

119TH CONGRESS  
2D SESSION

# H. R. 7340

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

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2026

Mr. SCOTT of Virginia (for himself, Mr. NORCROSS, Mr. SMITH of Washington, Mr. PANETTA, Ms. SÁNCHEZ, Ms. TOKUDA, Ms. WILSON of Florida, Ms. STRICKLAND, Ms. SCHAKOWSKY, Mr. BEYER, Ms. PLASKETT, Mr. HORSFORD, Mr. MORELLE, Ms. ROSS, Mr. MAGAZINER, Mr. CASTEN, Ms. LEE of Pennsylvania, Mr. TAKANO, Ms. NORTON, Mr. MCGARVEY, Ms. MCCLELLAN, Ms. BARRAGÁN, Ms. PINGREE, Mr. MANNION, Mr. LANDSMAN, Mr. BISHOP, Mrs. MCBATH, Mr. SWALWELL, Ms. ELFRETH, Mr. GOLDMAN of New York, Mrs. CHERFILUS-McCORMICK, Ms. BONAMICI, Mr. CARSON, Mr. MRVAN, Mrs. BEATTY, Ms. SIMON, Mr. FOSTER, Mr. DAVID SCOTT of Georgia, Mr. LIEU, Mr. DAVIS of Illinois, Ms. DEAN of Pennsylvania, Mrs. TRAHAN, Ms. CRAIG, Mr. DELUZIO, Ms. SCANLON, Ms. CASTOR of Florida, Ms. JACOBS, Mr. MFUME, Mrs. HAYES, Ms. BUDZINSKI, Ms. SALINAS, Ms. BROWNLEY, Ms. LOIS FRANKEL of Florida, Mr. LATIMER, Mrs. McCLAIN DELANEY, Ms. MOORE of Wisconsin, Ms. STANSBURY, Mr. MOULTON, Ms. TLAIB, Mr. COURTNEY, Mr. VARGAS, Ms. OMAR, Ms. KAPTUR, Mr. CARBAJAL, Mr. THOMPSON of Mississippi, Ms. DEGETTE, Ms. LOFGREN, Ms. ESCOBAR, Mr. MULLIN, Mrs. GRIJALVA, Mr. JOHNSON of Georgia, Mr. GARAMENDI, Mr. SHERMAN, Mr. CASAR, Mr. BOYLE of Pennsylvania, Mr. GREEN of Texas, Mr. QUIGLEY, Mr. THANEDAR, Mr. DESAULNIER, Ms. CHU, Mr. BELL, Ms. TITUS, Mr. CISNEROS, and Mr. RASKIN) introduced the following bill; which was referred to the Committee on Education and Workforce, 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

# 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  
 5 “Rebuild America’s Schools Act of 2026”.

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. Allocations 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 conserva-  
 tion.  
 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 com-  
5 mittees” means the Committee on Education and  
6 the Workforce of the House of Representatives and  
7 the Committee on Health, Education, Labor, and  
8 Pensions of the Senate.

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

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

15 (A) under title I of this Act;

16 (B) from a school infrastructure bond; or

17 (C) from a qualified zone academy bond

18 (as such term is defined in section 54E of the

19 Internal Revenue Code of 1986 (as restored by

20 section 201)).

1           (4) ESEA TERMS.—The terms “elementary  
2 school”, “outlying area”, and “secondary school”  
3 have the meanings given those terms in section 8101  
4 of the Elementary and Secondary Education Act of  
5 1965 (20 U.S.C. 7801).

6           (5) LOCAL EDUCATIONAL AGENCY.—The term  
7 “local educational agency” has the meaning given  
8 that term in section 8101 of the Elementary and  
9 Secondary Education Act of 1965 (20 U.S.C. 7801)  
10 except that such term does not include a Bureau-  
11 funded school.

12           (6) NET ZERO ENERGY SCHOOL.—The term  
13 “net zero energy school” means a public elementary  
14 school or public secondary school that—

15                 (A) generates renewable energy on-site;

16                 and

17                 (B) produces enough renewable energy to  
18 meet its own annual energy consumption re-  
19 quirements.

20           (7) PUBLIC SCHOOL FACILITIES.—The term  
21 “public school facilities” means the facilities and  
22 grounds of a public elementary school or a public  
23 secondary school.

24           (8) QUALIFIED LOCAL EDUCATIONAL AGEN-  
25 CY.—The term “qualified local educational agency”

1 means a local educational agency that receives funds  
2 under part A of title I of the Elementary and Sec-  
3 ondary Education Act of 1965 (20 U.S.C. 6311 et  
4 seq.).

5 (9) SCHOOL INFRASTRUCTURE BOND.—The  
6 term “school infrastructure bond” has the meaning  
7 given such term in section 54BB of the Internal  
8 Revenue Code of 1986 (as added by section 202).

9 (10) SECRETARY.—The term “Secretary”  
10 means the Secretary of Education.

11 (11) STATE.—The term “State” means each of  
12 the 50 States, the District of Columbia, and the  
13 Commonwealth of Puerto Rico.

14 **TITLE I—GRANTS FOR THE**  
15 **LONG-TERM IMPROVEMENT**  
16 **OF PUBLIC SCHOOL FACILI-**  
17 **TIES**

18 **SEC. 101. PURPOSE AND RESERVATION.**

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

23 (b) RESERVATION FOR OUTLYING AREAS AND BU-  
24 REAU-FUNDED SCHOOLS.—

1           (1) IN GENERAL.—For each of fiscal years  
2           2027 through 2031, the Secretary shall reserve,  
3           from the amount appropriated to carry out this  
4           title—

5                   (A) one-half of 1 percent, to make alloca-  
6                   tions to the outlying areas in accordance with  
7                   paragraph (3); and

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

11          (2) USE OF RESERVED FUNDS.—

12                  (A) IN GENERAL.—Funds reserved under  
13                  paragraph (1) shall be used in accordance with  
14                  title III.

15                  (B) SPECIAL RULES FOR BUREAU-FUNDED  
16                  SCHOOLS.—

17                          (i) APPLICABILITY.—The provisions  
18                          of title III shall apply to a Bureau-funded  
19                          school that receives assistance under para-  
20                          graph (1)(B) in the same manner that  
21                          such provisions apply to a qualified local  
22                          educational agency that receives covered  
23                          funds. The facilities of a Bureau-funded  
24                          school shall be treated as public school fa-

1 cilities for purposes of the application of  
2 such provisions.

3 (ii) TREATMENT OF TRIBALLY OPER-  
4 ATED SCHOOLS.—The Secretary of the In-  
5 terior shall provide assistance to Bureau-  
6 funded schools under paragraph (1)(B)  
7 without regard to whether such schools are  
8 operated by the Bureau of Indian Edu-  
9 cation or by an Indian Tribe. In the case  
10 of a Bureau-funded school that is a con-  
11 tract or grant school (as that term is de-  
12 fined in section 1141 of the Education  
13 Amendments of 1978 (25 U.S.C. 2021))  
14 operated by an Indian Tribe, the Secretary  
15 of the Interior shall provide assistance  
16 under such paragraph to the Indian Tribe  
17 concerned.

18 (3) ALLOCATION TO OUTLYING AREAS.—From  
19 the amount reserved under paragraph (1)(A) for a  
20 fiscal year, the Secretary shall allocate to each out-  
21 lying area an amount in proportion to the amount  
22 received by the outlying area under part A of title  
23 I of the Elementary and Secondary Education Act  
24 of 1965 (20 U.S.C. 6311 et seq.) for the previous

1 fiscal year relative to the total such amount received  
2 by all outlying areas for such previous fiscal year.

3 **SEC. 102. ALLOCATION TO STATES.**

4 (a) ALLOCATION TO STATES.—

5 (1) STATE-BY-STATE ALLOCATION.—

6 (A) FISCAL YEAR 2027.—Of the amount  
7 appropriated to carry out this title for fiscal  
8 year 2027 and not reserved under section  
9 101(b), not later than 30 days after such funds  
10 are appropriated, each State that provides an  
11 assurance to the Secretary that the State will  
12 comply with the requirements of section 103(c)  
13 shall be allocated an amount in proportion to  
14 the amount received by all local educational  
15 agencies in the State under part A of title I of  
16 the Elementary and Secondary Education Act  
17 of 1965 (20 U.S.C. 6311 et seq.) for the pre-  
18 vious fiscal year relative to the total amount re-  
19 ceived under such part for such fiscal year by  
20 all local educational agencies in every State that  
21 provides such an assurance to the Secretary.

22 (B) OTHER FISCAL YEARS.—Of the  
23 amount appropriated to carry out this title for  
24 each fiscal year other than fiscal year 2027 and  
25 not reserved under section 101(b), each State

1           that has a plan approved by the Secretary  
2           under subsection (b) shall be allocated an  
3           amount in proportion to the amount received by  
4           all local educational agencies in the State under  
5           part A of title I of the Elementary and Sec-  
6           ondary Education Act of 1965 (20 U.S.C. 6311  
7           et seq.) for the previous fiscal year relative to  
8           the total amount received under such part for  
9           such fiscal year by all local educational agencies  
10          in every State that has a plan approved by the  
11          Secretary under subsection (b).

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

16                 (A) providing technical assistance to local  
17                 educational agencies, including by—

18                         (i) identifying which State agencies  
19                         have programs, resources, and expertise  
20                         relevant to the activities supported by the  
21                         allocation under this section; and

22                         (ii) coordinating the provision of tech-  
23                         nical assistance across such agencies;

24                 (B) in accordance with the guidance issued  
25                 by the Secretary under section 404, developing

1 an online, publicly searchable database that  
2 contains an inventory of the infrastructure of  
3 all public school facilities in the State (including  
4 the facilities of Bureau-funded schools, as ap-  
5 propriate), including, with respect to each such  
6 facility, an identification of—

7 (i) the information described in  
8 clauses (i) through (vii) of subparagraph  
9 (F);

10 (ii) the age (including an identifica-  
11 tion of the date of any retrofits or recent  
12 renovations) of—

13 (I) the facility;

14 (II) its roof;

15 (III) its electrical panels and  
16 lighting system;

17 (IV) its windows and any sky-  
18 lights;

19 (V) its cooking equipment and  
20 major appliances;

21 (VI) its plumbing; and

22 (VII) its heating, ventilation, and  
23 air conditioning system, including any  
24 energy management controls and sys-  
25 tems;

1 (iii) fire safety inspection results;

2 (iv) the proximity of the facilities to  
3 toxic sites, including sites contaminated by  
4 per- and polyfluoroalkyl substances, or the  
5 vulnerability of the facilities to natural dis-  
6 asters, including the extent to which facili-  
7 ties that are vulnerable to seismic natural  
8 disasters are seismically retrofitted;

9 (v) any previous inspections showing  
10 the presence of toxic substances, including  
11 per- and polyfluoroalkyl substances;

12 (vi) any improvements that are needed  
13 to support indoor and outdoor social  
14 distancing, personal hygiene, and building  
15 hygiene (including with respect to heating,  
16 ventilation, and air conditioning usage) in  
17 school facilities, consistent with guidance  
18 issued by the Centers for Disease Control  
19 and Prevention; and

20 (vii) any improvements that are need-  
21 ed to support energy and water efficiency,  
22 resilience, and climate mitigation;

23 (C) updating the database developed under  
24 subparagraph (B) not less frequently than once  
25 every 3 years;

1 (D) ensuring that the information in the  
2 database developed under subparagraph (B)—

3 (i) is posted on a publicly accessible  
4 State website; and

5 (ii) is regularly distributed to local  
6 educational agencies and Tribal govern-  
7 ments in the State;

8 (E) issuing and reviewing regulations to  
9 ensure the health and safety of students and  
10 staff during construction or renovation projects;

11 (F) issuing or reviewing regulations to en-  
12 sure safe, healthy, and high-performing school  
13 buildings, including regulations governing—

14 (i) indoor environmental quality and  
15 ventilation, including exposure to carbon  
16 monoxide, carbon dioxide, lead-based paint,  
17 and other combustion by-products such as  
18 oxides of nitrogen;

19 (ii) mold, mildew, and moisture con-  
20 trol;

21 (iii) the safety of drinking water at  
22 the tap and water used for meal prepara-  
23 tion, including regulations that—

24 (I) address the presence of lead  
25 and other contaminants, including

1 per- and polyfluoroalkyl substances, in  
2 such water; and

3 (II) require the regular testing of  
4 the potability of water at the tap and  
5 testing for contaminants, including  
6 per- and polyfluoroalkyl substances;

7 (iv) energy and water efficiency;

8 (v) excessive classroom noise due to  
9 activities allowable under section 301;

10 (vi) the levels of maintenance work,  
11 operational spending, and capital invest-  
12 ment needed to maintain the quality of  
13 public school facilities; and

14 (vii) the construction or renovation of  
15 such facilities, including applicable building  
16 codes;

17 (G) creating a plan to reduce or eliminate  
18 exposure to toxic substances, including mercury,  
19 radon, PCBs, lead, vapor intrusions, per- and  
20 polyfluoroalkyl substances, and asbestos; and

21 (H) creating a plan to increase the number  
22 of net zero energy schools in the State, includ-  
23 ing professional development opportunities for  
24 State and local educational agency staff in-  
25 volved in maintenance, operations, and school

1 facilities capital outlay projects related to en-  
2 ergy and water efficiency, resilience, climate  
3 mitigation, renewable energy, energy storage,  
4 and building electrification.

5 (b) STATE PLAN.—

6 (1) IN GENERAL.—Except as provided in para-  
7 graph (2), to be eligible to receive an allocation  
8 under this section, a State shall submit to the Sec-  
9 retary a plan that—

10 (A) describes how the State will use the al-  
11 location to make long-term improvements to  
12 public school facilities;

13 (B) explains how the State will carry out  
14 each of its responsibilities under subsection  
15 (a)(2);

16 (C) explains how the State will make the  
17 determinations under subsections (b) through  
18 (d) of section 103, including how the State will  
19 consider the impact that projects will have on  
20 student diversity and racial and socioeconomic  
21 isolation of students attending any current (as  
22 of the time of the submission of the plan) or fu-  
23 ture public school facilities supported by such  
24 projects;

1 (D) identifies how long, and at what levels,  
2 the State will maintain fiscal effort for the ac-  
3 tivities supported by the allocation after the  
4 State no longer receives the allocation; and

5 (E) includes such other information as the  
6 Secretary may require.

7 (2) EXPEDITED PROCESS FOR FISCAL YEAR  
8 2027.—

9 (A) ASSURANCE TO SECRETARY.—To be  
10 eligible to receive an allocation for fiscal year  
11 2027 under subsection (a)(1)(A), a State shall  
12 provide to the Secretary an assurance that the  
13 State will comply with the requirements of sec-  
14 tion 103(e).

15 (B) SUBMITTAL OF STATE PLAN.—A State  
16 shall not be required to submit a State plan  
17 under paragraph (1) before receiving an alloca-  
18 tion for fiscal year 2027 under subsection  
19 (a)(1)(A). A State that receives an allocation  
20 under such subsection for such fiscal year shall  
21 submit to the Secretary the State plan de-  
22 scribed in paragraph (1) not later than 90 days  
23 after the date on which such allocation is re-  
24 ceived.

1           (3) APPROVAL AND DISAPPROVAL.—The Sec-  
2       retary shall have the authority to approve or dis-  
3       approve a State plan submitted under paragraph  
4       (1).

5       (c) CONDITIONS.—As a condition of receiving an allo-  
6       cation under this section, a State shall agree to the fol-  
7       lowing:

8           (1) MATCHING REQUIREMENT.—

9           (A) IN GENERAL.—The State shall con-  
10       tribute, from non-Federal sources, an amount  
11       equal to 10 percent of the amount of the alloca-  
12       tion received under this section to carry out the  
13       activities supported by the allocation.

14          (B) DEADLINE.—The State shall provide  
15       any contribution required under subparagraph  
16       (A) not later than September 30, 2035.

17          (C) CERTAIN FISCAL YEARS.—With re-  
18       spect to a fiscal year for which more than  
19       \$7,000,000,000 are appropriated to carry out  
20       this title, subparagraph (A) shall be applied as  
21       if “, from non-Federal sources,” were struck.

22          (D) COMMITMENT TO PROPORTIONAL  
23       STATE INVESTMENT IN SCHOOL FACILITIES.—

24           (i) IN GENERAL.—The State shall  
25       provide an assurance to the Secretary that

1 for each fiscal year that the State receives  
2 an allocation under this section, the State’s  
3 share of school facilities capital outlay will  
4 be not less than 90 percent of the average  
5 of the State’s share of school facilities cap-  
6 ital outlay for the 5 years preceding the  
7 fiscal year for which the allocation is re-  
8 ceived.

9 (ii) WAIVER.—Notwithstanding clause  
10 (i), in response to a request from a State,  
11 the Secretary may modify or waive, in  
12 whole or in part, the requirement of clause  
13 (i) if the Secretary determines that such  
14 State demonstrates an exceptional or un-  
15 controllable circumstance, such as a nat-  
16 ural disaster, pandemic, or precipitous de-  
17 cline in revenue.

18 (iii) STATE’S SHARE OF SCHOOL FA-  
19 CILITIES CAPITAL OUTLAY.—In this sub-  
20 paragraph, the term “State’s share of  
21 school facilities capital outlay” means—

22 (I) the total State expenditures  
23 on school facilities capital outlay  
24 projects; divided by

1 (II) the total school facilities cap-  
2 ital expenditures in the State on  
3 school facilities capital outlay projects.

4 (iv) TOTAL STATE EXPENDITURES.—

5 In this subparagraph, the term “total  
6 State expenditures” means the State’s  
7 total expenditures (from funds other than  
8 an allocation under this section) on school  
9 facilities capital outlay projects, includ-  
10 ing—

11 (I) any direct expenditures by the  
12 State for the purpose of school facili-  
13 ties capital outlay projects; and

14 (II) funds provided by the State  
15 to local educational agencies for the  
16 purpose of school facilities capital out-  
17 lay projects.

18 (v) TOTAL SCHOOL FACILITIES CAP-  
19 ITAL EXPENDITURES IN THE STATE.—In  
20 this subparagraph, the term “total school  
21 facilities capital expenditures in the State”,  
22 means the sum of—

23 (I) the total State expenditures  
24 calculated under clause (iv); plus

1 (II) all additional expenditures  
2 (from funds other than an allocation  
3 under this section) on school facilities  
4 capital outlay projects by local edu-  
5 cational agencies in the State that  
6 were not included in the calculation of  
7 total State expenditures under clause  
8 (iv).

9 (2) SUPPLEMENT NOT SUPPLANT.—The State  
10 shall use an allocation under this section only to  
11 supplement the level of State public funds that  
12 would, in absence of the receipt of Federal funds  
13 under this section, be made available for the State’s  
14 contribution to school facilities capital outlays, and  
15 not to supplant such State public funds.

16 **SEC. 103. NEED-BASED GRANTS TO QUALIFIED LOCAL EDU-**  
17 **CATIONAL AGENCIES.**

18 (a) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

19 (1) IN GENERAL.—Subject to paragraph (2),  
20 from the amounts allocated to a State under section  
21 102(a) and contributed by the State under section  
22 102(c)(1), the State shall award grants to qualified  
23 local educational agencies, on a competitive basis, to  
24 carry out the activities described in section 301(a).

1           (2) ALLOWANCE FOR DIGITAL LEARNING.—A  
2 State may use up to 10 percent of the amount de-  
3 scribed in paragraph (1) to make grants to qualified  
4 local educational agencies to carry out activities to  
5 improve digital learning in accordance with section  
6 301(b).

7           (b) ELIGIBILITY.—

8           (1) IN GENERAL.—To be eligible to receive a  
9 grant under this section, a qualified local edu-  
10 cational agency—

11           (A) shall be among the local educational  
12 agencies in the State with the highest numbers  
13 or percentages of students counted under sec-  
14 tion 1124(c) of the Elementary and Secondary  
15 Education Act of 1965 (20 U.S.C. 6333(c));

16           (B) shall agree to prioritize the improve-  
17 ment of the facilities of public schools that  
18 serve the highest percentages of students who  
19 are eligible for a free or reduced price lunch  
20 under the Richard B. Russell National School  
21 Lunch Act (42 U.S.C. 1751 et seq.) (which, in  
22 the case of a high school, may be calculated  
23 using comparable data from the schools that  
24 feed into the high school), as compared to other

1 public schools in the jurisdiction of the agency;  
2 and

3 (C) shall be among the local educational  
4 agencies in the State with the most limited ca-  
5 pacity to raise funds for the long-term improve-  
6 ment of public school facilities, as determined  
7 by an assessment of—

8 (i) the current and historic ability of  
9 the agency to raise funds for construction,  
10 renovation, modernization, and major re-  
11 pair projects for schools;

12 (ii) whether the agency has been able  
13 to issue bonds or receive other funds to  
14 support school construction projects; and

15 (iii) the bond rating of the agency.

16 (2) **EQUITABLE DISTRIBUTION.**—

17 (A) **NUMBERS AND PERCENTAGES OF CER-**  
18 **TAIN STUDENTS.**—In making the determination  
19 under paragraph (1)(A), the State shall ensure  
20 that grants under this section are equitably dis-  
21 tributed among—

22 (i) qualified local educational agencies  
23 in the State with the highest numbers of  
24 students counted under section 1124(c) of

1 the Elementary and Secondary Education  
2 Act of 1965 (20 U.S.C. 6333(c)); and

3 (ii) qualified local educational agencies  
4 in the State with the highest percentages  
5 of students counted under such section.

6 (B) GEOGRAPHIC DIVERSITY.—The State  
7 shall ensure that grants under this section are  
8 awarded to qualified local educational agencies  
9 that represent the geographic diversity of the  
10 State.

11 (3) STATEWIDE THRESHOLDS.—The State shall  
12 establish reasonable thresholds for determining  
13 whether a local educational agency is among agen-  
14 cies in the State with the highest numbers or per-  
15 centages of students counted under section 1124(c)  
16 of the Elementary and Secondary Education Act of  
17 1965 (20 U.S.C. 6333(c)) as required under para-  
18 graph (1)(A).

19 (c) PRIORITY OF GRANTS.—In awarding grants  
20 under this section, the State shall give priority to qualified  
21 local educational agencies that—

22 (1)(A) demonstrate the greatest need for such  
23 a grant, as determined by a comparison of the fac-  
24 tors described in subsection (b)(1) and other indica-

1       tors of need in the public school facilities of such  
2       local educational agencies, including—

3               (i) the median age of facilities;

4               (ii) the extent to which student enrollment  
5       exceeds physical and instructional capacity;

6               (iii) the condition of major building sys-  
7       tems such as heating, ventilation, air condi-  
8       tioning, electrical, water, and sewer systems;

9               (iv) the condition of roofs, windows, and  
10       doors; and

11              (v) other critical health and safety condi-  
12       tions;

13       (B) will use the grant to improve the facilities  
14       of—

15              (i) elementary schools or middle schools  
16       that have an enrollment of students who are eli-  
17       gible for a free or reduced price lunch under the  
18       Richard B. Russell National School Lunch Act  
19       (42 U.S.C. 1751 et seq.) that constitutes not  
20       less than 40 percent of the total student enroll-  
21       ment at such schools; or

22              (ii) high schools that have an enrollment of  
23       students who are eligible for a free or reduced  
24       price lunch under such Act that constitutes not  
25       less than 30 percent of the total student enroll-

1           ment at such schools (which may be calculated  
2           using comparable data from the schools that  
3           feed into the high school); and

4           (C) operate public school facilities that pose a  
5           severe health and safety threat to students and staff,  
6           which may include consideration of threats posed by  
7           the proximity of the facilities to toxic sites or  
8           brownfield sites or the vulnerability of the facilities  
9           to natural disasters; or

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

13           (B) serve elementary schools or secondary  
14           schools, including rural schools, that lack such ac-  
15           cess; and

16           (C) meet one or more of the requirements set  
17           forth in subparagraphs (A) through (C) of para-  
18           graph (1).

19           (d) APPLICATION.—To be considered for a grant  
20           under this section, a qualified local educational agency  
21           shall submit an application to the State at such time, in  
22           such manner, and containing such information as the  
23           State may require. Such application shall include, at min-  
24           imum—

1           (1) the information necessary for the State to  
2           make the determinations under subsections (b) and  
3           (c);

4           (2) a description of the projects that the agency  
5           plans to carry out with the grant;

6           (3) an explanation of how such projects will—

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

10                (B) improve learning and reduce inequity  
11                for such students; and

12                (C) improve school facilities' performance  
13                with respect to energy and water efficiency, re-  
14                siliency, and climate mitigation;

15           (4) in the case of a local educational agency  
16           that proposes to fund a repair, renovation, or con-  
17           struction project for a public charter school, the ex-  
18           tent to which—

19                 (A) the public charter school lacks access  
20                 to funding for school repair, renovation, and  
21                 construction through the financing methods  
22                 available to other public schools or local edu-  
23                 cational agencies in the State; and

1 (B) the charter school operator owns or  
2 has care and control of the facility that is to be  
3 repaired, renovated, or constructed; and

4 (5) an explanation of how the local educational  
5 agency plans to increase the number of contracts  
6 such agency has with certified small businesses, mi-  
7 nority-owned businesses, veteran-owned businesses,  
8 or women-owned businesses as of the date of sub-  
9 mission of the application by awarding such con-  
10 tracts under projects supported by the grant.

11 (e) FACILITIES MASTER PLAN.—

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

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

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

24 (B) the physical condition of the public  
25 school facilities;

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

4 (i) indoor air quality;

5 (ii) the presence of toxic substances;

6 (iii) the safety of drinking water at  
7 the tap and water used for meal prepara-  
8 tion, including the level of lead and other  
9 contaminants in such water;

10 (iv) energy and water efficiency, resil-  
11 ience, and climate mitigation;

12 (v) excessive classroom noise; and

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

17 (D) how the local educational agency will  
18 address the conditions identified under subpara-  
19 graph (C), including identifying performance  
20 targets where applicable;

21 (E) the impact of current and future stu-  
22 dent enrollment levels (as of the date of appli-  
23 cation) on the design of current and future pub-  
24 lic school facilities, as well as the financial im-  
25 plications of such enrollment levels;

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

5 (i) any funds in the budget of the  
6 agency that will be dedicated to such  
7 projects; and

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

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

17 (i) any funds in the budget of the  
18 agency that will be dedicated to the main-  
19 tenance and operation of such facilities;  
20 and

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

24 (3) CONSULTATION.—In developing the facili-  
25 ties 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 di-  
5 rectors, students and families, community resi-  
6 dents, and Indian Tribes; and

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

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)  
18 shall include, with respect to the fiscal year preceding the  
19 year 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  
2 student 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  
10 students who are eligible for a free or re-  
11 duced price lunch under the Richard B.  
12 Russell National School Lunch Act (42  
13 U.S.C. 1751 et seq.);

14 (B) the population density of the geo-  
15 graphic 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  
23 of the projects, including any improvements—

24 (i) to conditions for health, safety,  
25 and 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 improve-  
6                   ments 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  
13                  by the projects;

14                  (H) of the total number of contracts  
15                  awarded under the project, the percentage of  
16                  such contracts that were awarded to certified  
17                  small businesses, minority-owned businesses,  
18                  veteran-owned businesses, and women-owned  
19                  businesses; and

20                  (I)(i) the total dollar value of contracts  
21                  awarded under the project to certified small  
22                  businesses, minority-owned businesses, veteran-  
23                  owned businesses, and women-owned busi-  
24                  nesses, respectively; and

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

4           (3) The total dollar amount of all grants re-  
5           ceived 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  
8           shall—

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

11          (2) make the information available to the pub-  
12          lic, including by posting the information on a pub-  
13          licly accessible agency website; and

14          (3) submit the information to the State.

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

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

21          (2) make the information available to the pub-  
22          lic, including by posting the information on a pub-  
23          licly accessible State website; and

1 (3) regularly distribute the information to local  
2 educational agencies and Tribal governments in the  
3 State.

4 **SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

5 There are authorized to be appropriated  
6 \$20,000,000,000 for each of fiscal years 2027 through  
7 2031 to carry out this title. Amounts so appropriated are  
8 authorized to remain available through fiscal year 2036.

9 **TITLE II—SCHOOL**  
10 **INFRASTRUCTURE BONDS**

11 **SEC. 201. RESTORATION OF CERTAIN QUALIFIED TAX**  
12 **CREDIT BONDS.**

13 (a) ALLOWANCE OF CREDIT.—

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

17 (2) CREDIT LIMITED TO CERTAIN BONDS.—

18 (A) IN GENERAL.—Section 54A(d)(1) of  
19 such Code, as revived by paragraph (1), is  
20 amended by striking “means—” and all that  
21 follows through “which is part” and inserting  
22 “means a qualified zone academy bond which is  
23 part”.

24 (B) CONFORMING AMENDMENT.—Section  
25 54A(c)(2)(C) of such Code, as revived by para-

1 graph (1), is amended by striking “means—”  
 2 and all that follows and inserting “a purpose  
 3 specified in section 54E(a)(1)”.

4 (3) CONFORMING AMENDMENTS.—

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

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

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

9 (B) Section 6401(b)(1) of such Code is  
 10 amended by striking “and G” and inserting “G,  
 11 and I”.

12 (C) The table of subparts for part IV of  
 13 subchapter A of chapter 1 of such Code is  
 14 amended by adding at the end the following:

“SUBPART I—QUALIFIED TAX CREDIT BONDS”.

15 (b) CREDIT ALLOWED TO ISSUER.—

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

19 (2) CONFORMING AMENDMENT.—Section  
 20 6211(b)(4) of such Code is amended by striking  
 21 “and 6428A” and inserting “6428A, and 6431”.

22 (c) QUALIFIED ZONE ACADEMY BONDS.—

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

4           (2) EXTENSION OF LIMITATION.—Section  
5 54(E)(c)(1) of such Code is amended—

6                 (A) by striking “and \$400,000,000” and  
7 inserting “\$400,000,000”, and

8                 (B) by striking “and, except as provided”  
9 and all that follows through the period at the  
10 end and inserting “, and \$1,400,000,000 for  
11 2027 and each calendar year thereafter.”.

12           (3) REMOVAL OF PRIVATE BUSINESS CON-  
13 TRIBUTION REQUIREMENT.—Section 54E of the In-  
14 ternal Revenue Code of 1986, as revived by para-  
15 graph (1) and amended by paragraph (2), is amend-  
16 ed—

17                 (A) in subsection (a)(3), by inserting  
18 “and” at the end of subparagraph (A), by strik-  
19 ing subparagraph (B), and by redesignating  
20 subparagraph (C) as subparagraph (B),

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

22                 (C) by redesignating subsections (c) and  
23 (d) as subsections (b) and (c), respectively.

24           (4) CONSTRUCTION OF A PUBLIC SCHOOL FA-  
25 CILITY.—Section 54E(c)(3)(A) of the Internal Rev-

1        enue Code of 1986, as revived by paragraph (1) and  
2        redesignated in paragraph (3)(C), is amended by  
3        striking “rehabilitating or repairing” and inserting  
4        “constructing, rehabilitating, retrofitting, or repair-  
5        ing”.

6        (d) CONFORMING AMENDMENT RELATED TO APPLI-  
7        CATION OF CERTAIN LABOR STANDARDS.—

8            (1) IN GENERAL.—Subchapter IV of chapter 31  
9        of the title 40, United States Code, shall apply to  
10       projects financed with the proceeds of any qualified  
11       zone academy bond (as defined in section 54E of the  
12       Internal Revenue Code of 1986) issued after the  
13       date of the enactment of the American Recovery and  
14       Reinvestment Tax Act of 2009.

15            (2) CONFORMING AMENDMENT.—Section 1601  
16       of the American Recovery and Reinvestment Tax  
17       Act of 2009 is amended by striking paragraph (3)  
18       and redesignating paragraphs (4) and (5) as para-  
19       graphs (3) and (4), respectively.

20        (e) EFFECTIVE DATE.—The amendments made by  
21       this section shall apply to obligations issued after Decem-  
22       ber 31, 2026.

23        **SEC. 202. SCHOOL INFRASTRUCTURE BONDS.**

24            (a) IN GENERAL.—The Internal Revenue Code of  
25       1986 is amended by inserting after subpart I (as revived

1 by section 201) of part IV of subchapter A of chapter 1  
 2 the following new subpart:

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

“Sec. 54BB. School infrastructure bonds.

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

5 “(a) IN GENERAL.—If a taxpayer holds a school in-  
 6 frastructure bond on one or more interest payment dates  
 7 of the bond during any taxable year, there shall be allowed  
 8 as a credit against the tax imposed by this chapter for  
 9 the taxable year an amount equal to the sum of the credits  
 10 determined under subsection (b) with respect to such  
 11 dates.

12 “(b) AMOUNT OF CREDIT.—The amount of the credit  
 13 determined under this subsection with respect to any in-  
 14 terest payment date for a school infrastructure bond is  
 15 100 percent of the amount of interest payable by the  
 16 issuer with respect to such date.

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

18 “(1) IN GENERAL.—The credit allowed under  
 19 subsection (a) for any taxable year shall not exceed  
 20 the excess of—

21 “(A) the sum of the regular tax liability of  
 22 the taxpayer (as defined in section 26(b)) plus  
 23 the tax imposed by section 55, over

1           “(B) the sum of the credits allowable  
2           under this part (other than subpart C and this  
3           subpart).

4           “(2) CARRYOVER OF UNUSED CREDIT.—If the  
5           credit allowable under subsection (a) exceeds the  
6           limitation imposed by paragraph (1) for such taxable  
7           year, such excess shall be carried to the succeeding  
8           taxable year and added to the credit allowable under  
9           subsection (a) for such taxable year (determined be-  
10          fore the application of paragraph (1) for such suc-  
11          ceeding taxable year).

12          “(d) SCHOOL INFRASTRUCTURE BOND.—

13           “(1) IN GENERAL.—For purposes of this sec-  
14          tion, the term ‘school infrastructure bond’ means  
15          any bond issued as part of an issue if—

16           “(A) 100 percent of the available project  
17          proceeds of such issue are to be used for the  
18          purposes described in section 301 of the Re-  
19          build America’s Schools Act of 2026,

20           “(B) the interest on such obligation would  
21          (but for this section) be excludable from gross  
22          income under section 103,

23           “(C) the issue meets the requirements of  
24          paragraph (3), and

1           “(D) the issuer designates such bond for  
2 purposes of this section.

3           “(2) APPLICABLE RULES.—For purposes of ap-  
4 plying paragraph (1)—

5           “(A) for purposes of section 149(b), a  
6 school infrastructure bond shall not be treated  
7 as federally guaranteed by reason of the credit  
8 allowed under section 6431(a),

9           “(B) for purposes of section 148, the yield  
10 on a school infrastructure bond shall be deter-  
11 mined without regard to the credit allowed  
12 under subsection (a), and

13           “(C) a bond shall not be treated as a  
14 school infrastructure bond if the issue price has  
15 more than a de minimis amount (determined  
16 under rules similar to the rules of section  
17 1273(a)(3)) of premium over the stated prin-  
18 cipal amount of the bond.

19           “(3) 6-YEAR EXPENDITURE PERIOD.—

20           “(A) IN GENERAL.—An issue shall be  
21 treated as meeting the requirements of this  
22 paragraph if, as of the date of issuance, the  
23 issuer reasonably expects 100 percent of the  
24 available project proceeds to be spent for pur-  
25 poses described in section 301 of the Rebuild

1 America’s Schools Act of 2026 within the 6-  
2 year period beginning on such date of issuance.

3 “(B) FAILURE TO SPEND REQUIRED  
4 AMOUNT OF BOND PROCEEDS WITHIN 6  
5 YEARS.—To the extent that less than 100 per-  
6 cent of the available project proceeds of the  
7 issue are expended at the close of the period de-  
8 scribed in subparagraph (A) with respect to  
9 such issue, the issuer shall redeem all of the  
10 nonqualified bonds within 90 days after the end  
11 of such period. For purposes of this paragraph,  
12 the amount of the nonqualified bonds required  
13 to be redeemed shall be determined in the same  
14 manner as under section 142.

15 “(e) LIMITATION ON AMOUNT OF BONDS DES-  
16 IGNATED.—The maximum aggregate face amount of  
17 bonds issued during any calendar year which may be des-  
18 ignated under subsection (d)(1)(D) by any issuer shall not  
19 exceed the limitation amount allocated under subsection  
20 (g) for such calendar year to such issuer.

21 “(f) NATIONAL LIMITATION ON AMOUNT OF BONDS  
22 DESIGNATED.—The national qualified school infrastruc-  
23 ture bond limitation for each calendar year is—

24 “(1) \$10,000,000,000 for 2027,

25 “(2) \$10,000,000,000 for 2028, and

1           “(3) \$10,000,000,000 for 2029.

2           “(g) ALLOCATION OF LIMITATION.—

3           “(1) ALLOCATIONS.—

4                   “(A) STATES.—After application of sub-  
5           paragraph (B) and paragraph (3)(A), the limi-  
6           tation applicable under subsection (f) for a cal-  
7           endar year shall be allocated by the Secretary  
8           among the States in proportion to the respec-  
9           tive amounts received by all local educational  
10          agencies in each State under part A of title I  
11          of the Elementary and Secondary Education  
12          Act of 1965 (20 U.S.C. 6311 et seq.) for the  
13          previous fiscal year relative to the total such  
14          amount received by all local educational agen-  
15          cies for the most recent fiscal year ending be-  
16          fore such calendar year.

17                   “(B) CERTAIN POSSESSIONS.—One-half of  
18          1 percent of the amount of the limitation appli-  
19          cable under subsection (f) for a calendar year  
20          shall be allocated by the Secretary to posses-  
21          sions of the United States other than Puerto  
22          Rico for such calendar year.

23                   “(2) ALLOCATIONS TO SCHOOLS.—The limita-  
24          tion amount allocated to a State or possession under  
25          paragraph (1) shall be allocated by the State edu-

1 cational agency (or such other agency as is author-  
2 ized under State law to make such allocation) to  
3 issuers within such State or possession in accord-  
4 ance with the priorities described in subsections (c)  
5 and (d) of section 103 of the Rebuild America’s  
6 Schools Act of 2026 and the eligibility requirements  
7 described in section 103(b) of such Act, except that  
8 paragraph (1)(C) of such section shall not apply to  
9 the determination of eligibility for such allocation.

10 “(3) ALLOCATIONS FOR INDIAN SCHOOLS.—

11 “(A) IN GENERAL.—One-half of 1 percent  
12 of the amount of the limitation applicable under  
13 subsection (f) for any calendar year shall be al-  
14 located by the Secretary to the Secretary of the  
15 Interior for schools funded by the Bureau of In-  
16 dian Affairs for such calendar year.

17 “(B) ALLOCATION TO SCHOOLS.—The lim-  
18 itation amount allocated to the Secretary of the  
19 Interior under paragraph (1) shall be allocated  
20 by such Secretary to issuers or schools funded  
21 as described in paragraph (2). In the case of  
22 amounts allocated under the preceding sen-  
23 tence, Indian tribal governments shall be treat-  
24 ed as qualified issuers for purposes of this sub-  
25 chapter.

1           “(4) DIGITAL LEARNING.—Up to 10 percent of  
2           the limitation amount allocated under paragraph (1)  
3           or (3)(A) may be allocated by the State to issuers  
4           within such State (in the case of an amount allo-  
5           cated under paragraph (1)) or by the Secretary of  
6           the Interior to issuers or schools funded by the Bu-  
7           reau of Indian Affairs (in the case of an amount al-  
8           located under paragraph (3)(A)) to carry out activi-  
9           ties to improve digital learning in accordance with  
10          section 301(b) of the Rebuild America’s Schools Act  
11          of 2026.

12          “(h) INTEREST PAYMENT DATE.—For purposes of  
13          this section, the term ‘interest payment date’ means any  
14          date on which the holder of record of the school infrastruc-  
15          ture bond is entitled to a payment of interest under such  
16          bond.

17          “(i) SPECIAL RULES.—

18                  “(1) INTEREST ON SCHOOL INFRASTRUCTURE  
19                  BONDS INCLUDIBLE IN GROSS INCOME FOR FED-  
20                  ERAL INCOME TAX PURPOSES.—For purposes of this  
21                  title, interest on any school infrastructure bond shall  
22                  be includible in gross income.

23                  “(2) APPLICATION OF CERTAIN RULES.—Rules  
24                  similar to the rules of subsections (f), (g), (h), and

1 (i) of section 54A shall apply for purposes of the  
2 credit allowed under subsection (a).”.

3 (b) CREDIT ALLOWED TO ISSUER.—Section  
4 6431(f)(3)(A) of such Code, as revived by section  
5 201(b)(1), is amended by striking “means any qualified  
6 tax credit bond” and all that follows through the end of  
7 subparagraph (A) and inserting “means any bond if—

8 “(A) such bond is—

9 “(i) a qualified tax credit bond which  
10 is a qualified zone academy bond (as de-  
11 fined in section 54E) determined without  
12 regard to any allocation relating to the na-  
13 tional zone academy bond limitation for  
14 years after 2010 or any carryforward of  
15 any such allocation, or

16 “(ii) any school infrastructure bond  
17 (as defined in section 54BB), and”.

18 (c) APPLICATION OF CERTAIN LABOR STANDARDS.—  
19 Subchapter IV of chapter 31 of title 40, United States  
20 Code, shall apply to projects financed with the proceeds  
21 of any qualified zone academy bond (as defined in section  
22 54E of the Internal Revenue Code of 1986) issued after  
23 the date of the enactment of this Act.

24 (d) CONFORMING AMENDMENTS.—

1           (1) Section 6401(b)(1) of the Internal Revenue  
2           Code of 1986, as amended by section 201(a), is  
3           amended by striking “and I” and inserting “I, and  
4           J”.

5           (2) The table of subparts for part IV of sub-  
6           chapter A of chapter 1 of such Code, as amended by  
7           section 201(a), is amended by adding at the end the  
8           following:

                  “SUBPART J—SCHOOL INFRASTRUCTURE BONDS”.

9           (e) EFFECTIVE DATE.—The amendments made by  
10          this section shall apply to obligations issued after Decem-  
11          ber 31, 2026.

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

13          (a) IN GENERAL.—Not later than September 30 of  
14          each fiscal year beginning after the date of the enactment  
15          of this Act, the Secretary of the Treasury shall submit  
16          to the appropriate congressional committees a report on  
17          the amendments made by sections 201 and 202.

18          (b) ELEMENTS.—The report under paragraph (1)  
19          shall include, with respect to the fiscal year preceding the  
20          year in which the report is submitted, the following:

21               (1) An identification of—

22                       (A) each local educational agency (if any)  
23                       that received an allocation under section  
24                       54E(b)(2) or 54BB(g) of the Internal Revenue  
25                       Code of 1986, and

1 (B) each local educational agency (if any)  
2 that was eligible to receive such funds but did  
3 not receive such funds.

4 (2) With respect to each local educational agen-  
5 cy described in paragraph (1)—

6 (A) an assessment of the capacity of the  
7 agency to raise funds for the long-term im-  
8 provement of public school facilities, as deter-  
9 mined by an assessment of—

10 (i) the current and historic ability of  
11 the agency to raise funds for construction,  
12 renovation, modernization, and major re-  
13 pair projects for schools, including the abil-  
14 ity of the agency to raise funds through  
15 imposition of property taxes,

16 (ii) whether the agency has been able  
17 to issue bonds to fund construction  
18 projects, including—

19 (I) qualified zone academy bonds  
20 under section 54E of the Internal  
21 Revenue Code of 1986, and

22 (II) school infrastructure bonds  
23 under section 54BB of the Internal  
24 Revenue Code of 1986, and

25 (iii) the bond rating of the agency,

1 (B) the demographic composition of the  
2 student 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  
10 students who are eligible for a free or re-  
11 duced price lunch under the Richard B.  
12 Russell National School Lunch Act (42  
13 U.S.C. 1751 et seq.),

14 (C) the population density of the geo-  
15 graphic area served by the agency,

16 (D) a description of the projects carried  
17 out with funds received from school infrastruc-  
18 ture bonds,

19 (E) a description of the demonstrable or  
20 expected benefits of the projects, and

21 (F) the estimated number of jobs created  
22 by the projects.

23 (3) The total dollar amount of all funds re-  
24 ceived by local educational agencies from school in-  
25 frastructure bonds.

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

3           (c) INFORMATION COLLECTION.—A State or local  
4 educational agency that receives an allocation under sec-  
5 tion 54E(b)(2) or 54BB(g) of the Internal Revenue Code  
6 of 1986 shall—

7           (1) annually compile the information necessary  
8 for the Secretary of the Treasury to determine the  
9 elements described in subsection (b), and

10           (2) report the information to the Secretary of  
11 the Treasury at such time and in such manner as  
12 the Secretary of the Treasury may require.

13           (d) SECRETARY OF THE TREASURY.—For purposes  
14 of this section, the term “Secretary of the Treasury” in-  
15 cludes the Secretary’s delegate.

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

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

18           (a) IN GENERAL.—Except as provided in section 302,  
19 a local educational agency that receives covered funds may  
20 use such funds to—

21           (1) develop, maintain, and update (as nec-  
22 essary) the facilities master plan required under sec-  
23 tion 103(e);

24           (2) construct, modernize, renovate, or retrofit  
25 public school facilities, which may include seismic

1 retrofitting for schools vulnerable to seismic natural  
2 disasters;

3 (3) decarbonize public school facilities through  
4 the adoption of all-electric space and water heating  
5 systems and cooking equipment, including other effi-  
6 ciency improvements and on-site renewable energy  
7 installation;

8 (4) carry out major repairs of public school fa-  
9 cilities, including deferred maintenance projects;

10 (5) install furniture or fixtures with at least a  
11 10-year life in public school facilities;

12 (6) construct new public school facilities;

13 (7) acquire and prepare sites on which new  
14 public school facilities will be constructed;

15 (8) extend the life of basic systems and compo-  
16 nents of public school facilities;

17 (9) ensure current or anticipated enrollment  
18 does not exceed the physical and instructional capac-  
19 ity of public school facilities;

20 (10) ensure the building envelopes and interiors  
21 of public school facilities protect occupants from nat-  
22 ural elements and human threats, and are struc-  
23 turally sound and secure;

24 (11) compose building design plans that  
25 strengthen the safety and security on school prem-

1 ises by utilizing design elements, principles, and  
2 technology that—

3 (A) guarantee layers of security through-  
4 out the school premises; and

5 (B) uphold the aesthetics of the school  
6 premises as a learning and teaching environ-  
7 ment;

8 (12) improve energy and water efficiency to  
9 lower the costs of energy and water consumption in  
10 public school facilities;

11 (13) improve indoor air quality in public school  
12 facilities;

13 (14) reduce or eliminate the presence of—

14 (A) toxic substances, including mercury,  
15 radon, PCBs, lead, per- and polyfluoroalkyl  
16 substances, and asbestos;

17 (B) mold and mildew; or

18 (C) rodents and pests;

19 (15) ensure the safety of drinking water at the  
20 tap and water used for meal preparation in public  
21 school facilities, which may include testing of the po-  
22 tability of water at the tap for the presence of lead  
23 and other contaminants, including per- and  
24 polyfluoroalkyl substances;

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

3           (17) make public school facilities accessible to  
4           people with disabilities through compliance with the  
5           Americans with Disabilities Act of 1990 (42 U.S.C.  
6           12101 et seq.) and section 504 of the Rehabilitation  
7           Act of 1973 (29 U.S.C. 794);

8           (18) provide instructional program space im-  
9           provements for programs relating to early learning  
10          (including early learning programs operated by part-  
11          ners of the agency), special education, science, tech-  
12          nology, career and technical education, physical edu-  
13          cation, music, the arts, and literacy (including li-  
14          brary programs);

15          (19) improving the public school facilities of  
16          magnet schools, or other instructional programs, de-  
17          signed to increase student diversity and decrease ra-  
18          cial or socioeconomic isolation;

19          (20) increase the use of public school facilities  
20          for the purpose of community-based partnerships  
21          that provide students with academic, health, and so-  
22          cial services;

23          (21) ensure the health of students and staff  
24          during the construction or modernization of public  
25          school facilities; or

1           (22) reduce or eliminate excessive classroom  
2           noise due to activities allowable under this section.

3           (b) ALLOWANCE FOR DIGITAL LEARNING.—A local  
4           educational agency may use covered funds to leverage ex-  
5           isting public programs or public-private partnerships to  
6           expand access to high-speed broadband sufficient for dig-  
7           ital learning.

8           **SEC. 302. PROHIBITED USES.**

9           (a) IN GENERAL.—A local educational agency that  
10          receives covered funds may not use such funds for—

11           (1) payment of routine and predictable mainte-  
12          nance costs and minor repairs;

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

16           (3) vehicles; or

17           (4) central offices, operation centers, or other  
18          facilities that are not primarily used to educate stu-  
19          dents.

20          (b) ADDITIONAL PROHIBITIONS RELATING TO CHAR-  
21          TER SCHOOLS.—No covered funds may be used—

22           (1) for the facilities of a public charter school  
23          that is operated or managed by a for-profit entity;  
24          or

1           (2) for the facilities of a public charter school  
2     if—

3           (A) the school leases the facilities from an  
4     individual or for-profit entity; and

5           (B) such individual, or an individual with  
6     a direct or indirect financial interest in such en-  
7     tity, has a management or governance role in  
8     such school.

9     **SEC. 303. REQUIREMENTS FOR HAZARD-RESISTANCE AND**  
10           **ENERGY AND WATER CONSERVATION.**

11     A local educational agency that receives covered  
12     funds shall ensure that any new construction, moderniza-  
13     tion, or renovation project carried out with such funds  
14     meets or exceeds the requirements of the following:

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

18           (2) Requirements for such projects set forth in  
19     the most recent published edition of a nationally rec-  
20     ognized, consensus-based model energy conservation  
21     code.

22           (3) Performance criteria under the WaterSense  
23     program, established under section 324B of the of  
24     the Energy Policy and Conservation Act (42 U.S.C.

1 6294b), applicable to such projects within a nation-  
2 ally recognized, consensus-based model code.

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

7 **SEC. 304. GREEN PRACTICES.**

8 (a) IN GENERAL.—A local educational agency that  
9 uses covered funds for a new construction, modernization,  
10 or renovation project shall ensure that such project for  
11 new construction is certified, verified, or consistent with  
12 the applicable provisions of—

13 (1) the United States Green Building Council  
14 Leadership in Energy and Environmental Design  
15 green building rating standard (commonly known as  
16 the “LEED Green Building Rating System”);

17 (2) the Living Building Challenge developed by  
18 the International Living Future Institute;

19 (3) a green building rating program developed  
20 by the Collaborative for High-Performance Schools  
21 (commonly known as “CHPS”) that is CHPS-  
22 verified;

23 (4) the Green Building Initiative Green Globes  
24 rating system; or

25 (5) a program that—

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

4 (B) is adopted by the State or another ju-  
5 risdiction with authority over the agency; and

6 (C) includes a verifiable method to dem-  
7 onstrate compliance with such program.

8 **SEC. 305. USE OF AMERICAN IRON, STEEL, AND MANUFAC-**  
9 **TURED PRODUCTS.**

10 (a) IN GENERAL.—A local educational agency that  
11 receives covered funds shall ensure that any iron, steel,  
12 and manufactured products used in projects carried out  
13 with such funds are produced in the United States.

14 (b) WAIVER AUTHORITY.—

15 (1) IN GENERAL.—The Secretary may waive  
16 the requirement of subsection (a) if the Secretary  
17 determines that—

18 (A) applying subsection (a) would be in-  
19 consistent with the public interest;

20 (B) iron, steel, and manufactured products  
21 produced in the United States are not produced  
22 in a sufficient and reasonably available amount  
23 or are not of a satisfactory quality; or

24 (C) using iron, steel, and manufactured  
25 products produced in the United States will in-

1           crease the cost of the overall project by more  
2           than 25 percent.

3           (2) PUBLICATION.—Before issuing a waiver  
4           under paragraph (1), the Secretary shall publish in  
5           the Federal Register a detailed written explanation  
6           of the waiver determination.

7           (c) CONSISTENCY WITH INTERNATIONAL AGREE-  
8           MENTS.—This section shall be applied in a manner con-  
9           sistent with the obligations of the United States under  
10          international agreements.

11          (d) DEFINITIONS.—In this section:

12           (1) PRODUCED IN THE UNITED STATES.—The  
13           term “produced in the United States” means the fol-  
14           lowing:

15           (A) When used with respect to a manufac-  
16           tured product, the product was manufactured in  
17           the United States and the cost of the compo-  
18           nents of such product that were mined, pro-  
19           duced, or manufactured in the United States  
20           exceeds 60 percent of the total cost of all com-  
21           ponents of the product.

22           (B) When used with respect to iron or  
23           steel products, or an individual component of a  
24           manufactured product, all manufacturing proc-  
25           esses for such iron or steel products or compo-

1 nents, from the initial melting stage through  
2 the application of coatings, occurred in the  
3 United States, except that the term does not in-  
4 clude—

5 (i) steel or iron material or products  
6 manufactured abroad from semi-finished  
7 steel or iron from the United States; and

8 (ii) steel or iron material or products  
9 manufactured in the United States from  
10 semi-finished steel or iron of foreign origin.

11 (2) MANUFACTURED PRODUCT.—The term  
12 “manufactured product” means any construction  
13 material or end product (as such terms are defined  
14 in part 25.003 of the Federal Acquisition Regula-  
15 tion) that is not an iron or steel product, includ-  
16 ing—

17 (A) electrical components; and

18 (B) nonferrous building materials, includ-  
19 ing, aluminum and polyvinylchloride (PVC),  
20 glass, fiber optics, plastic, wood, masonry, rub-  
21 ber, manufactured stone, any other nonferrous  
22 metals, and any unmanufactured construction  
23 material.

1 **TITLE IV—REPORTS AND OTHER**  
2 **MATTERS**

3 **SEC. 401. COMPTROLLER GENERAL REPORT.**

4 (a) IN GENERAL.—Not later than 2 years after the  
5 date on which the majority of States receiving allocations  
6 under section 102 have made grants to local educational  
7 agencies under section 103, the Comptroller General of  
8 the United States shall submit to the appropriate congres-  
9 sional committees a report on the projects carried out with  
10 covered funds.

11 (b) ELEMENTS.—The report under subsection (a)  
12 shall include an assessment of—

13 (1) State activities, including—

14 (A) criteria used by each State to deter-  
15 mine high-need students and facilities for pur-  
16 poses of the projects carried out with covered  
17 funds; and

18 (B) whether the State issued new regula-  
19 tions to ensure the health and safety of stu-  
20 dents and staff during construction or renova-  
21 tion projects or to ensure safe, healthy, and  
22 high-performing school buildings;

23 (2) the types of projects carried out with cov-  
24 ered funds, including—

1 (A) the square footage of the improve-  
2 ments made with covered funds;

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

4 (C) the costs of the project disaggregated  
5 by the costs for planning, design, construction,  
6 site purchase, and improvements;

7 (3) the geographic distribution of the projects;

8 (4) an assessment of the impact of selected  
9 projects (as identified by the Secretary) on the  
10 health and safety of school staff and students; and

11 (5) how the Secretary or States could make  
12 covered funds more accessible—

13 (A) to schools with the highest numbers  
14 and percentages of students counted under sec-  
15 tion 1124(c) of the Elementary and Secondary  
16 Education Act of 1965 (20 U.S.C. 6333(c));  
17 and

18 (B) to schools with fiscal challenges in  
19 raising capital for school infrastructure  
20 projects.

21 (c) UPDATES.—The Comptroller General shall up-  
22 date and resubmit the report under this section to the ap-  
23 propriate congressional committees—



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

3 (D) the condition of school facilities for  
4 economically disadvantaged students as well as  
5 students from major racial and ethnic sub-  
6 groups;

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

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

15 (G) the condition of school facilities af-  
16 fected by natural disasters;

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

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

1           (J) the performance of school facilities  
2           projects with respect to energy and water effi-  
3           ciency and climate mitigation and resilience;

4           (2) an explanation of any differences observed  
5           with respect to the factors described in subpara-  
6           graphs (A) through (J) of paragraph (1); and

7           (3) a cost estimate for bringing school facilities  
8           to a state of good repair, as determined by the Sec-  
9           retary.

10 **SEC. 403. OFFICE OF SCHOOL INFRASTRUCTURE AND SUS-**  
11 **TAINABILITY.**

12           (a) **ESTABLISHMENT.**—Not later than 90 days after  
13 the date of enactment of this Act, the Secretary shall es-  
14 tablish within the Department of Education an office to  
15 be known as the “Office of School Infrastructure and Sus-  
16 tainability” (referred to in this section as the “Office”).

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

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

20           (1) to advise the Secretary on State plans  
21           under section 102;

22           (2) to serve as a liaison with other departments  
23           and agencies of the Federal Government on matters  
24           relating to public school facilities, including the De-  
25           partment of Energy, the Department of Health and

1 Human Services, the Department of the Treasury,  
2 the Federal Emergency Management Agency, and  
3 the Environmental Protection Agency;

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

7 (4) to manage such other programs or initia-  
8 tives affecting public school facilities as the Sec-  
9 retary determines appropriate.

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

11 (a) DATA STANDARDS.—Not later than 120 days  
12 after the date of the enactment of this Act, the Secretary,  
13 in consultation with the officials described in subsection  
14 (b), shall—

15 (1) identify the data that States should collect  
16 and include in the databases developed under section  
17 102(a)(2)(B);

18 (2) develop standards for the measurement of  
19 such data; and

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

22 (b) OFFICIALS.—The officials described in this sub-  
23 section are—

24 (1) the Administrator of the Environmental  
25 Protection Agency;

1           (2) the Secretary of Energy;

2           (3) the Director of the Centers for Disease  
3     Control and Prevention; and

4           (4) the Director of the National Institute for  
5     Occupational Safety and Health.

6 **SEC. 405. INFORMATION CLEARINGHOUSE.**

7       (a) IN GENERAL.—Not later than 120 days after the  
8     date of the enactment of this Act, the Secretary shall es-  
9     tablish a clearinghouse to disseminate information on Fed-  
10    eral programs and financing mechanisms that may be  
11    used to assist schools in initiating, developing, and financ-  
12    ing—

13           (1) energy efficiency projects;

14           (2) distributed generation projects; and

15           (3) energy retrofitting projects.

16       (b) ELEMENTS.—In carrying out subsection (a), the  
17     Secretary shall—

18           (1) consult with the officials described in sec-  
19     tion 404(b) to develop a list of Federal programs  
20     and financing mechanisms to be included in the  
21     clearinghouse; and

22           (2) coordinate with such officials to develop a  
23     collaborative education and outreach effort to  
24     streamline communications and promote the Federal  
25     programs and financing mechanisms included in the

1 clearinghouse, which may include the development  
2 and maintenance of a single online resource that in-  
3 cludes contact information for relevant technical as-  
4 sistance that may be used by States, outlying areas,  
5 local educational agencies, and Bureau-funded  
6 schools to effectively access and use such Federal  
7 programs and financing mechanisms.

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

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

10 (1) Opportunity Zones were championed by  
11 prominent leaders of both parties as an innovative  
12 way to tackle longstanding challenges.

13 (2) As of December 2018, 8,763 low-income  
14 communities had been designated as Opportunity  
15 Zones, representing all 50 States, the District of Co-  
16 lumbia, Puerto Rico, the United States Virgin Is-  
17 lands, and American Samoa.

18 (3) Schools are integral parts of communities,  
19 and a key part of communities' economic and work-  
20 force development efforts could be modernizing  
21 school facilities.

22 (b) SENSE OF CONGRESS.—It is the sense of the  
23 Congress that opportunity zones, when combined with  
24 public infrastructure investment, can provide an innova-  
25 tive approach to capital financing that has the potential

1 to unleash creativity and help local communities rebuild  
 2 schools, rebuild economics, and get people back to work.

3 **TITLE V—IMPACT AID**  
 4 **CONSTRUCTION**

5 **SEC. 501. TEMPORARY INCREASE IN FUNDING FOR IMPACT**  
 6 **AID CONSTRUCTION.**

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

10 “(d) CONSTRUCTION.—For the purpose of carrying  
 11 out section 7007, there are authorized to be appropriated  
 12 \$100,000,000 for each of fiscal years 2027 through  
 13 2031.”.

14 **TITLE VI—ASSISTANCE FOR RE-**  
 15 **PAIR OF SCHOOL FOUNDA-**  
 16 **TIONS AFFECTED BY**  
 17 **PYRRHOTITE**

18 **SEC. 601. ALLOCATIONS TO STATES.**

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

1 (b) WEBSITE.—Not later than 180 days after the  
2 date of enactment of this Act, the Secretary shall publish,  
3 on a publicly accessible website of the Department of Edu-  
4 cation, instructions describing how a State may receive an  
5 allocation under this section.

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

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

11 (1) to pay the future costs of repairing concrete  
12 school foundations damaged by the presence of  
13 pyrrhotite; or

14 (2) to reimburse such agencies for costs in-  
15 curred by the agencies in making such repairs in the  
16 five-year period preceding the date of enactment of  
17 this Act.

18 (b) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—

19 (1) ELIGIBILITY FOR GRANTS FOR FUTURE RE-  
20 PAIRS.—To be eligible to receive a grant under sub-  
21 section (a)(1), a local educational agency shall—

22 (A) with respect to each school for which  
23 the agency seeks to use grant funds, dem-  
24 onstrate to the State that—

1 (i) the school is a pyrrhotite-affected  
2 school; and

3 (ii) any laboratory tests, core tests,  
4 and visual inspections of the school's foun-  
5 dation used to determine that the school is  
6 a pyrrhotite-affected school were con-  
7 ducted—

8 (I) by a professional engineer li-  
9 censed in the State in which the  
10 school is located; and

11 (II) in accordance with applicable  
12 State standards or standards ap-  
13 proved by any independent, nonprofit,  
14 or private entity authorized by the  
15 State to oversee construction, testing,  
16 or financial relief efforts for damaged  
17 building foundations; and

18 (B) provide an assurance that—

19 (i) the local educational agency will  
20 use the grant only for the allowable uses  
21 described in subsection (f)(1); and

22 (ii) all work funded with the grant  
23 will be conducted by a qualified contractor  
24 or architect licensed in the State.

1           (2) ELIGIBILITY FOR REIMBURSEMENT  
2 GRANTS.—To be eligible to receive a grant under  
3 subsection (a)(2), a local educational agency shall  
4 demonstrate that it met the requirements of para-  
5 graph (1) at the time it carried out the project for  
6 which the agency seeks reimbursement.

7 (c) APPLICATION.—

8           (1) IN GENERAL.—A local educational agency  
9 that seeks a grant under this section shall submit to  
10 the State an application at such time, in such man-  
11 ner, and containing such information as the State  
12 may require, which upon approval by the State  
13 under subsection (d)(1)(A), the State shall submit to  
14 the Secretary for approval under subsection  
15 (d)(1)(B).

16           (2) CONTENTS.—At minimum, each application  
17 shall include—

18           (A) information and documentation suffi-  
19 cient to enable the State to determine if the  
20 local educational agency meets the eligibility  
21 criteria under subsection (b);

22           (B) in the case of an agency seeking a  
23 grant under subsection (a)(1), an estimate of  
24 the costs of carrying out the activities described  
25 in subsection (f);

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

3 (i) an itemized explanation of—

4 (I) the costs incurred by the  
5 agency in carrying out any activities  
6 described subsection (f);

7 (II) any amounts contributed  
8 from other Federal, State, local, or  
9 private sources for such activities; and

10 (ii) the amount for which the local  
11 educational agency seeks reimbursement;  
12 and

13 (D) the percentage of any costs described  
14 in subparagraph (B) or (C) that are covered by  
15 an insurance policy.

16 (d) APPROVAL AND DISBURSEMENT.—

17 (1) APPROVAL.—

18 (A) STATE.—The State shall approve the  
19 application of each local educational agency for  
20 submission to the Secretary that—

21 (i) submits a complete and correct ap-  
22 plication under subsection (c); and

23 (ii) meets the criteria for eligibility  
24 under subsection (b).

1           (B) SECRETARY.—Not later than 60 days  
2 after receiving an application of a local edu-  
3 cational agency submitted by a State under  
4 subsection (c)(1), the Secretary shall—

5           (i) approve such application, in a case  
6 in which the Secretary determines that  
7 such application meets the requirements of  
8 subparagraph (A); or

9           (ii) deny such application, in the case  
10 of an application that does not meet such  
11 requirements.

12       (2) DISBURSEMENT.—

13           (A) ALLOCATION.—The Secretary shall  
14 disburse an allocation to a State not later than  
15 60 days after the date on which the Secretary  
16 approves an application under paragraph  
17 (1)(B).

18           (B) GRANT.—The State shall disburse  
19 grant funds to a local educational agency not  
20 later than 60 days after the date on which the  
21 State receives an allocation under subparagraph  
22 (A).

23       (e) FEDERAL AND STATE SHARE.—

24           (1) FEDERAL SHARE.—The Federal share of  
25 each grant under this section shall be an amount

1 that is not more than 50 percent of the total cost  
2 of the project for which the grant is awarded.

3 (2) STATE SHARE.—

4 (A) IN GENERAL.—Subject to subpara-  
5 graph (B), the State share of each grant under  
6 this section shall be an amount that is not less  
7 than 40 percent of the total cost of the project  
8 for which the grant is awarded, which the State  
9 shall contribute from non-Federal sources.

10 (B) SPECIAL RULE FOR REIMBURSEMENT  
11 GRANTS.—In the case of a reimbursement grant  
12 made to a local educational agency under sub-  
13 section (a)(2), a State shall be treated as meet-  
14 ing the requirement of subparagraph (A) if the  
15 State demonstrates that it contributed, from  
16 non-Federal sources, not less than 40 percent  
17 of the total cost of the project for which the re-  
18 imbursement grant is awarded.

19 (f) USES OF FUNDS.—

20 (1) ALLOWABLE USES OF FUNDS.—A local edu-  
21 cational agency that receives a grant under this sec-  
22 tion shall use such grant only for costs associated  
23 with—

24 (A) the repair or replacement of the con-  
25 crete foundation or other affected areas of a

1           pyrrhotite-affected school in the jurisdiction of  
2           such agency to the extent necessary—

3                   (i) to restore the structural integrity  
4                   of the school to the safety and health  
5                   standards established by the professional  
6                   licensed engineer or architect associated  
7                   with the project; and

8                   (ii) to restore the school to the condi-  
9                   tion it was in before the school's founda-  
10                  tion was damaged due to the presence of  
11                  pyrrhotite; and

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

15               (2) PROHIBITED USES OF FUNDS.—A local edu-  
16                cational agency that receives a grant under this sec-  
17                tion may not use the grant for any costs associated  
18                with—

19                   (A) work done to outbuildings, sheds, or  
20                   barns, swimming pools (whether in-ground or  
21                   above-ground), playgrounds or ballfields, or any  
22                   ponds or water features;

23                   (B) the purchase of items not directly as-  
24                   sociated with the repair or replacement of the  
25                   school building or its systems, including items

1           such as desks, chairs, electronics, sports equip-  
2           ment, or other school supplies; or

3           (C) any other activities not described in  
4           paragraph (1).

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

7           (1) this section; and

8           (2) title I.

9 **SEC. 603. DEFINITIONS.**

10         In this title:

11           (1) PYRRHOTITE-AFFECTED SCHOOL.—The  
12         term “pyrrhotite-affected school” means an elemen-  
13         tary school or a secondary school that meets the fol-  
14         lowing criteria:

15           (A) The school has a concrete foundation.

16           (B) Pyrrhotite is present in the school’s  
17         concrete foundation, as demonstrated by a  
18         petrographic or other type of laboratory core  
19         analysis or core inspection.

20           (C) A visual inspection of the school’s con-  
21         crete foundation indicates that the presence of  
22         pyrrhotite is causing the foundation to deterio-  
23         rate at an unsafe rate.

1 (D) A qualified engineer determined that  
2 the deterioration of the school’s foundation, due  
3 to the presence of pyrrhotite—

4 (i) caused the school to become struc-  
5 turally unsound; or

6 (ii) will result in the school becoming  
7 structurally unsound within the next five  
8 years.

9 (2) QUALIFIED CONTRACTOR.—The term  
10 “qualified contractor” means a contractor who is  
11 qualified under State law, or approved by any State  
12 agency or other State-sanctioned independent or  
13 nonprofit entity, to repair or replace residential or  
14 commercial building foundations that are deterio-  
15 rating due to the presence of pyrrhotite.

16 **SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

17 There are authorized to be appropriated to carry out  
18 this title such sums as may be necessary for fiscal year  
19 2027 and each fiscal year thereafter.

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