A) *the square footage of the improvements*  
7                   *made with covered funds;*

8                   (B) *the total cost of each such project; and*

9                   (C) *the costs of the project disaggregated by*  
10                  *the costs for planning, design, construction, site*  
11                  *purchase, and improvements;*

12           (3) *the geographic distribution of the projects;*

13           (4) *an assessment of the impact of selected*  
14           *projects (as identified by the Secretary) on the health*  
15           *and safety of school staff and students; and*

16           (5) *how the Secretary or States could make cov-*  
17           *ered funds more accessible—*

18                   (A) *to schools with the highest numbers and*  
19                   *percentages of students counted under section*  
20                   *1124(c) of the Elementary and Secondary Edu-*  
21                   *cation Act of 1965 (20 U.S.C. 6333(c)); and*

22                   (B) *to schools with fiscal challenges in rais-*  
23                   *ing capital for school infrastructure projects.*

1       (c) *UPDATES.*—*The Comptroller General shall update*  
2 *and resubmit the report under this section to the appro-*  
3 *prate congressional committees—*

4           (1) *on a date that is between 5 and 6 years after*  
5 *the date of the submittal of the first report under this*  
6 *section; and*

7           (2) *on a date that is between 10 and 11 years*  
8 *after the date of the submittal of such first report.*

9 **SEC. 402. STUDY AND REPORT ON PHYSICAL CONDITION OF**  
10 **PUBLIC SCHOOLS.**

11       (a) *STUDY AND REPORT.*—*Not less frequently than*  
12 *once in each 5-year period beginning after the date of the*  
13 *enactment of this Act, the Secretary, acting through the Di-*  
14 *rector of the Institute of Education Sciences, shall—*

15           (1) *carry out a comprehensive study of the phys-*  
16 *ical conditions of all public schools in each State and*  
17 *outlying area; and*

18           (2) *submit a report to the appropriate congres-*  
19 *sional committees that includes the results of the*  
20 *study.*

21       (b) *ELEMENTS.*—*Each study and report under sub-*  
22 *section (a) shall include—*

23           (1) *an assessment of—*

24                   (A) *the effect of school facility conditions on*  
25 *student and staff health and safety;*

1           (B) the effect of school facility conditions on  
2 student academic outcomes;

3           (C) the condition of school facilities, set  
4 forth separately by geographic region;

5           (D) the condition of school facilities for eco-  
6 nomically disadvantaged students as well as stu-  
7 dents from major racial and ethnic subgroups;

8           (E) the accessibility of school facilities for  
9 students and staff with disabilities;

10          (F) the prevalence of school facilities at  
11 which student enrollment exceeds the physical  
12 and instructional capacity of the facility and the  
13 effect of such excess enrollment on instructional  
14 quality and delivery of school wraparound serv-  
15 ices;

16          (G) the condition of school facilities affected  
17 by natural disasters;

18          (H) the effect that projects carried out with  
19 covered funds have on the communities in which  
20 such projects are conducted, including the vital-  
21 ity, jobs, population, and economy of such com-  
22 munities; and

23          (I) the ability of building envelopes and in-  
24 teriors of public school facilities to protect occu-  
25 pants from natural elements and human threats;

1           (2) *an explanation of any differences observed*  
2           *with respect to the factors described in subparagraphs*  
3           *(A) through (I) of paragraph (1); and*

4           (3) *a cost estimate for bringing school facilities*  
5           *to a state of good repair, as determined by the Sec-*  
6           *retary.*

7   **SEC. 403. OFFICE OF SCHOOL INFRASTRUCTURE AND SUS-**  
8                           **TAINABILITY.**

9           (a) *ESTABLISHMENT.*—*Not later than 90 days after*  
10          *the date of enactment of this Act, the Secretary shall estab-*  
11          *lish within the Department of Education an office to be*  
12          *known as the “Office of School Infrastructure and Sustain-*  
13          *ability” (referred to in this section as the “Office”).*

14          (b) *HEAD OF OFFICE.*—*The head of the Office shall*  
15          *be an individual designated by the Secretary.*

16          (c) *DUTIES.*—*The duties of the Office shall be—*

17                  (1) *to advise the Secretary on State plans under*  
18                  *section 102;*

19                  (2) *to serve as a liaison with other departments*  
20                  *and agencies of the Federal Government on matters*  
21                  *relating to public school facilities, including the De-*  
22                  *partment of Energy, the Department of Health and*  
23                  *Human Services, the Department of the Treasury, the*  
24                  *Federal Emergency Management Agency, and the En-*  
25                  *vironmental Protection Agency;*

1           (3) to ensure the Department of Education is  
2           prepared to meet the requirements of this Act in a  
3           timely manner; and

4           (4) to manage such other programs or initiatives  
5           affecting public school facilities as the Secretary de-  
6           termines appropriate.

7   **SEC. 404. DEVELOPMENT OF DATA STANDARDS.**

8           (a) *DATA STANDARDS.*—Not later than 120 days after  
9           the date of the enactment of this Act, the Secretary, in con-  
10          sultation with the officials described in subsection (b),  
11          shall—

12           (1) identify the data that States should collect  
13           and include in the databases developed under section  
14           102(a)(2)(B);

15           (2) develop standards for the measurement of  
16           such data; and

17           (3) issue guidance to States concerning the col-  
18           lection and measurement of such data.

19          (b) *OFFICIALS.*—The officials described in this sub-  
20          section are—

21           (1) the Administrator of the Environmental Pro-  
22           tection Agency;

23           (2) the Secretary of Energy;

24           (3) the Director of the Centers for Disease Con-  
25           trol and Prevention; and

1           (4) *the Director of the National Institute for Oc-*  
2           *cupational Safety and Health.*

3 **SEC. 405. INFORMATION CLEARINGHOUSE.**

4           (a) *IN GENERAL.*—*Not later than 120 days after the*  
5 *date of the enactment of this Act, the Secretary shall estab-*  
6 *lish a clearinghouse to disseminate information on Federal*  
7 *programs and financing mechanisms that may be used to*  
8 *assist schools in initiating, developing, and financing—*

9                   (1) *energy efficiency projects;*

10                   (2) *distributed generation projects; and*

11                   (3) *energy retrofitting projects.*

12           (b) *ELEMENTS.*—*In carrying out subsection (a), the*  
13 *Secretary shall—*

14                   (1) *consult with the officials described in section*  
15 *404(b) to develop a list of Federal programs and fi-*  
16 *nancing mechanisms to be included in the clearing-*  
17 *house; and*

18                   (2) *coordinate with such officials to develop a*  
19 *collaborative education and outreach effort to stream-*  
20 *line communications and promote the Federal pro-*  
21 *grams and financing mechanisms included in the*  
22 *clearinghouse, which may include the development*  
23 *and maintenance of a single online resource that in-*  
24 *cludes contact information for relevant technical as-*  
25 *sistance that may be used by States, outlying areas,*



1        *local educational agencies, and Bureau-funded schools*  
2        *effectively access and use such Federal programs and*  
3        *financing mechanisms.*

4        **SEC. 406. SENSE OF CONGRESS ON OPPORTUNITY ZONES.**

5        *(a) FINDINGS.—The Congress finds as follows:*

6                *(1) Opportunity Zones were championed by*  
7        *prominent leaders of both parties as an innovative*  
8        *way to tackle longstanding challenges.*

9                *(2) As of December 2018, 8,763 low-income com-*  
10        *munities had been designated as Opportunity Zones,*  
11        *representing all 50 States, the District of Columbia,*  
12        *Puerto Rico, the United States Virgin Islands, and*  
13        *American Samoa.*

14                *(3) Schools are integral parts of communities,*  
15        *and a key part of communities' economic and work-*  
16        *force development efforts could be modernizing school*  
17        *facilities.*

18        *(b) SENSE OF CONGRESS.—It is the sense of the Con-*  
19        *gress that opportunity zones, when combined with public*  
20        *infrastructure investment, can provide an innovative ap-*  
21        *proach to capital financing that has the potential to un-*  
22        *leash creativity and help local communities rebuild schools,*  
23        *rebuild economics, and get people back to work.*

1                   **TITLE V—IMPACT AID**  
2                   **CONSTRUCTION**

3   **SEC. 501. TEMPORARY INCREASE IN FUNDING FOR IMPACT**  
4                   **AID CONSTRUCTION.**

5           *Section 7014(d) of the Elementary and Secondary*  
6   *Education Act of 1965 (20 U.S.C. 7714(d)) is amended to*  
7   *read as follows:*

8           “(d) *CONSTRUCTION.*—*For the purpose of carrying out*  
9   *section 7007, there are authorized to be appropriated*  
10   *\$100,000,000 for each of fiscal years 2023 through 2027.”.*

11           **TITLE VI—ASSISTANCE FOR RE-**  
12           **PAIR OF SCHOOL FOUNDA-**  
13           **TIONS           AFFECTED           BY**  
14           **PYRRHOTITE**

15   **SEC. 601. ALLOCATIONS TO STATES.**

16           (a) *IN GENERAL.*—*Beginning not later than 180 days*  
17   *after the date of the enactment of this Act, the Secretary*  
18   *shall carry out a program under which the Secretary makes*  
19   *allocations to States to pay the Federal share of the costs*  
20   *of making grants to local educational agencies under section*  
21   *602.*

22           (b) *WEBSITE.*—*Not later than 180 days after the date*  
23   *of enactment of this Act, the Secretary shall publish, on a*  
24   *publicly accessible website of the Department of Education,*

1 *instructions describing how a State may receive an alloca-*  
2 *tion under this section.*

3 **SEC. 602. GRANTS TO LOCAL EDUCATIONAL AGENCIES.**

4 *(a) IN GENERAL.—From the amounts allocated to a*  
5 *State under section 601(a) and contributed by the State*  
6 *under subsection (e)(2), the State shall award grants to*  
7 *local educational agencies—*

8 *(1) to pay the future costs of repairing concrete*  
9 *school foundations damaged by the presence of*  
10 *pyrrhotite; or*

11 *(2) to reimburse such agencies for costs incurred*  
12 *by the agencies in making such repairs in the five-*  
13 *year period preceding the date of enactment of this*  
14 *Act.*

15 *(b) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—*

16 *(1) ELIGIBILITY FOR GRANTS FOR FUTURE RE-*  
17 *PAIRS.—To be eligible to receive a grant under sub-*  
18 *section (a)(1), a local educational agency shall—*

19 *(A) with respect to each school for which the*  
20 *agency seeks to use grant funds, demonstrate to*  
21 *the State that—*

22 *(i) the school is a pyrrhotite-affected*  
23 *school; and*

24 *(ii) any laboratory tests, core tests, and*  
25 *visual inspections of the school's foundation*

1           *used to determine that the school is a*  
2           *pyrrhotite-affected school were conducted—*

3                     *(I) by a professional engineer li-*  
4                     *censed in the State in which the school*  
5                     *is located; and*

6                     *(II) in accordance with applicable*  
7                     *State standards or standards approved*  
8                     *by any independent, nonprofit, or pri-*  
9                     *vate entity authorized by the State to*  
10                    *oversee construction, testing, or finan-*  
11                    *cial relief efforts for damaged building*  
12                    *foundations; and*

13           *(B) provide an assurance that—*

14                    *(i) the local educational agency will*  
15                    *use the grant only for the allowable uses de-*  
16                    *scribed in subsection (f)(1); and*

17                    *(ii) all work funded with the grant will*  
18                    *be conducted by a qualified contractor or*  
19                    *architect licensed in the State.*

20           (2)     *ELIGIBILITY     FOR     REIMBURSEMENT*  
21           *GRANTS.—To be eligible to receive a grant under sub-*  
22           *section (a)(2), a local educational agency shall dem-*  
23           *onstrate that it met the requirements of paragraph*  
24           *(1) at the time it carried out the project for which the*  
25           *agency seeks reimbursement.*

1       (c) *APPLICATION.*—

2           (1) *IN GENERAL.*—*A local educational agency*  
3 *that seeks a grant under this section shall submit to*  
4 *the State an application at such time, in such man-*  
5 *ner, and containing such information as the State*  
6 *may require, which upon approval by the State under*  
7 *subsection (d)(1)(A), the State shall submit to the Sec-*  
8 *retary for approval under subsection (d)(1)(B).*

9           (2) *CONTENTS.*—*At minimum, each application*  
10 *shall include—*

11           (A) *information and documentation suffi-*  
12 *cient to enable the State to determine if the local*  
13 *educational agency meets the eligibility criteria*  
14 *under subsection (b);*

15           (B) *in the case of an agency seeking a grant*  
16 *under subsection (a)(1), an estimate of the costs*  
17 *of carrying out the activities described in sub-*  
18 *section (f);*

19           (C) *in the case of an agency seeking a grant*  
20 *under subsection (a)(2)—*

21           (i) *an itemized explanation of—*

22                   (I) *the costs incurred by the agen-*  
23 *cy in carrying out any activities de-*  
24 *scribed subsection (f);*

1                   (II) any amounts contributed  
2                   from other Federal, State, local, or pri-  
3                   vate sources for such activities; and

4                   (ii) the amount for which the local  
5                   educational agency seeks reimbursement;  
6                   and

7                   (D) the percentage of any costs described in  
8                   subparagraph (B) or (C) that are covered by an  
9                   insurance policy.

10           (d) APPROVAL AND DISBURSEMENT.—

11                   (1) APPROVAL.—

12                           (A) STATE.—The State shall approve the  
13                           application of each local educational agency for  
14                           submission to the Secretary that—

15                                   (i) submits a complete and correct ap-  
16                                   plication under subsection (c); and

17                                   (ii) meets the criteria for eligibility  
18                                   under subsection (b).

19                           (B) SECRETARY.—Not later than 60 days  
20                           after receiving an application of a local edu-  
21                           cational agency submitted by a State under sub-  
22                           section (c)(1), the Secretary shall—

23                                   (i) approve such application, in a case  
24                                   in which the Secretary determines that such

1                    *application meets the requirements of sub-*  
2                    *paragraph (A); or*

3                    *(ii) deny such application, in the case*  
4                    *of an application that does not meet such*  
5                    *requirements.*

6                    *(2) DISBURSEMENT.—*

7                    *(A) ALLOCATION.—The Secretary shall dis-*  
8                    *burse an allocation to a State not later than 60*  
9                    *days after the date on which the Secretary ap-*  
10                   *proves an application under paragraph (1)(B).*

11                   *(B) GRANT.—The State shall disburse grant*  
12                   *funds to a local educational agency not later*  
13                   *than 60 days after the date on which the State*  
14                   *receives an allocation under subparagraph (A).*

15                   *(e) FEDERAL AND STATE SHARE.—*

16                   *(1) FEDERAL SHARE.—The Federal share of each*  
17                   *grant under this section shall be an amount that is*  
18                   *not more than 50 percent of the total cost of the*  
19                   *project for which the grant is awarded.*

20                   *(2) STATE SHARE.—*

21                   *(A) IN GENERAL.—Subject to subparagraph*  
22                   *(B), the State share of each grant under this sec-*  
23                   *tion shall be an amount that is not less than 40*  
24                   *percent of the total cost of the project for which*

1           *the grant is awarded, which the State shall con-*  
2           *tribute from non-Federal sources.*

3                   *(B) SPECIAL RULE FOR REIMBURSEMENT*  
4           *GRANTS.—In the case of a reimbursement grant*  
5           *made to a local educational agency under sub-*  
6           *section (a)(2), a State shall be treated as meeting*  
7           *the requirement of subparagraph (A) if the State*  
8           *demonstrates that it contributed, from non-Fed-*  
9           *eral sources, not less than 40 percent of the total*  
10           *cost of the project for which the reimbursement*  
11           *grant is awarded.*

12           *(f) USES OF FUNDS.—*

13                   *(1) ALLOWABLE USES OF FUNDS.—A local edu-*  
14           *cational agency that receives a grant under this sec-*  
15           *tion shall use such grant only for costs associated*  
16           *with—*

17                           *(A) the repair or replacement of the concrete*  
18           *foundation or other affected areas of a*  
19           *pyrrhotite-affected school in the jurisdiction of*  
20           *such agency to the extent necessary—*

21                                   *(i) to restore the structural integrity of*  
22           *the school to the safety and health standards*  
23           *established by the professional licensed engi-*  
24           *neer or architect associated with the project;*  
25           *and*



1                   (ii) to restore the school to the condi-  
2                   tion it was in before the school's foundation  
3                   was damaged due to the presence of  
4                   pyrrhotite; and

5                   (B) engineering reports, architectural de-  
6                   sign, core tests, and other activities directly re-  
7                   lated to the repair or replacement project.

8                   (2) *PROHIBITED USES OF FUNDS.*—A local edu-  
9                   cational agency that receives a grant under this sec-  
10                  tion may not use the grant for any costs associated  
11                  with—

12                  (A) work done to outbuildings, sheds, or  
13                  barns, swimming pools (whether in-ground or  
14                  above-ground), playgrounds or ballfields, or any  
15                  ponds or water features;

16                  (B) the purchase of items not directly asso-  
17                  ciated with the repair or replacement of the  
18                  school building or its systems, including items  
19                  such as desks, chairs, electronics, sports equip-  
20                  ment, or other school supplies; or

21                  (C) any other activities not described in  
22                  paragraph (1).

23                  (g) *LIMITATION.*—A local educational agency may not,  
24                  for the same project, receive a grant under both—

25                  (1) this section; and

1           (2) *title I.*

2 **SEC. 603. DEFINITIONS.**

3       *In this title:*

4           (1) *PYRRHOTITE-AFFECTED SCHOOL.*—*The term*  
5       *“pyrrhotite-affected school” means an elementary*  
6       *school or a secondary school that meets the following*  
7       *criteria:*

8                   (A) *The school has a concrete foundation.*

9                   (B) *Pyrrhotite is present in the school’s con-*  
10       *crete foundation, as demonstrated by a*  
11       *petrographic or other type of laboratory core*  
12       *analysis or core inspection.*

13                  (C) *A visual inspection of the school’s con-*  
14       *crete foundation indicates that the presence of*  
15       *pyrrhotite is causing the foundation to deterio-*  
16       *rate at an unsafe rate.*

17                  (D) *A qualified engineer determined that*  
18       *the deterioration of the school’s foundation, due*  
19       *to the presence of pyrrhotite—*

20                           (i) *caused the school to become struc-*  
21       *turally unsound; or*

22                           (ii) *will result in the school becoming*  
23       *structurally unsound within the next five*  
24       *years.*

1           (2) *QUALIFIED CONTRACTOR.*—*The term “quali-*  
2           *fied contractor” means a contractor who is qualified*  
3           *under State law, or approved by any State agency or*  
4           *other State-sanctioned independent or nonprofit enti-*  
5           *ty, to repair or replace residential or commercial*  
6           *building foundations that are deteriorating due to the*  
7           *presence of pyrrhotite.*

8   **SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

9           *There are authorized to be appropriated to carry out*  
10          *this title such sums as may be necessary for fiscal year 2023*  
11          *and each fiscal year thereafter.*

Union Calendar No. 467

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 604**

[Report No. 117-607, Part I]

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## **A BILL**

To provide for the long-term improvement of public school facilities, and for other purposes.

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DECEMBER 16, 2022

Committee on Ways and Means discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed