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## SENATE BILL NO. 1087

Offered January 17, 2020

A *BILL to amend the Code of Virginia by adding a section numbered 22.1-140.1, relating to the Department of Education; School Construction Fund and Program.*

Patrons—Pillion; Delegate: O'Quinn

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 22.1-140.1 as follows:

**§ 22.1-140.1. School Construction Fund and Program.**

A. There is hereby created in the state treasury a special nonreverting fund to be known as the School Construction Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purpose of providing grants to school boards through the School Construction Program established pursuant to subsection B. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Superintendent of Public Instruction.

B. The Department of Education shall establish the School Construction Program (the Program) for the purpose of providing grants through the School Construction Fund established in subsection A to school boards that leverage federal, state, and local programs and resources such as solar incentives, Opportunity Zones established pursuant to the federal Tax Cuts and Jobs Act of 2017, the Community Facilities Programs administered by the U.S. Department of Agriculture, Choice Neighborhood grants and Community Development Block Grant Program grants administered by the U.S. Department of Housing and Urban Development, the Virginia Growth and Opportunity Act established pursuant to Article 26 (§ 2.2-2484 et seq.) of Chapter 24 of Title 2.2, grants administered by the Virginia Tobacco Commission, Vibrant Community Initiative and Virginia Enterprise Zone program grants administered by the Virginia Department of Housing and Community Development, and the Historic Rehabilitation Tax Credit program administered by the Virginia Department of Historic Resources to finance the design and construction of new school buildings and facilities or the modernization and maintenance of existing school buildings and facilities.

C. The Department of Education shall administer the Program and shall establish such guidelines and procedures as it deems necessary for the administration of the Program, including guidelines and procedures for grant applications, awards, and renewals, subject to the following conditions:

1. No grant provided to a school board in a local school division with a composite index of local ability-to-pay that exceeds 0.4000 shall exceed 25 percent of the interest due on a loan or lease agreement for the construction, renovation, or maintenance project or \$100,000 for other fees associated with such project;

2. No grant provided to a school board in a local school division with a composite index of local ability-to-pay that exceeds 0.2500 but does not exceed 0.4000 shall exceed 50 percent of the interest due on a loan or lease agreement for the construction, renovation, or maintenance project or \$200,000 for other fees associated with such project; and

3. No grant provided to a school board in a local school division with a composite index of local ability-to-pay that does not exceed 0.2500 shall exceed 100 percent of the interest due on a loan or lease agreement for the construction, renovation, or maintenance project or \$300,000 for other fees associated with such project.

INTRODUCED

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