

1 H.871

2 Introduced by Committee on Education

3 Date:

4 Subject: Education; school construction; facilities; grant program

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

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

10 (2) require the Agency of Education and Department of Buildings and
11 General Services to work together to establish a list of prequalified
12 architecture and engineering consultants; and

13 (3) create the State Aid for School Construction Working Group to
14 study and design a plan for a statewide school construction aid program.

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

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

1 ~~Sec. 116 V.S.A. § 3441 is added to read:~~

2 § 3441. FACILITIES MASTER PLAN GRANT PROGRAM; REPORT

3 (a) Intent. It is the intent of the General Assembly that the Facilities
4 Master Plan Grant Program established pursuant to this section shall enable
5 supervisory unions and independent career and technical education districts to
6 develop a supervisory union level vision for all school buildings that meets the
7 educational needs and goals of the supervisory union. The goal of a facilities
8 master plan shall be to facilitate an evaluation of the capacity of existing
9 facilities to deliver on identified 21st century educational goals. A facilities
10 master plan shall also enable and require supervisory unions to engage in
11 intentional and robust conversations with the larger community that will
12 hopefully lead to the successful passage of bonds needed to support the
13 renovation or construction needs of the supervisory union. It is the intent of
14 the General Assembly that awards shall be granted in accordance with this
15 section and in a manner that allows a maximum number of supervisory unions
16 and independent career and technical education districts to successfully
17 complete facilities master plans.

18 (b) Definition. As used in this section, “supervisory union” shall have the
19 same meaning as in subsection 11(23) of this title and shall include supervisory
20 districts and independent career and technical education districts.

1 ~~(c) Establishment. There is established the Facilities Master Plan Grant~~
2 Program to be administered by the Agency of Education, from funds
3 appropriated for this purpose, to supervisory unions and independent career
4 and technical education districts to support the development of educational
5 facilities master plans. Grant funds may be used to hire a consultant to assist
6 in the development of the master plan with the goal of developing a final
7 master plan that complies with State construction aid requirements

8 (d) Standards for the disbursement of funds. The Agency shall develop
9 standards for the disbursement of grant funds in accordance with the
10 following:

11 (1) Grants shall be awarded to applicants with the highest facilities
12 needs. The Agency shall develop a prioritization formula based on an
13 applicant's poverty factor and average facilities condition index score. The
14 Agency shall develop or choose a poverty metric to use for the prioritization
15 formula. The Agency may give priority to applications with a regionalization
16 focus that consist of more than one supervisory union or independent career
17 and technical education district that apply as a consortium.

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

1 ~~(2) The Agency shall develop minimum requirements for an educational~~
2 facilities master plan, which shall include, at a minimum, the following
3 elements:

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

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

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

9 (D) the identification of new program needs;

10 (E) the development of enrollment projections;

11 (F) the performance of a facilities assessment; and

12 (G) information regarding the various design options explored to
13 address the supervisory union's identified needs.

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

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

18 16 V.S.A. § 3441 (Facilities Master Plan Grant Program) as added by this
19 act is repealed on June 30, 2029.

1 ~~Sec. 3. PREQUALIFIED ARCHITECTURE AND ENGINEERING~~

2 CONSULTANTS

3 On or before October 15, 2024, the Agency of Education shall coordinate
4 with the Department of Buildings and General Services to develop
5 prequalification criteria for architecture and engineering firms specializing in
6 kindergarten through grade 12 school design and construction. The
7 Department shall assist the Agency in distributing requests for qualifications
8 and in reviewing the resulting responses for approval and prequalification.
9 The Department shall maintain the list of prequalified firms and shall make the
10 list available to school districts and supervisory unions.

11 Sec. 4. STATE AID FOR SCHOOL CONSTRUCTION WORKING GROUP;
12 REPORT

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

16 (b) Membership. The Working Group shall be composed of the following
17 members:

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

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

1 ~~(2) the Secretary of Education, or designee.~~

2 ~~(c) Powers and duties.~~

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

12 ~~(A) Governance. The Working Group shall study other state~~
13 ~~governance models for school construction aid programs, including inviting~~
14 ~~testimony from school officials from those states, and make a recommendation~~
15 ~~for a governance model for Vermont that aligns with the other funding and~~
16 ~~programmatic recommendations of the Working Group. Governance~~
17 ~~recommendations shall include recommendations on staffing levels and a~~
18 ~~stable appropriation for the funding of the recommended governance structure.~~

19 ~~(B) Prioritization criteria. The Working Group shall make~~
20 ~~recommendations on state aid prioritization criteria that will drive funding~~

1 towards projects that are aligned to the State's educational policies and
2 priorities.

3 (C) Eligibility criteria. The Working Group shall consider, at a
4 minimum, the following state aid eligibility criteria:

5 (i) appropriate maintenance and operations budgeting at the
6 supervisory union level;

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

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

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

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

17 (D) State base share. The Working Group shall make
18 recommendations as to whether to include a State base share and if so, whether
19 it shall be based on student or community poverty factors. The Working
20 Group shall consider factors such as local taxing capacity, student poverty
21 data, environmental justice metrics, and energy burden metrics.

1 ~~(E) Incentives. The Working Group shall consider the use of~~
2 ~~incentives or State share bonuses that align with Vermont's educational~~
3 ~~priorities with the goal of efficient and sustainable use of taxpayer supported~~
4 ~~school construction aid to improve student learning environments and~~
5 ~~opportunities. The Working Group shall consider appropriate limits on~~
6 ~~cumulative incentives and whether incentives shall be bundled for eligibility.~~

7 ~~Policy areas to consider for incentives include:~~

- 8 ~~(i) school safety and security;~~
9 ~~(ii) health;~~
10 ~~(iii) educational enhancements;~~
11 ~~(iv) overcrowding solutions;~~
12 ~~(v) environmental performance;~~
13 ~~(vi) newer and fewer buildings;~~
14 ~~(vii) major renovations to improve Pre-K-12 systems educational~~
15 ~~alignment and capacity;~~
16 ~~(viii) replacement of facilities with a current facility condition~~
17 ~~index of 65 percent or higher, in combination with other policy area~~
18 ~~incentives; and~~
19 ~~(ix) schools identified with actionable levels of airborne PCBs and~~
20 ~~other identified environmental hazards in critical education spaces.~~

21 ~~(F) Assurance and certification process.~~

1 ~~(i) The Working Group shall make recommendations for an~~
2 assurance and certification process and shall consider, at a minimum the
3 following:

4 (I) a district's commitment to adequate funding for ongoing
5 maintenance and operations of any State-funded improvements;

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

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

11 (IV) a clerk of the work throughout the lifespan of the project.

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

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

20 (H) Pre-program construction aid. The Working Group shall
21 consider whether and to what extent State aid should be made available to

1 ~~school districts that begin construction projects prior to the establishment or~~
2 renewal of a State school construction aid program.

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

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

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

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

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

19 (L) School Construction Planning Guide. The Working Group shall
20 review the Vermont School Construction Planning Guide and make

1 ~~recommendations for any amendments necessary to align with the Working~~
2 ~~Group's proposed construction aid program.~~

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

~~*(N) Population considerations. The Working Group shall consider*~~
~~*and make recommendations as to whether, and if so, how, the unique needs of*~~
~~*different populations shall be taken into account in developing a statewide*~~
~~*school construction aid program, including the following populations:*~~

~~*(i) elementary students*~~

~~*(ii) high school students;*~~

~~*(iii) supervisory unions with low population density, as defined by*~~
~~*16 V.S.A. § 4010(b)(2); and*~~

~~*(iv) any other population the Working Group deems relevant to its*~~
~~*work and recommendations.*~~

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

9 ~~(A) the Agency of Education;~~

10 ~~(B) the Agency of Natural Resources;~~

11 ~~(C) the Department of Public Safety, Division of Fire Safety,~~

- 1 (D) the Natural Resources Board;
- 2 (E) the Agency of Commerce and Community Development,
3 Division for Historic Preservation;
- 4 (F) the U.S. Department of Education;
- 5 (G) U.S. Department of Agriculture, Rural Development;
- 6 (H) the Vermont School Boards Association;
- 7 (I) the Vermont Superintendents Association; and
- 8 (J) any other entity the Working Group deems relevant to its work.

9 (d) Assistance. The Working Group shall have the administrative,
10 technical, and legal assistance of the Agency of Education, the Office of
11 Legislative Counsel, the Joint Fiscal Office, and the Office of Legislative
12 Operations.

13 (e) Proposed legislation. On or before December 15, 2024, the Working
14 Group shall submit its findings and recommendations in the form of proposed
15 legislation to the General Assembly.

16 (f) Meetings.

17 (1) The Office of Legislative Counsel shall call the first meeting of the
18 Working Group to occur on or before August 1, 2024.

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

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

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

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

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

9 WORKING GROUP

The sum of \$15,000.00 is appropriated from the General Fund to the
General Assembly in fiscal year 2025 for the purpose of funding travel by the
State Aid for School Construction Working Group pursuant to Sec. 4,
subsection (c) of this act *and per diem compensation and reimbursement of*
expenses pursuant to Sec. 4, subsection (g) of this act.

10 Sec. 6. EFFECTIVE DATE

11 ~~This act shall take effect on July 1, 2024.~~

**** State Aid to School Construction ****

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

§ 3441. FACILITIES MASTER PLAN GRANT PROGRAM; REPORT

(a) Intent. It is the intent of the General Assembly that the Facilities
Master Plan Grant Program established pursuant to this section shall enable

supervisory unions and independent career and technical education districts to develop a supervisory union level vision for all school buildings that meets the educational needs and goals of the supervisory union. The goal of a facilities master plan shall be to facilitate an evaluation of the capacity of existing facilities to deliver on identified 21st century educational goals. A facilities master plan shall also enable and require supervisory unions to engage in intentional and robust conversations with the larger community that will hopefully lead to the successful passage of bonds needed to support the renovation or construction needs of the supervisory union. It is the intent of the General Assembly that awards shall be granted in accordance with this section and in a manner that allows a maximum number of supervisory unions and independent career and technical education districts to successfully complete facilities master plans.

(b) Definition. As used in this section, “supervisory union” has the same meaning as in subdivision 11(a)(23) of this title and includes supervisory districts and independent career and technical education districts.

(c) Establishment. There is established the Facilities Master Plan Grant Program to be administered by the Agency of Education, from funds appropriated for this purpose to supervisory unions and independent career and technical education districts to support the development of educational facilities master plans. Grant funds may be used to hire a consultant to assist

in the development of the master plan with the goal of developing a final master plan that complies with State construction aid requirements.

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

(1) Grants shall be awarded to applicants with the highest facilities needs. The Agency shall develop a prioritization formula based on an applicant's poverty factor and average facilities condition index score. The Agency shall develop or choose a poverty metric to use for the prioritization formula. The Agency may give priority to applications with a regionalization focus that consist of more than one supervisory union or independent career and technical education district that apply as a consortium.

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

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

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

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

(C) the performance of a space utilization assessment;

(D) the identification of new program needs;

(E) the development of enrollment projections;

(F) the performance of a facilities assessment; and

(G) information regarding the various design options explored to address the supervisory union's identified needs.

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

Sec. 2. REPEAL; FACILITIES MASTER PLAN GRANT PROGRAM

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

Sec. 3. PREQUALIFIED ARCHITECTURE AND ENGINEERING

CONSULTANTS

On or before October 15, 2024, the Agency of Education shall coordinate with the Department of Buildings and General Services to develop prequalification criteria for alternative project delivery consultants and architecture and engineering firms specializing in kindergarten through grade

12 school design and construction. The Department shall assist the Agency in distributing requests for qualifications and in reviewing the resulting responses for approval and prequalification. The Department shall maintain the list of prequalified firms and consultants and shall make the list available to school districts and supervisory unions.

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

REPORT

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

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

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

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

(3) the Secretary of Education, or designee.

(c) Powers and duties.

(1) The Working Group shall study and create a recommended plan for a statewide school construction aid program, including recommendations on implementation. To facilitate its understanding of school construction projects

and other school construction state aid programs, the Working Group may travel to conduct site visits at schools or other state programs. In creating its recommendations, the Working Group shall address the following topics, building from the recommendations contained in the report of the School Construction Aid Task Force, created in 2023 Acts and Resolves No. 78, Sec. E.131.1:

(A) Governance. The Working Group shall study other state governance models for school construction aid programs, including inviting testimony from school officials from those states, and make a recommendation for a governance model for Vermont that aligns with the other funding and programmatic recommendations of the Working Group. Governance recommendations shall include recommendations on staffing levels and a stable appropriation for the funding of the recommended governance structure.

(B) Prioritization criteria. The Working Group shall make recommendations on State aid prioritization criteria that will drive funding towards projects that are aligned to the State's educational policies and priorities.

(C) Eligibility criteria. The Working Group shall consider, at a minimum, the following State aid eligibility criteria:

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

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

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

(iv) a requirement for a supervisory union master planning process that would require consideration of the adaptive reuse of schools;

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

(vi) whether costs associated with repurposing a non-school building to use as a school should be included in a State aid to school construction program.

(D) State base share. The Working Group shall make recommendations as to whether to include a State base share and if so, whether it shall be based on student or community poverty factors. The Working Group shall consider factors such as local taxing capacity, student poverty data, environmental justice metrics, and energy burden metrics.

(E) Incentives. The Working Group shall consider the use of incentives or State share bonuses that align with Vermont's educational priorities with the goal of efficient and sustainable use of taxpayer supported

school construction aid to improve student learning environments and opportunities. The Working Group shall consider appropriate limits on cumulative incentives and whether incentives shall be bundled for eligibility.

Policy areas to consider for incentives include:

(i) school safety and security;

(ii) health;

(iii) educational enhancements;

(iv) overcrowding solutions;

(v) environmental performance;

(vi) newer and fewer buildings;

(vii) historic preservation;

(viii) major renovations to improve PreK–12 systems educational alignment and capacity;

(ix) replacement of facilities with a current facility condition index of 65 percent or higher, in combination with other policy area incentives; and

(x) schools identified with actionable levels of airborne PCBs and other identified environmental hazards in critical education spaces.

(F) Assurance and certification process.

(i) The Working Group shall make recommendations for an assurance and certification process and shall consider, at a minimum, the following:

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

(II) a district's assurance that it will provide adequate training for facilities and custodial staff to properly operate and maintain systems funded through State aid;

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

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

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

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

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

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

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

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

(ii) cost containment strategies such as the use of building templates for new construction, alternative project delivery, and consideration of risk transfer.

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

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

(M) Population considerations. The Working Group shall consider and make recommendations as to whether, and if so, how, the unique needs of different populations shall be taken into account in developing a statewide school construction aid program, including the following populations:

(i) elementary students;

(ii) high school students;

(iii) supervisory unions with low population density, as defined by 16 V.S.A. § 4010(b)(2); and

(iv) any other population the Working Group deems relevant to its work and recommendations.

(N) Grant opportunities. The Working Group shall consider and make recommendations as to whether, and if so, how State and federal grant opportunities shall impact the Working Group's proposed construction aid program.

(O) Utilization of renewable energy. The Working Group shall make recommendations that approach the utilization of renewable energy in a comprehensive manner, incorporating existing programs and laws into the school construction aid program where possible.

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

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

(A) the Agency of Education;

(B) the Agency of Natural Resources;

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

(D) the Natural Resources Board;

(E) the Agency of Commerce and Community Development, Division for Historic Preservation;

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

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

(H) the Vermont School Boards Association;

(I) the Vermont Superintendents Association;

(J) the Vermont Principals' Association;

(K) the Vermont National Education Association;

(L) the Vermont Bond Bank;

(M) the Vermont Legal Aid Disability Law Project;

(N) the Department of Disabilities, Aging, and Independent Living, Deaf, Hard of Hearing, DeafBlind Services;

(O) Vermont's Congressional Delegation; and

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

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Agency of Education, the Office of Legislative Counsel, the Joint Fiscal Office, and the Office of Legislative Operations.

(e) Proposed legislation. On or before December 15, 2024, the Working Group shall submit its findings and recommendations in the form of proposed legislation to the General Assembly.

(f) Meetings.

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

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

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

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

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings unless additional meetings are authorized jointly by the Speaker of the House and the President Pro Tempore,

with a maximum of up to 10 meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 5. [Deleted.]

** * * Public Construction Bids * * **

Sec. 6. 16 V.S.A. § 559 is amended to read:

§ 559. PUBLIC BIDS

** * **

(b) High-cost construction contracts. When a school construction contract exceeds ~~\$500,000.00~~ \$2,000,000.00:

(1) The State Board shall establish, in consultation with the Commissioner of Buildings and General Services and with other knowledgeable sources, general rules for the prequalification of bidders on such a contract. The Department of Buildings and General Services, upon notice by the Secretary, shall provide to school boards undergoing construction projects suggestions and recommendations on bidders qualified to provide construction services.

(2) At least 60 days prior to the proposed bid opening on any construction contract to be awarded by a school board that exceeds ~~\$500,000.00~~ \$2,000,000.00, the school board shall publicly advertise for contractors interested in bidding on the project. The advertisement shall indicate that the school board has established prequalification criteria that a

contractor must meet and shall invite any interested contractor to apply to the school board for prequalification. All interested contractors shall submit their qualifications to the school board, which shall determine a list of eligible prospective bidders based on the previously established criteria. At least 30 days prior to the proposed bid opening, the school board shall give written notice of the board's determination to each contractor that submitted qualifications. The school board shall consider all bids submitted by prequalified bidders meeting the deadline.

(c) Contract award.

(1) A contract for any such item or service to be obtained pursuant to subsection (a) of this section shall be ~~awarded to one of~~ selected from among the three or fewer lowest responsible bids conforming to specifications, with consideration being given to quantities involved, time required for delivery, purpose for which required, competency and responsibility of bidder, and ~~his or her~~ the bidder's ability to render satisfactory service. A board shall have the right to reject any or all bids.

(2) A contract for any property, construction, good, or service to be obtained pursuant to subsection (b) of this section shall be awarded to the lowest responsible bid conforming to specifications. However, when considering the base contract amount and without considering cost overruns, if the two lowest responsible bids are within one percent of each other, the board

may award the contract to either bidder. A board shall have the right to reject any bid found not to be responsible or conforming to specifications or to reject all bids.

* * *

* * * *Effective Date* * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2024.