House of Representatives



General Assembly

File No. 311

January Session, 2025

House Bill No. 6922

House of Representatives, March 27, 2025

The Committee on Education reported through REP. LEEPER of the 132nd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF ADMINISTRATIVE SERVICES REGARDING THE SCHOOL BUILDING PROJECTS STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsections (a) and (b) of section 10-283 of the general
 statutes are repealed and the following is substituted in lieu thereof
 (*Effective from passage*):

4 (a) (1) Each town or regional school district shall be eligible to apply 5 for and accept grants for a school building project as provided in this 6 chapter. Any town desiring a grant for a public school building project 7 may, by vote of its legislative body, authorize the board of education of 8 such town to apply to the Commissioner of Administrative Services and 9 to accept or reject such grant for the town. Any regional school board 10 may vote to authorize the supervising agent of the regional school 11 district to apply to the Commissioner of Administrative Services for and 12 to accept or reject such grant for the district. Applications for such grants under this chapter shall be made by the superintendent of schools of 13

14 such town or regional school district on the form provided and in the 15 manner prescribed by the Commissioner of Administrative Services. 16 The application form shall require the superintendent of schools to 17 affirm that the school district considered the maximization of natural 18 light, the use and feasibility of wireless connectivity technology and, on 19 and after July 1, 2014, the school safety infrastructure criteria, described 20 in section 10-292r, in projects for new construction and alteration or 21 renovation of a school building.] The Commissioner of Administrative 22 Services shall review, in consultation with the Commissioner of Education, each grant application for a school building project for 23 24 compliance with educational specifications. The Commissioner of 25 Education shall evaluate, if appropriate, whether the project will assist 26 the state in meeting its obligations pursuant to the decision in Sheff v. 27 O'Neill, 238 Conn. 1 (1996), or any related stipulation or order in effect, 28 as determined by the Commissioner of Education. The Commissioner of 29 Administrative Services shall consult with the Commissioner of 30 Education in reviewing grant applications submitted for purposes of 31 subsection (a) of section 10-65 or section 10-76e on the basis of the 32 educational needs of the applicant. The Commissioner of 33 Administrative Services shall review each grant application for a school 34 building project for compliance with standards for school building 35 projects pursuant to regulations, adopted in accordance with section 10-36 287c, and, on and after July 1, 2014, the school safety infrastructure 37 criteria, described in section 10-292r. Notwithstanding the provisions of 38 this chapter, the Board of Trustees of the Community-Technical 39 Colleges on behalf of Quinebaug Valley Community College and Three 40 Rivers Community College and the following entities that will operate 41 an interdistrict magnet school that will assist the state in meeting its 42 obligations pursuant to the decision in Sheff v. O'Neill, 238 Conn. 1 43 (1996), or any related stipulation or order in effect, as determined by the 44 Commissioner of Education, may apply for and shall be eligible to 45 receive grants for school building projects pursuant to section 10-264h 46 for such a school: (A) The Board of Trustees of the Community-47 Technical Colleges on behalf of a regional community-technical college, 48 (B) the Board of Trustees of the Connecticut State University System on

49 behalf of a state university, (C) the Board of Trustees for The University 50 of Connecticut on behalf of the university, (D) the board of governors 51 for an independent institution of higher education, as defined in 52 subsection (a) of section 10a-173, or the equivalent of such a board, on 53 behalf of the independent institution of higher education, (E) 54 cooperative arrangements pursuant to section 10-158a, and (F) any other 55 third-party not-for-profit corporation approved by the Commissioner of 56 Education.

57 (2) All applications submitted prior to July first shall be reviewed 58 promptly by the Commissioner of Administrative Services. The 59 Commissioner of Administrative Services shall estimate the amount of 60 the grant for which such project is eligible, in accordance with the 61 provisions of section 10-285a, provided an application for a school 62 building project determined by the Commissioner of Education to be a 63 project that will assist the state in meeting its obligations pursuant to the 64 decision in Sheff v. O'Neill, 238 Conn. 1 (1996), or any related stipulation 65 or order in effect, as determined by the Commissioner of Education, 66 shall have until September first to submit an application for such a 67 project and may have until December first of the same year to secure 68 and report all local and state approvals required to complete the grant 69 application. The Commissioner of Administrative Services shall 70 annually prepare a listing of all such eligible school building projects 71 with the amount of the estimated grants for such projects and shall 72 submit the same to the Governor, the Secretary of the Office of Policy 73 and Management and the General Assembly on or before the fifteenth 74 day of December, except as provided in section 10-283a, with a request 75 for authorization to enter into grant commitments. On or before 76 December thirty-first annually, the Secretary of the Office of Policy and 77 Management may submit comments and recommendations regarding 78 each eligible project on such listing of eligible school building projects 79 to the school construction committee, established pursuant to section 10-80 283a. Each such listing shall include a report on the following factors for 81 each eligible project: [(i)] (A) An enrollment projection and the capacity 82 of the school, including who conducted the enrollment projection for the 83 school and the cost of conducting such enrollment projection, [(ii)] (B) a

substantiation of the estimated total project costs, [(iii)] (C) the readiness 84 85 of such eligible project to begin construction, [(iv)] (D) efforts made by 86 the local or regional board of education to redistrict, reconfigure, merge 87 or close schools under the jurisdiction of such board prior to submitting 88 an application under this section, [(v)] (E) enrollment and capacity 89 information for all of the schools under the jurisdiction of such board 90 for the five years prior to application for a school building project grant, 91 [(vi)] (F) enrollment projections and capacity information for all of the 92 schools under the jurisdiction of such board for the eight years following 93 the date such application is submitted, including who conducted the 94 enrollment projection for the school and the cost of conducting such 95 enrollment projection, [(vii)] (G) the state's education priorities relating 96 to reducing racial and economic isolation for the school district, and 97 [(viii)] (<u>H</u>) an estimation of the total ineligible costs and an itemization 98 of such ineligible costs for such project. On and after July 1, 2022, each 99 such listing shall include an addendum that contains all grants 100 approved pursuant to subsection (b) of this section during the prior 101 fiscal year. For the period beginning July 1, 2006, and ending June 30, 102 2012, no project may appear on the separate schedule of authorized 103 projects which have changed in cost more than twice. On and after July 104 1, 2012, no project [, other than a project for a technical education and 105 career school,] may appear on the separate schedule of authorized 106 projects which have changed in cost more than once, except the 107 Commissioner of Administrative Services may allow a project to appear 108 on such separate schedule of authorized projects a second time if the 109 town or regional school district for such project can demonstrate that 110 exigent circumstances require such project to appear a second time on 111 such separate schedule of authorized projects. Notwithstanding any 112 provision of this chapter, no projects which have changed in scope or 113 cost to the degree determined by the Commissioner of Administrative 114 Services, in consultation with the Commissioner of Education, shall be 115 eligible for reimbursement under this chapter unless it appears on such 116 list. The percentage determined pursuant to section 10-285a at the time 117 a school building project on such schedule was originally authorized 118 shall be used for purposes of the grant for such project. On and after July

119 1, 2006, a project that was not previously authorized as an interdistrict 120 magnet school shall not receive a higher percentage for reimbursement 121 than that determined pursuant to section 10-285a at the time a school 122 building project on such schedule was originally authorized. The 123 General Assembly shall annually authorize the Commissioner of 124 Administrative Services to enter into grant commitments on behalf of 125 the state in accordance with the commissioner's categorized listing for 126 such projects as the General Assembly shall determine. The 127 Commissioner of Administrative Services may not enter into any such 128 grant commitments except pursuant to such legislative authorization. 129 Any regional school district which assumes the responsibility for 130 completion of a public school building project shall be eligible for a 131 grant pursuant to subdivision (5) or (6), as the case may be, of subsection 132 (a) of section 10-286 when such project is completed and accepted by 133 such regional school district.

134 (3) (A) All final calculations completed by the Department of 135 Administrative Services for school building projects shall include a 136 computation of the state grant for the school building project amortized 137 on a straight line basis over a twenty-year period for school building 138 projects with costs equal to or greater than two million dollars and over a ten-year period for school building projects with costs less than two 139 140 million dollars. Any town or regional school district which abandons, 141 sells, leases, demolishes or otherwise redirects the use of such a school 142 building project to other than a public school use or a public use during 143 such amortization period shall refund to the state the unamortized 144 balance of the state grant remaining as of the date the abandonment, 145 sale, lease, demolition or redirection occurs. The amortization period for 146 a project shall begin on the date the project was accepted as complete by 147 the local or regional board of education. [A town or regional school 148 district required to make a refund to the state pursuant to this 149 subdivision may request forgiveness of such refund if the building is 150 redirected for public use. The Department of Administrative Services 151 shall include as an addendum to the annual school construction priority 152 list all those towns requesting forgiveness. General Assembly approval 153 of the priority list under section 10-283a, containing such request shall 154 constitute approval of such request.] This subdivision shall not apply to
155 projects to correct safety, health and other code violations or to remedy
156 certified school indoor air quality emergencies approved pursuant to
157 subsection (b) of this section or projects subject to the provisions of
158 section 10-285c.

159 (B) If the board of governors for an independent institution of higher 160 education, as defined in subsection (a) of section 10a-173, or the 161 equivalent of such a board, on behalf of the independent institution of 162 higher education, that operates an interdistrict magnet school makes 163 private use of any portion of a school building in which such operator 164 received a school building project grant pursuant to this chapter, such 165 operator shall annually submit a report to the Commissioner of 166 Education that demonstrates that such operator provides an equal to or 167 greater than in-kind or supplemental benefit of such institution's 168 facilities to students enrolled in such interdistrict magnet school that 169 outweighs the private use of such school building. If the commissioner 170 finds that the private use of such school building exceeds the in-kind or 171 supplemental benefit to magnet school students, the commissioner may 172 require such institution to refund to the state the unamortized balance 173 of the state grant.

174 (b) (1) Notwithstanding the application date requirements of this 175 section, at any time within the limit of available grant authorization and 176 within the limit of appropriated funds, the Commissioner of 177 Administrative Services, in consultation with the Commissioner of 178 Education, may approve applications for grants and make payments for 179 such grants, for any of the following reasons: (A) To assist school 180 building projects to remedy damage from fire and catastrophe, (B) to 181 correct safety, health and other code violations, (C) to replace roofs, 182 including the replacement or installation of skylights as part of the roof 183 replacement project, (D) to remedy a certified school indoor air quality 184 emergency, (E) to install insulation for exterior walls and attics, [or] (F) 185 to purchase and install a limited use and limited access elevator, 186 windows, photovoltaic panels, wind generation systems, building 187 management systems or portable classroom buildings, provided

HB6922

188 portable classroom building projects shall not create a new facility or 189 cause an existing facility to be modified so that the portable buildings 190 comprise a substantial percentage of the total facility area, as 191 determined by the commissioner, or (G) to upgrade heating, ventilation 192 and air conditioning systems or make other improvements to indoor air 193 quality in school buildings subject to subdivision (2) of this subsection. 194 (2) The commissioner shall not award a grant under subparagraph 195 (G) of subdivision (1) of this subsection to any applicant that, on or after 196 July 1, 2026, has not certified compliance with the uniform inspection and evaluation of an existing heating, ventilation and air conditioning 197 system pursuant to subsection (d) of section 10-220. The following 198 199 expenses shall not be eligible for reimbursement under this subsection: 200 Routine maintenance and cleaning of the heating, ventilation and air 201 conditioning system, and work performed at or on a public school administrative or service facility that is not located or housed within a 202 203 public school building. Recipients of a grant under subparagraph (G) of 204 subdivision (1) of this subsection shall be responsible for the routine 205 maintenance and cleaning of the heating, ventilation and air 206 conditioning system and provide training to school personnel and 207 building maintenance staff concerning the proper use and maintenance 208 of the heating, ventilation and air conditioning system.

Sec. 2. Subdivision (4) of subsection (b) of section 10-287 of the general
statutes is repealed and the following is substituted in lieu thereof
(*Effective from passage*):

212 (4) All orders and contracts for any other consultant services, 213 including, but not limited to, consultant services rendered by an owner's 214 representatives, construction administrators, program managers, 215 environmental professionals, planners and financial specialists, shall 216 comply with the public selection process described in subdivision (2) of 217 this subsection. [No costs associated with an order or contract for such 218 consultant services shall be eligible for state financial assistance under 219 this chapter unless such order or contract receives prior approval from 220 the Commissioner of Administrative Services in writing or through a

221 written electronic communication.]

Sec. 3. Section 10-287d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

224 For the purposes of funding (1) grants to projects that have received 225 approval of the Department of Administrative Services pursuant to 226 section 10-287, subsection (a) of section 10-65 and section 10-76e, and (2) 227 grants to assist school building projects to remedy safety and health 228 violations and damage from fire and catastrophe, [and (3) technical 229 education and career school projects pursuant to section 10-283b,] the 230 State Treasurer is authorized and directed, subject to and in accordance 231 with the provisions of section 3-20, to issue bonds of the state from time 232 to time in one or more series in an aggregate amount not exceeding 233 thirteen billion eight hundred sixty-two million one hundred sixty 234 thousand dollars. Bonds of each series shall bear such date or dates and 235 mature at such time or times not exceeding thirty years from their 236 respective dates and be subject to such redemption privileges, with or 237 without premium, as may be fixed by the State Bond Commission. They 238 shall be sold at not less than par and accrued interest and the full faith 239 and credit of the state is pledged for the payment of the interest thereon 240 and the principal thereof as the same shall become due, and accordingly 241 and as part of the contract of the state with the holders of said bonds, 242 appropriation of all amounts necessary for punctual payment of such 243 principal and interest is hereby made, and the State Treasurer shall pay 244 such principal and interest as the same become due. The State Treasurer 245 is authorized to invest temporarily in direct obligations of the United 246 States, United States agency obligations, certificates of deposit, 247 commercial paper or bank acceptances such portion of the proceeds of 248 such bonds or of any notes issued in anticipation thereof as may be 249 deemed available for such purpose.

250 Sec. 4. Sections 10-265r and 10-283b of the general statutes are 251 repealed. (*Effective from passage*) This act shall take effect as follows and shall amend the following sections:

| Section 1 | from passage | 10-283(a) and (b) |
|-----------|--------------|-------------------|
| Sec. 2 | from passage | 10-287(b)(4) |
| Sec. 3 | from passage | 10-287d |
| Sec. 4 | from passage | Repealer section |

ED Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 26 \$ | FY 27 \$ |
|-----------------------|----------------|-----------|-----------|
| Treasurer, Debt Serv. | GF - See Below | See Below | See Below |
| Note: GF=General Fund | | | |

Municipal Impact:

| Municipalities | Effect | FY 26 \$ | FY 27 \$ |
|-----------------------------------|-----------|-----------|-----------|
| Various Municipalities; Local and | See Below | See Below | See Below |
| Regional School Districts | | | |

Explanation

The bill makes several changes to the school construction program that alter project eligibility and may impact project costs and reimbursement levels, which in turn would affect levels of state reimbursement and municipal revenue gain. These changes include removing projects for the Connecticut Technical Education and Career System (CTECS) from the school construction program and allowing school air quality projects to qualify for the school construction program under certain conditions. The bill also repeals the standalone competitive grant program for school air quality projects.

The state's share of costs for both the school construction and school air quality grant programs are funded using General Obligation (GO) bonds, which are in turn repaid through General Fund debt service payments. The bill does not change bond authorization levels for either program.

CTECS Projects

Excluding future CTECS projects from being paid within the school construction program will lower spending within the school construction program. However, it is anticipated that such projects will still be undertaken and paid for through GO bonds. The long-term impact to the state for this change is unknown, as it will depend on whether project costs and approvals outside the school construction program for CTECS projects differs from under existing law.

School Air Quality Competitive Grant Program

Repealing the school air quality competitive grant program will result in lower future debt service costs from not using GO bonds previously authorized for the program. As of March 1, 2025, the unallocated balance for the program is \$138.5 million.

School Air Quality in the School Construction Program

Expanding the list of allowable non-priority list projects to include certain school air quality projects is anticipated to increase long-term spending under the school construction program. Given that reimbursement and approval for such projects is non-competitive, this will necessitate increased GO bond use and therefore increased longterm General Fund debt repayment. The increased GO bond spending will finance revenue gains to municipalities and school districts for those future air quality projects that would not have been funded under the standalone competitive grant program.

Background

The Governor's proposed bond bill (SB 1247) includes several changes related to this bill, including proposed bond authorizations of \$225 million for projects in CTECS schools and elimination of the remaining balance of unallocated bonds for school air quality (\$138.5 million). While the bill does not propose new funding for school air quality projects in particular, the proposal includes funding for the overall school construction program in each year of the biennium. The fiscal impact of those changes is tied to future and pending decisions

about that bill.

The Out Years

The ongoing fiscal impacts identified above will continue into the future subject to future municipal decisions, applications for the school construction program, and the terms of any bonds issued.

OLR Bill Analysis

HB 6922

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF ADMINISTRATIVE SERVICES REGARDING THE SCHOOL BUILDING PROJECTS STATUTES.

SUMMARY

This bill repeals the existing school construction heating, ventilation, and air conditioning systems (HVAC) grant and instead merges it with an existing school construction grant law that provides grants for a broader range of school building projects.

Under the bill, current law's provisions are generally added to the existing Department of Administrative Services (DAS) school construction grant that authorizes the commissioner to award grants without going through the annual priority list process, which the legislature approves annually in a bill (these projects are often referred to as the "non-priority list projects"). The priority list includes major projects such as building new schools or complete renovations of existing schools.

It also repeals generally redundant or obsolete provisions in prioritylist school construction law that (1) allow grant refund forgiveness with legislative approval, (2) require school districts to make certain affirmations in their grant applications, and (3) require prior approval for consultant services contracts.

Finally, the bill removes the Connecticut Technical Education and Career System (CTECS) from the school construction grant program. CTECS, which runs the state's 17 technical high schools, is a state agency and its buildings are constructed and paid for under the state laws applying to all state-owned buildings.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

§§ 1 & 4 — HVAC GRANTS

This bill repeals the current school HVAC grant and instead merges it with an existing school construction grant that provides funds for a broader range of non-priority list school building projects (such as roof replacements and addressing building code violations). The bill subjects the new HVAC grants to the same application and eligibility criteria as for existing non-priority school building projects (see BACKGROUND).

Under current law, the DAS commissioner may approve grants to reimburse school districts for project costs to install, replace, or upgrade HVAC systems or related improvements. Under the bill, the commissioner may approve grants to upgrade HVAC systems or make other improvements to indoor air quality in school buildings. The bill language does not include installing or replacing systems.

While the statutes for each of these grants do not include a dollar limit, the non-priority list projects tend to be smaller than the priority list projects, ranging from \$100,000 to \$5 million. Priority list projects commonly range from \$1 million to, in some cases, \$200 million.

Inspection and Maintenance Requirements

The bill maintains the following current law requirements:

- prohibiting awarding grants for HVAC or indoor air quality improvements to recipients unless they have certified compliance with the uniform inspection and evaluation of their school buildings' HVAC systems as required by law (CGS § 10-220(d)),
- deeming the following expenses as ineligible for reimbursement:

 (a) routine maintenance and cleaning of the HVAC system and
 (b) work performed at or on a public school administrative or service facility that is not located or housed within a public school building, and

3. requiring grant recipients to (a) be responsible for the routine maintenance and cleaning of the HVAC system and (b) provide training to school personnel and maintenance staff concerning the system's proper use and maintenance.

Repealed HVAC Grant Provisions

The bill repeals the following provisions:

- 1. grant eligibility for charter schools;
- 2. specific grant eligibility criteria including (a) the age and condition of the current HVAC system or equipment being replaced or upgraded in the school, (b) current air quality issues at the school, (c) the age and condition of the overall school building, (d) the school district's master plan, (e) the availability of maintenance records, (f) the school's routine HVAC maintenance contract or plan, and (g) the applicant's ability to finance the remaining costs;
- 3. requiring DAS to reconsider grant applications it has denied through the end of FY 26 and provide technical assistance to the denied school board to help the board gain approval of the grant;
- 4. requiring DAS, if there is not enough grant funding, to prioritize schools with the greatest need based on the eligibility criteria; and
- 5. requiring an HVAC project to be completed by the end of the next calendar year after the grant was awarded unless extended by DAS for good cause.

§§ 1-2 — REPEALED PROVISIONS

The bill repeals four provisions related to priority-list school construction grants.

Conditions School Districts Affirm in Their Applications (§ 1)

Current law requires superintendents to affirm as part of the grant application that the school district has considered: (1) maximizing natural light, (2) wireless connectivity technology use and feasibility, and (3) the school safety infrastructure criteria. The bill repeals these affirmations. By law, and unchanged by the bill, the commissioner must review each grant application for a school building project for compliance with the school safety infrastructure criteria.

Grant Refund Forgiveness (§ 1)

By law, any town or school district that abandons, sells, leases, demolishes, or otherwise redirects the use of a school building project for non-public uses during the amortization period must give the state a refund for the unamortized balance of the state grant remaining. Under prior law, this repayment requirement applied if the school building was redirected for any non-public school use purposes. PA 24-151 broadened this provision to allow redirection for other public uses without requiring repayment of the grant.

The bill makes a conforming change by repealing a provision allowing a town or school district to seek repayment forgiveness if a school building is redirected for public use. A town or school district must still repay the remaining grant if the building is redirected for nonpublic uses.

The bill also eliminates the requirement that DAS must include any proposed forgiveness on the annual priority list. The forgiveness was deemed approved when the General Assembly approved the priority list.

Prior Approval for Consultant Contracts (§ 2)

The bill repeals the requirement that consultant services contracts must have prior approval from DAS to be eligible for state grant reimbursement. Under current practice, DAS already conducts compliance reviews through the grant process, which includes reviewing these contracts.

§§ 1, 3 & 4 — REMOVAL OF CTECS FROM SCHOOL CONSTRUCTION GRANT PROGRAM

The bill removes CTECS from the school construction grant program.

Under current law, CTECS projects must undergo the school construction process, including being on the construction priority list that DAS submits to the legislature each year for approval to have the project's cost fully covered by the state. As a state agency, CTECS projects are already 100% state-funded and do not require the local approval and funding match that the school construction grant program requires of school boards and towns. (Chapter 60 of the General Statutes governs the state building construction project process.)

The bill also repeals a related requirement for DAS to submit a biennial status report on all current and pending CTECS school construction projects and their costs to the Education Committee.

BACKGROUND

Non-Priority List School Building Projects

The law authorizes the DAS commissioner to award grants on a caseby-case basis without going through the annual priority list process, which requires legislative approval. Non-priority list projects include:

- 1. assisting school building projects to remedy damage from fire and catastrophe;
- 2. correcting safety, health, and other code violations;
- 3. replacing roofs, including the replacement or installation of skylights as part of the project;
- 4. remedying a certified school indoor air quality emergency;
- 5. installing insulation for exterior walls and attics; and
- 6. purchasing and installing a limited use and access elevators, windows, photovoltaic panels, wind generation systems, building management systems, a public school administrative or service facility or, within certain limitations, portable classroom buildings.

Once a grant is approved, projects must also get approval from DAS

architects for each biddable project stage.

Under the law, school boards and towns may receive a reimbursement grant for 20%-80% of eligible expenses, based on the town's ranking among all Connecticut towns as generally measured by their grand list (CGS § 10-285a).

COMMITTEE ACTION

Education Committee

Joint Favorable Yea 40 Nay 0 (03/12/2025)