

119TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

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

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IN THE SENATE OF THE UNITED STATES

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Mr. REED introduced the following bill; which was read twice and referred to  
the Committee on \_\_\_\_\_

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**A BILL**

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

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

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

4 (a) **SHORT TITLE.**—This Act may be cited as the  
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.

## 2

- 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 conservation.
- Sec. 304. Green practices.
- Sec. 305. Use of American iron, steel, and manufactured products.

## TITLE IV—REPORTS AND OTHER MATTERS

- Sec. 401. Comptroller General report.
- Sec. 402. Study and report on physical condition of public schools.
- Sec. 403. Office of School Infrastructure and Sustainability.
- Sec. 404. Development of data standards.
- Sec. 405. Information clearinghouse.
- Sec. 406. Sense of Congress on opportunity zones.

## TITLE V—IMPACT AID CONSTRUCTION

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

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

- Sec. 601. Allocations to States.
- Sec. 602. Grants to local educational agencies.
- Sec. 603. Definitions.
- Sec. 604. Authorization of appropriations.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

- 3 (1) APPROPRIATE CONGRESSIONAL COMMIT-
- 4 TEES.—The term “appropriate congressional 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.

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

5           (3) COVERED FUNDS.—The term “covered  
6       funds” means funds received—

7           (A) under title I of this Act;

8           (B) from a school infrastructure bond; or

9           (C) from a qualified zone academy bond  
10       (as such term is defined in section 54E of the  
11       Internal Revenue Code of 1986 (as restored by  
12       section 201)).

13          (4) ESEA TERMS.—The terms “elementary  
14       school”, “outlying area”, and “secondary school”  
15       have the meanings given those terms in section 8101  
16       of the Elementary and Secondary Education Act of  
17       1965 (20 U.S.C. 7801).

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

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

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

6                   (B) produces enough renewable energy to  
7           meet its own annual energy consumption re-  
8           quirements.

9           (7) PUBLIC SCHOOL FACILITIES.—The term  
10          “public school facilities” means the facilities and  
11          grounds of a public elementary school or a public  
12          secondary school.

13          (8) QUALIFIED LOCAL EDUCATIONAL AGEN-  
14          CY.—The term “qualified local educational agency”  
15          means a local educational agency that receives funds  
16          under part A of title I of the Elementary and Sec-  
17          ondary Education Act of 1965 (20 U.S.C. 6311 et  
18          seq.).

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

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

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

4   **TITLE I—GRANTS FOR THE**  
5   **LONG-TERM IMPROVEMENT**  
6   **OF PUBLIC SCHOOL FACILI-**  
7   **TIES**

8   **SEC. 101. PURPOSE AND RESERVATION.**

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

13          (b) RESERVATION FOR OUTLYING AREAS AND BU-  
14          REAU-FUNDED SCHOOLS.—

15               (1) IN GENERAL.—For each of fiscal years  
16               2027 through 2031, the Secretary shall reserve,  
17               from the amount appropriated to carry out this  
18               title—

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

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

25               (2) USE OF RESERVED FUNDS.—

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

4 (B) SPECIAL RULES FOR BUREAU-FUNDED  
5 SCHOOLS.—

6 (i) APPLICABILITY.—The provisions  
7 of title III shall apply to a Bureau-funded  
8 school that receives assistance under para-  
9 graph (1)(B) in the same manner that  
10 such provisions apply to a qualified local  
11 educational agency that receives covered  
12 funds. The facilities of a Bureau-funded  
13 school shall be treated as public school fa-  
14 cilities for purposes of the application of  
15 such provisions.

16 (ii) TREATMENT OF TRIBALLY OPER-  
17 ATED SCHOOLS.—The Secretary of the In-  
18 terior shall provide assistance to Bureau-  
19 funded schools under paragraph (1)(B)  
20 without regard to whether such schools are  
21 operated by the Bureau of Indian Edu-  
22 cation or by an Indian Tribe. In the case  
23 of a Bureau-funded school that is a con-  
24 tract or grant school (as that term is de-  
25 fined in section 1141 of the Education

1 Amendments of 1978 (25 U.S.C. 2021))  
2 operated by an Indian Tribe, the Secretary  
3 of the Interior shall provide assistance  
4 under such paragraph to the Indian Tribe  
5 concerned.

6 (3) ALLOCATION TO OUTLYING AREAS.—From  
7 the amount reserved under paragraph (1)(A) for a  
8 fiscal year, the Secretary shall allocate to each out-  
9 lying area an amount in proportion to the amount  
10 received by the outlying area under part A of title  
11 I of the Elementary and Secondary Education Act  
12 of 1965 (20 U.S.C. 6311 et seq.) for the previous  
13 fiscal year relative to the total such amount received  
14 by all outlying areas for such previous fiscal year.

15 **SEC. 102. ALLOCATION TO STATES.**

16 (a) ALLOCATION TO STATES.—

17 (1) STATE-BY-STATE ALLOCATION.—

18 (A) FISCAL YEAR 2027.—Of the amount  
19 appropriated to carry out this title for fiscal  
20 year 2027 and not reserved under section  
21 101(b), not later than 30 days after such funds  
22 are appropriated, each State that provides an  
23 assurance to the Secretary that the State will  
24 comply with the requirements of section 103(c)  
25 shall be allocated an amount in proportion to

1 the amount received by all local educational  
2 agencies in the State under part A of title I of  
3 the Elementary and Secondary Education Act  
4 of 1965 (20 U.S.C. 6311 et seq.) for the pre-  
5 vious fiscal year relative to the total amount re-  
6 ceived under such part for such fiscal year by  
7 all local educational agencies in every State that  
8 provides such an assurance to the Secretary.

9 (B) OTHER FISCAL YEARS.—Of the  
10 amount appropriated to carry out this title for  
11 each fiscal year other than fiscal year 2027 and  
12 not reserved under section 101(b), each State  
13 that has a plan approved by the Secretary  
14 under subsection (b) shall be allocated an  
15 amount in proportion to the amount received by  
16 all local educational agencies in the State under  
17 part A of title I of the Elementary and Sec-  
18 ondary Education Act of 1965 (20 U.S.C. 6311  
19 et seq.) for the previous fiscal year relative to  
20 the total amount received under such part for  
21 such fiscal year by all local educational agencies  
22 in every State that has a plan approved by the  
23 Secretary under subsection (b).

24 (2) STATE RESERVATION.—A State may reserve  
25 not more than 5 percent of its allocation under para-

1 graph (1) to carry out its responsibilities under this  
2 Act, which shall include—

3 (A) providing technical assistance to local  
4 educational agencies, including by—

5 (i) identifying which State agencies  
6 have programs, resources, and expertise  
7 relevant to the activities supported by the  
8 allocation under this section; and

9 (ii) coordinating the provision of tech-  
10 nical assistance across such agencies;

11 (B) in accordance with the guidance issued  
12 by the Secretary under section 404, developing  
13 an online, publicly searchable database that  
14 contains an inventory of the infrastructure of  
15 all public school facilities in the State (including  
16 the facilities of Bureau-funded schools, as ap-  
17 propriate), including, with respect to each such  
18 facility, an identification of—

19 (i) the information described in  
20 clauses (i) through (vii) of subparagraph  
21 (F);

22 (ii) the age (including an identifica-  
23 tion of the date of any retrofits or recent  
24 renovations) of—

25 (I) the facility;

10

- 1 (II) its roof;
- 2 (III) its electrical panels and  
3 lighting system;
- 4 (IV) its windows and any sky-  
5 lights;
- 6 (V) its cooking equipment and  
7 major appliances;
- 8 (VI) its plumbing; and
- 9 (VII) its heating, ventilation, and  
10 air conditioning system, including any  
11 energy management controls and sys-  
12 tems;
- 13 (iii) fire safety inspection results;
- 14 (iv) the proximity of the facilities to  
15 toxic sites, including sites contaminated by  
16 per- and polyfluoroalkyl substances, or the  
17 vulnerability of the facilities to natural dis-  
18 asters, including the extent to which facili-  
19 ties that are vulnerable to seismic natural  
20 disasters are seismically retrofitted;
- 21 (v) any previous inspections showing  
22 the presence of toxic substances, including  
23 per- and polyfluoroalkyl substances;
- 24 (vi) any improvements that are needed  
25 to support indoor and outdoor social

1 distancing, personal hygiene, and building  
2 hygiene (including with respect to heating,  
3 ventilation, and air conditioning usage) in  
4 school facilities, consistent with guidance  
5 issued by the Centers for Disease Control  
6 and Prevention; and

7 (vii) any improvements that are need-  
8 ed to support energy and water efficiency,  
9 resilience, and climate mitigation;

10 (C) updating the database developed under  
11 subparagraph (B) not less frequently than once  
12 every 3 years;

13 (D) ensuring that the information in the  
14 database developed under subparagraph (B)—

15 (i) is posted on a publicly accessible  
16 State website; and

17 (ii) is regularly distributed to local  
18 educational agencies and Tribal govern-  
19 ments in the State;

20 (E) issuing and reviewing regulations to  
21 ensure the health and safety of students and  
22 staff during construction or renovation projects;

23 (F) issuing or reviewing regulations to en-  
24 sure safe, healthy, and high-performing school  
25 buildings, including regulations governing—

1 (i) indoor environmental quality and  
2 ventilation, including exposure to carbon  
3 monoxide, carbon dioxide, lead-based paint,  
4 and other combustion by-products such as  
5 oxides of nitrogen;

6 (ii) mold, mildew, and moisture con-  
7 trol;

8 (iii) the safety of drinking water at  
9 the tap and water used for meal prepara-  
10 tion, including regulations that—

11 (I) address the presence of lead  
12 and other contaminants, including  
13 per- and polyfluoroalkyl substances, in  
14 such water; and

15 (II) require the regular testing of  
16 the potability of water at the tap and  
17 testing for contaminants, including  
18 per- and polyfluoroalkyl substances;

19 (iv) energy and water efficiency;

20 (v) excessive classroom noise due to  
21 activities allowable under section 301;

22 (vi) the levels of maintenance work,  
23 operational spending, and capital invest-  
24 ment needed to maintain the quality of  
25 public school facilities; and

1 (vii) the construction or renovation of  
2 such facilities, including applicable building  
3 codes;

4 (G) creating a plan to reduce or eliminate  
5 exposure to toxic substances, including mercury,  
6 radon, PCBs, lead, vapor intrusions, per- and  
7 polyfluoroalkyl substances, and asbestos; and

8 (H) creating a plan to increase the number  
9 of net zero energy schools in the State, includ-  
10 ing professional development opportunities for  
11 State and local educational agency staff in-  
12 volved in maintenance, operations, and school  
13 facilities capital outlay projects related to en-  
14 ergy and water efficiency, resilience, climate  
15 mitigation, renewable energy, energy storage,  
16 and building electrification.

17 (b) STATE PLAN.—

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

22 (A) describes how the State will use the al-  
23 location to make long-term improvements to  
24 public school facilities;

1 (B) explains how the State will carry out  
2 each of its responsibilities under subsection  
3 (a)(2);

4 (C) explains how the State will make the  
5 determinations under subsections (b) through  
6 (d) of section 103, including how the State will  
7 consider the impact that projects will have on  
8 student diversity and racial and socioeconomic  
9 isolation of students attending any current (as  
10 of the time of the submission of the plan) or fu-  
11 ture public school facilities supported by such  
12 projects;

13 (D) identifies how long, and at what levels,  
14 the State will maintain fiscal effort for the ac-  
15 tivities supported by the allocation after the  
16 State no longer receives the allocation; and

17 (E) includes such other information as the  
18 Secretary may require.

19 (2) EXPEDITED PROCESS FOR FISCAL YEAR  
20 2027.—

21 (A) ASSURANCE TO SECRETARY.—To be  
22 eligible to receive an allocation for fiscal year  
23 2027 under subsection (a)(1)(A), a State shall  
24 provide to the Secretary an assurance that the

1 State will comply with the requirements of sec-  
2 tion 103(e).

3 (B) SUBMITTAL OF STATE PLAN.—A State  
4 shall not be required to submit a State plan  
5 under paragraph (1) before receiving an alloca-  
6 tion for fiscal year 2027 under subsection  
7 (a)(1)(A). A State that receives an allocation  
8 under such subsection for such fiscal year shall  
9 submit to the Secretary the State plan de-  
10 scribed in paragraph (1) not later than 90 days  
11 after the date on which such allocation is re-  
12 ceived.

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

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

20 (1) MATCHING REQUIREMENT.—

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

1 (B) DEADLINE.—The State shall provide  
2 any contribution required under subparagraph  
3 (A) not later than September 30, 2034.

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

9 (D) COMMITMENT TO PROPORTIONAL  
10 STATE INVESTMENT IN SCHOOL FACILITIES.—

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

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

1 State demonstrates an exceptional or un-  
2 controllable circumstance, such as a nat-  
3 ural disaster, pandemic, or precipitous de-  
4 cline in revenue.

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

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

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

15 (iv) TOTAL STATE EXPENDITURES.—  
16 In this subparagraph, the term “total  
17 State expenditures” means the State’s  
18 total expenditures (from funds other than  
19 an allocation under this section) on school  
20 facilities capital outlay projects, includ-  
21 ing—

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

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

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

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

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

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

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

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

5 (a) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

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

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

18 (b) ELIGIBILITY.—

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

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

1           tion 1124(c) of the Elementary and Secondary  
2           Education Act of 1965 (20 U.S.C. 6333(c));

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

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

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

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

1 (iii) the bond rating of the agency.

2 (2) **EQUITABLE DISTRIBUTION.**—

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

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

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

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

21 (3) **STATEWIDE THRESHOLDS.**—The State shall  
22 establish reasonable thresholds for determining  
23 whether a local educational agency is among agen-  
24 cies in the State with the highest numbers or per-  
25 centages of students counted under section 1124(c)

1 of the Elementary and Secondary Education Act of  
2 1965 (20 U.S.C. 6333(c)) as required under para-  
3 graph (1)(A).

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

7 (1)(A) demonstrate the greatest need for such  
8 a grant, as determined by a comparison of the fac-  
9 tors described in subsection (b)(1) and other indica-  
10 tors of need in the public school facilities of such  
11 local educational agencies, including—

12 (i) the median age of facilities;

13 (ii) the extent to which student enrollment  
14 exceeds physical and instructional capacity;

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

18 (iv) the condition of roofs, windows, and  
19 doors; and

20 (v) other critical health and safety condi-  
21 tions;

22 (B) will use the grant to improve the facilities  
23 of—

24 (i) elementary schools or middle schools  
25 that have an enrollment of students who are eli-

1           gible for a free or reduced price lunch under the  
2           Richard B. Russell National School Lunch Act  
3           (42 U.S.C. 1751 et seq.) that constitutes not  
4           less than 40 percent of the total student enroll-  
5           ment at such schools; or

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

13          (C) operate public school facilities that pose a  
14          severe health and safety threat to students and staff,  
15          which may include consideration of threats posed by  
16          the proximity of the facilities to toxic sites or  
17          brownfield sites or the vulnerability of the facilities  
18          to natural disasters; or

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

22                  (B) serve elementary schools or secondary  
23          schools, including rural schools, that lack such ac-  
24          cess; and

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

4 (d) APPLICATION.—To be considered for a grant  
5 under this section, a qualified local educational agency  
6 shall submit an application to the State at such time, in  
7 such manner, and containing such information as the  
8 State may require. Such application shall include, at min-  
9 imum—

10 (1) the information necessary for the State to  
11 make the determinations under subsections (b) and  
12 (c);

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

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

16 (A) improve conditions for the health and  
17 safety of staff and students at schools served by  
18 the agency;

19 (B) improve learning and reduce inequity  
20 for such students; and

21 (C) improve school facilities' performance  
22 with respect to energy and water efficiency, re-  
23 siliance, and climate mitigation;

24 (4) in the case of a local educational agency  
25 that proposes to fund a repair, renovation, or con-

1 construction project for a public charter school, the ex-  
2 tent to which—

3 (A) the public charter school lacks access  
4 to funding for school repair, renovation, and  
5 construction through the financing methods  
6 available to other public schools or local edu-  
7 cational agencies in the State; and

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

11 (5) an explanation of how the local educational  
12 agency plans to increase the number of contracts  
13 such agency has with certified small businesses, mi-  
14 nority-owned businesses, veteran-owned businesses,  
15 or women-owned businesses as of the date of sub-  
16 mission of the application by awarding such con-  
17 tracts under projects supported by the grant.

18 (e) FACILITIES MASTER PLAN.—

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

23 (2) ELEMENTS.—The facilities master plan re-  
24 quired under paragraph (1) shall include, with re-

1       spect to all public school facilities of the qualified  
2       local educational agency, a description of—

3               (A) the extent to which public school facili-  
4               ties meet students' educational needs and sup-  
5               port the agency's educational mission and vi-  
6               sion;

7               (B) the physical condition of the public  
8               school facilities;

9               (C) the current health, safety, and environ-  
10              mental conditions of the public school facilities,  
11              including—

12                      (i) indoor air quality;

13                      (ii) the presence of toxic substances;

14                      (iii) the safety of drinking water at  
15                      the tap and water used for meal prepara-  
16                      tion, including the level of lead and other  
17                      contaminants in such water;

18                      (iv) energy and water efficiency, resil-  
19                      ience, and climate mitigation;

20                      (v) excessive classroom noise; and

21                      (vi) other health, safety, and environ-  
22                      mental conditions that would impact the  
23                      health, safety, and learning ability of stu-  
24                      dents;

1 (D) how the local educational agency will  
2 address the conditions identified under subpara-  
3 graph (C), including identifying performance  
4 targets where applicable;

5 (E) the impact of current and future stu-  
6 dent enrollment levels (as of the date of appli-  
7 cation) on the design of current and future pub-  
8 lic school facilities, as well as the financial im-  
9 plications of such enrollment levels;

10 (F) the dollar amount and percentage of  
11 funds the local educational agency will dedicate  
12 to capital construction projects for public school  
13 facilities, including—

14 (i) any funds in the budget of the  
15 agency that will be dedicated to such  
16 projects; and

17 (ii) any funds not in the budget of the  
18 agency that will be dedicated to such  
19 projects, including any funds available to  
20 the agency as the result of a bond issue;  
21 and

22 (G) the dollar amount and percentage of  
23 funds the local educational agency will dedicate  
24 to the maintenance and operation of public  
25 school facilities, including—

1 (i) any funds in the budget of the  
2 agency that will be dedicated to the main-  
3 tenance and operation of such facilities;  
4 and

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

8 (3) CONSULTATION.—In developing the facili-  
9 ties master plan required under paragraph (1)—

10 (A) a qualified local educational agency  
11 shall consult with teachers, principals and other  
12 school leaders, custodial and maintenance staff,  
13 emergency first responders, school facilities di-  
14 rectors, students and families, community resi-  
15 dents, and Indian Tribes; and

16 (B) in addition to the consultation required  
17 under subparagraph (A), a Bureau-funded  
18 school shall consult with the Bureau of Indian  
19 Education.

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

21 (a) IN GENERAL.—Not later than September 30 of  
22 each fiscal year beginning after the date of the enactment  
23 of this Act, the Secretary shall submit to the appropriate  
24 congressional committees a report on the projects carried  
25 out with funds made available under this title.

1 (b) ELEMENTS.—The report under subsection (a)  
2 shall include, with respect to the fiscal year preceding the  
3 year in which the report is submitted, the following:

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

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

8 (A) the demographic composition of the  
9 student population served by the agency,  
10 disaggregated by—

11 (i) race;

12 (ii) the number and percentage of stu-  
13 dents counted under section 1124(c) of the  
14 Elementary and Secondary Education Act  
15 of 1965 (20 U.S.C. 6333(c)); and

16 (iii) the number and percentage of  
17 students who are eligible for a free or re-  
18 duced price lunch under the Richard B.  
19 Russell National School Lunch Act (42  
20 U.S.C. 1751 et seq.);

21 (B) the population density of the geo-  
22 graphic area served by the agency;

23 (C) the projects for which the agency used  
24 the grant received under this title, described  
25 using measurements of school facility quality

1 from the most recent available version of the  
2 Common Education Data Standards published  
3 by the National Center for Education Statistics;

4 (D) the demonstrable or expected benefits  
5 of the projects, including any improvements—

6 (i) to conditions for health, safety,  
7 and learning; and

8 (ii) to school facilities with respect to  
9 energy and water efficiency, resilience, re-  
10 duced carbon emissions, and climate miti-  
11 gation;

12 (E) the square footage of the improve-  
13 ments made with covered funds;

14 (F) the total cost of each such project—

15 (i) in total; and

16 (ii) disaggregated by the costs of plan-  
17 ning, design, construction, site purchase,  
18 and improvements;

19 (G) the estimated number of jobs created  
20 by the projects;

21 (H) of the total number of contracts  
22 awarded under the project, the percentage of  
23 such contracts that were awarded to certified  
24 small businesses, minority-owned businesses,

1 veteran-owned businesses, and women-owned  
2 businesses; and

3 (I)(i) the total dollar value of contracts  
4 awarded under the project to certified small  
5 businesses, minority-owned businesses, veteran-  
6 owned businesses, and women-owned busi-  
7 nesses, respectively; and

8 (ii) the total dollar value of contracts  
9 awarded under the project to all such busi-  
10 nesses combined.

11 (3) The total dollar amount of all grants re-  
12 ceived by local educational agencies under this title.

13 (c) LEA INFORMATION COLLECTION.—A local edu-  
14 cational agency that receives a grant under this title  
15 shall—

16 (1) annually compile the information described  
17 in subsection (b)(2);

18 (2) make the information available to the pub-  
19 lic, including by posting the information on a pub-  
20 licly accessible agency website; and

21 (3) submit the information to the State.

22 (d) STATE INFORMATION DISTRIBUTION.—A State  
23 that receives information from a local educational agency  
24 under subsection (c) shall—

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

4           (2) make the information available to the pub-  
5 lic, including by posting the information on a pub-  
6 licly accessible State website; and

7           (3) regularly distribute the information to local  
8 educational agencies and Tribal governments in the  
9 State.

10 **SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

11       There are authorized to be appropriated  
12 \$20,000,000,000 for each of fiscal years 2027 through  
13 2031 to carry out this title. Amounts so appropriated are  
14 authorized to remain available through fiscal year 2036.

15                           **TITLE II—SCHOOL**  
16                           **INFRASTRUCTURE BONDS**

17 **SEC. 201. RESTORATION OF CERTAIN QUALIFIED TAX**  
18                           **CREDIT BONDS.**

19       (a) ALLOWANCE OF CREDIT.—

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

23           (2) CREDIT LIMITED TO CERTAIN BONDS.—

24           (A) IN GENERAL.—Section 54A(d)(1) of  
25 such Code, as revived by paragraph (1), is

1 amended by striking “means—” and all that  
 2 follows through “which is part” and inserting  
 3 “means a qualified zone academy bond which is  
 4 part”.

5 (B) CONFORMING AMENDMENT.—Section  
 6 54A(c)(2)(C) of such Code, as revived by para-  
 7 graph (1), is amended by striking “means—”  
 8 and all that follows and inserting “a purpose  
 9 specified in section 54E(a)(1)”.

10 (3) CONFORMING AMENDMENTS.—

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

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

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

15 (B) Section 6401(b)(1) of such Code is  
 16 amended by striking “and G” and inserting “G,  
 17 and I”.

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

“SUBPART I—QUALIFIED TAX CREDIT BONDS”.

21 (b) CREDIT ALLOWED TO ISSUER.—

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

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

4           (c) QUALIFIED ZONE ACADEMY BONDS.—

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

8           (2) EXTENSION OF LIMITATION.—Section  
9           54(E)(c)(1) of such Code is amended—

10           (A) by striking “and \$400,000,000” and  
11           inserting “\$400,000,000”, and

12           (B) by striking “and, except as provided”  
13           and all that follows through the period at the  
14           end and inserting “, and \$1,400,000,000 for  
15           2027 and each calendar year thereafter.”.

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

21           (A) in subsection (a)(3), by inserting  
22           “and” at the end of subparagraph (A), by strik-  
23           ing subparagraph (B), and by redesignating  
24           subparagraph (C) as subparagraph (B),

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

1 (C) by redesignating subsections (c) and  
2 (d) as subsections (b) and (c), respectively.

3 (4) CONSTRUCTION OF A PUBLIC SCHOOL FA-  
4 CILITY.—Section 54E(c)(3)(A) of the Internal Rev-  
5 enue Code of 1986, as revived by paragraph (1) and  
6 redesignated in paragraph (3)(C), is amended by  
7 striking “rehabilitating or repairing” and inserting  
8 “constructing, rehabilitating, retrofitting, or repair-  
9 ing”.

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

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

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

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

4 **SEC. 202. SCHOOL INFRASTRUCTURE BONDS.**

5 (a) IN GENERAL.—The Internal Revenue Code of  
6 1986 is amended by inserting after subpart I (as revived  
7 by section 201) of part IV of subchapter A of chapter 1  
8 the following new subpart:

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

“Sec. 54BB. School infrastructure bonds.

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

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

18 “(b) AMOUNT OF CREDIT.—The amount of the credit  
19 determined under this subsection with respect to any in-  
20 terest payment date for a school infrastructure bond is  
21 100 percent of the amount of interest payable by the  
22 issuer with respect to such date.

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

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

4           “(A) the sum of the regular tax liability of  
5 the taxpayer (as defined in section 26(b)) plus  
6 the tax imposed by section 55, over

7           “(B) the sum of the credits allowable  
8 under this part (other than subpart C and this  
9 subpart).

10          “(2) CARRYOVER OF UNUSED CREDIT.—If the  
11 credit allowable under subsection (a) exceeds the  
12 limitation imposed by paragraph (1) for such taxable  
13 year, such excess shall be carried to the succeeding  
14 taxable year and added to the credit allowable under  
15 subsection (a) for such taxable year (determined be-  
16 fore the application of paragraph (1) for such suc-  
17 ceeding taxable year).

18          “(d) SCHOOL INFRASTRUCTURE BOND.—

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

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

1           “(B) the interest on such obligation would  
2           (but for this section) be excludable from gross  
3           income under section 103,

4           “(C) the issue meets the requirements of  
5           paragraph (3), and

6           “(D) the issuer designates such bond for  
7           purposes of this section.

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

10           “(A) for purposes of section 149(b), a  
11           school infrastructure bond shall not be treated  
12           as federally guaranteed by reason of the credit  
13           allowed under section 6431(a),

14           “(B) for purposes of section 148, the yield  
15           on a school infrastructure bond shall be deter-  
16           mined without regard to the credit allowed  
17           under subsection (a), and

18           “(C) a bond shall not be treated as a  
19           school infrastructure bond if the issue price has  
20           more than a de minimis amount (determined  
21           under rules similar to the rules of section  
22           1273(a)(3)) of premium over the stated prin-  
23           cipal amount of the bond.

24           “(3) 6-YEAR EXPENDITURE PERIOD.—

1           “(A) IN GENERAL.—An issue shall be  
2           treated as meeting the requirements of this  
3           paragraph if, as of the date of issuance, the  
4           issuer reasonably expects 100 percent of the  
5           available project proceeds to be spent for pur-  
6           poses described in section 301 of the Rebuild  
7           America’s Schools Act of 2026 within the 6-  
8           year period beginning on such date of issuance.

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

21           “(e) LIMITATION ON AMOUNT OF BONDS DES-  
22           IGNATED.—The maximum aggregate face amount of  
23           bonds issued during any calendar year which may be des-  
24           ignated under subsection (d)(1)(D) by any issuer shall not

1 exceed the limitation amount allocated under subsection  
2 (g) for such calendar year to such issuer.

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

6 “(1) \$10,000,000,000 for 2027,

7 “(2) \$10,000,000,000 for 2028, and

8 “(3) \$10,000,000,000 for 2029.

9 “(g) ALLOCATION OF LIMITATION.—

10 “(1) ALLOCATIONS.—

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

24 “(B) CERTAIN POSSESSIONS.—One-half of  
25 1 percent of the amount of the limitation appli-

1 cable under subsection (f) for a calendar year  
2 shall be allocated by the Secretary to posses-  
3 sions of the United States other than Puerto  
4 Rico for such calendar year.

5 “(2) ALLOCATIONS TO SCHOOLS.—The limita-  
6 tion amount allocated to a State or possession under  
7 paragraph (1) shall be allocated by the State edu-  
8 cational agency (or such other agency as is author-  
9 ized under State law to make such allocation) to  
10 issuers within such State or possession in accord-  
11 ance with the priorities described in subsections (c)  
12 and (d) of section 103 of the Rebuild America’s  
13 Schools Act of 2026 and the eligibility requirements  
14 described in section 103(b) of such Act, except that  
15 paragraph (1)(C) of such section shall not apply to  
16 the determination of eligibility for such allocation.

17 “(3) ALLOCATIONS FOR INDIAN SCHOOLS.—

18 “(A) IN GENERAL.—One-half of 1 percent  
19 of the amount of the limitation applicable under  
20 subsection (f) for any calendar year shall be al-  
21 located by the Secretary to the Secretary of the  
22 Interior for schools funded by the Bureau of In-  
23 dian Affairs for such calendar year.

24 “(B) ALLOCATION TO SCHOOLS.—The lim-  
25 itation amount allocated to the Secretary of the

1 Interior under paragraph (1) shall be allocated  
2 by such Secretary to issuers or schools funded  
3 as described in paragraph (2). In the case of  
4 amounts allocated under the preceding sen-  
5 tence, Indian tribal governments shall be treat-  
6 ed as qualified issuers for purposes of this sub-  
7 chapter.

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

19 “(h) INTEREST PAYMENT DATE.—For purposes of  
20 this section, the term ‘interest payment date’ means any  
21 date on which the holder of record of the school infrastruc-  
22 ture bond is entitled to a payment of interest under such  
23 bond.

24 “(i) SPECIAL RULES.—



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

7 (d) CONFORMING AMENDMENTS.—

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

12 (2) The table of subparts for part IV of sub-  
13 chapter A of chapter 1 of such Code, as amended by  
14 section 201(a), is amended by adding at the end the  
15 following:

“SUBPART J—SCHOOL INFRASTRUCTURE BONDS”.

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

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

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

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

4 (1) An identification of—

5 (A) each local educational agency (if any)  
6 that received an allocation under section  
7 54E(b)(2) or 54BB(g) of the Internal Revenue  
8 Code of 1986, and

9 (B) each local educational agency (if any)  
10 that was eligible to receive such funds but did  
11 not receive such funds.

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

14 (A) an assessment of the capacity of the  
15 agency to raise funds for the long-term im-  
16 provement of public school facilities, as deter-  
17 mined by an assessment of—

18 (i) the current and historic ability of  
19 the agency to raise funds for construction,  
20 renovation, modernization, and major re-  
21 pair projects for schools, including the abil-  
22 ity of the agency to raise funds through  
23 imposition of property taxes,

1                   (ii) whether the agency has been able  
2                   to issue bonds to fund construction  
3                   projects, including—

4                   (I) qualified zone academy bonds  
5                   under section 54E of the Internal  
6                   Revenue Code of 1986, and

7                   (II) school infrastructure bonds  
8                   under section 54BB of the Internal  
9                   Revenue Code of 1986, and

10                  (iii) the bond rating of the agency,

11                  (B) the demographic composition of the  
12                  student population served by the agency,  
13                  disaggregated by—

14                   (i) race,

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

19                   (iii) the number and percentage of  
20                   students who are eligible for a free or re-  
21                   duced price lunch under the Richard B.  
22                   Russell National School Lunch Act (42  
23                   U.S.C. 1751 et seq.),

24                  (C) the population density of the geo-  
25                  graphic area served by the agency,

1           (D) a description of the projects carried  
2           out with funds received from school infrastruc-  
3           ture bonds,

4           (E) a description of the demonstrable or  
5           expected benefits of the projects, and

6           (F) the estimated number of jobs created  
7           by the projects.

8           (3) The total dollar amount of all funds re-  
9           ceived by local educational agencies from school in-  
10          frastructure bonds.

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

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

17               (1) annually compile the information necessary  
18               for the Secretary of the Treasury to determine the  
19               elements described in subsection (b), and

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

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

1           **TITLE III—USES OF FUNDS**

2   **SEC. 301. ALLOWABLE USES OF FUNDS.**

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

6           (1) develop, maintain, and update (as nec-  
7 essary) the facilities master plan required under sec-  
8 tion 103(e);

9           (2) construct, modernize, renovate, or retrofit  
10 public school facilities, which may include seismic  
11 retrofitting for schools vulnerable to seismic natural  
12 disasters;

13           (3) decarbonize public school facilities through  
14 the adoption of all-electric space and water heating  
15 systems and cooking equipment, including other effi-  
16 ciency improvements and on-site renewable energy  
17 installation;

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

20           (5) install furniture or fixtures with at least a  
21 10-year life in public school facilities;

22           (6) construct new public school facilities;

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

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

3           (9) ensure current or anticipated enrollment  
4           does not exceed the physical and instructional capac-  
5           ity of public school facilities;

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

10          (11) compose building design plans that  
11          strengthen the safety and security on school prem-  
12          ises by utilizing design elements, principles, and  
13          technology that—

14                (A) guarantee layers of security through-  
15                out the school premises; and

16                (B) uphold the aesthetics of the school  
17                premises as a learning and teaching environ-  
18                ment;

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

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

24          (14) reduce or eliminate the presence of—

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

4           (B) mold and mildew; or

5           (C) rodents and pests;

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

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

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

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

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

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

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

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

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

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

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

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

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

4           (3) vehicles; or

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

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

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

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

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

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

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

23           A local educational agency that receives covered  
24           funds shall ensure that any new construction, moderniza-

1 tion, or renovation project carried out with such funds  
2 meets or exceeds the requirements of the following:

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

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

10 (3) Performance criteria under the WaterSense  
11 program, established under section 324B of the of  
12 the Energy Policy and Conservation Act (42 U.S.C.  
13 6294b), applicable to such projects within a nation-  
14 ally recognized, consensus-based model code.

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

19 **SEC. 304. GREEN PRACTICES.**

20 (a) IN GENERAL.—A local educational agency that  
21 uses covered funds for a new construction, modernization,  
22 or renovation project shall ensure that such project for  
23 new construction is certified, verified, or consistent with  
24 the applicable provisions of—

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

5           (2) the Living Building Challenge developed by  
6           the International Living Future Institute;

7           (3) a green building rating program developed  
8           by the Collaborative for High-Performance Schools  
9           (commonly known as “CHPS”) that is CHPS-  
10          verified;

11          (4) the Green Building Initiative Green Globes  
12          rating system; or

13          (5) a program that—

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

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

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

21 **SEC. 305. USE OF AMERICAN IRON, STEEL, AND MANUFAC-**  
22 **TURED PRODUCTS.**

23          (a) IN GENERAL.—A local educational agency that  
24          receives covered funds shall ensure that any iron, steel,

1 and manufactured products used in projects carried out  
2 with such funds are produced in the United States.

3 (b) WAIVER AUTHORITY.—

4 (1) IN GENERAL.—The Secretary may waive  
5 the requirement of subsection (a) if the Secretary  
6 determines that—

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

9 (B) iron, steel, and manufactured products  
10 produced in the United States are not produced  
11 in a sufficient and reasonably available amount  
12 or are not of a satisfactory quality; or

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

17 (2) PUBLICATION.—Before issuing a waiver  
18 under paragraph (1), the Secretary shall publish in  
19 the Federal Register a detailed written explanation  
20 of the waiver determination.

21 (c) CONSISTENCY WITH INTERNATIONAL AGREE-  
22 MENTS.—This section shall be applied in a manner con-  
23 sistent with the obligations of the United States under  
24 international agreements.

25 (d) DEFINITIONS.—In this section:

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

4                   (A) When used with respect to a manufac-  
5                   tured product, the product was manufactured in  
6                   the United States and the cost of the compo-  
7                   nents of such product that were mined, pro-  
8                   duced, or manufactured in the United States  
9                   exceeds 60 percent of the total cost of all com-  
10                  ponents of the product.

11                  (B) When used with respect to iron or  
12                  steel products, or an individual component of a  
13                  manufactured product, all manufacturing proc-  
14                  esses for such iron or steel products or compo-  
15                  nents, from the initial melting stage through  
16                  the application of coatings, occurred in the  
17                  United States, except that the term does not in-  
18                  clude—

19                           (i) steel or iron material or products  
20                           manufactured abroad from semi-finished  
21                           steel or iron from the United States; and

22                           (ii) steel or iron material or products  
23                           manufactured in the United States from  
24                           semi-finished steel or iron of foreign origin.

1           (2) MANUFACTURED PRODUCT.—The term  
2           “manufactured product” means any construction  
3           material or end product (as such terms are defined  
4           in part 25.003 of the Federal Acquisition Regula-  
5           tion) that is not an iron or steel product, includ-  
6           ing—

7                   (A) electrical components; and

8                   (B) nonferrous building materials, includ-  
9           ing, aluminum and polyvinylchloride (PVC),  
10          glass, fiber optics, plastic, wood, masonry, rub-  
11          ber, manufactured stone, any other nonferrous  
12          metals, and any unmanufactured construction  
13          material.

## 14   **TITLE IV—REPORTS AND OTHER** 15   **MATTERS**

### 16   **SEC. 401. COMPTROLLER GENERAL REPORT.**

17          (a) IN GENERAL.—Not later than 2 years after the  
18          date on which the majority of States receiving allocations  
19          under section 102 have made grants to local educational  
20          agencies under section 103, the Comptroller General of  
21          the United States shall submit to the appropriate congres-  
22          sional committees a report on the projects carried out with  
23          covered funds.

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

1 (1) State activities, including—

2 (A) criteria used by each State to deter-  
3 mine high-need students and facilities for pur-  
4 poses of the projects carried out with covered  
5 funds; and

6 (B) whether the State issued new regula-  
7 tions to ensure the health and safety of stu-  
8 dents and staff during construction or renova-  
9 tion projects or to ensure safe, healthy, and  
10 high-performing school buildings;

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

13 (A) the square footage of the improve-  
14 ments made with covered funds;

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

16 (C) the costs of the project disaggregated  
17 by the costs for planning, design, construction,  
18 site purchase, and improvements;

19 (3) the geographic distribution of the projects;

20 (4) an assessment of the impact of selected  
21 projects (as identified by the Secretary) on the  
22 health and safety of school staff and students; and

23 (5) how the Secretary or States could make  
24 covered funds more accessible—

1 (A) to schools with the highest numbers  
2 and percentages of students counted under sec-  
3 tion 1124(c) of the Elementary and Secondary  
4 Education Act of 1965 (20 U.S.C. 6333(c));  
5 and

6 (B) to schools with fiscal challenges in  
7 raising capital for school infrastructure  
8 projects.

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

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

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

17 **SEC. 402. STUDY AND REPORT ON PHYSICAL CONDITION OF**  
18 **PUBLIC SCHOOLS.**

19 (a) STUDY AND REPORT.—Not less frequently than  
20 once in each 5-year period beginning after the date of the  
21 enactment of this Act, the Secretary, acting through the  
22 Director of the Institute of Education Sciences, shall—

23 (1) carry out a comprehensive study of the  
24 physical conditions of all public schools in each State  
25 and outlying area; and

1           (2) submit a report to the appropriate congress-  
2           sional committees that includes the results of the  
3           study.

4           (b) ELEMENTS.—Each study and report under sub-  
5           section (a) shall include—

6           (1) an assessment of—

7           (A) the effect of school facility conditions  
8           on student and staff health and safety;

9           (B) the effect of school facility conditions  
10           on student academic outcomes;

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

13           (D) the condition of school facilities for  
14           economically disadvantaged students as well as  
15           students from major racial and ethnic sub-  
16           groups;

17           (E) the accessibility of school facilities for  
18           students and staff with disabilities;

19           (F) the prevalence of school facilities at  
20           which student enrollment exceeds the physical  
21           and instructional capacity of the facility and the  
22           effect of such excess enrollment on instructional  
23           quality and delivery of school wraparound serv-  
24           ices;

1 (G) the condition of school facilities af-  
2 fected by natural disasters;

3 (H) the effect that projects carried out  
4 with covered funds have on the communities in  
5 which such projects are conducted, including  
6 the vitality, jobs, population, and economy of  
7 such communities;

8 (I) the ability of building envelopes and in-  
9 teriors of public school facilities to protect occu-  
10 pants from natural elements and human  
11 threats; and

12 (J) the performance of school facilities  
13 projects with respect to energy and water effi-  
14 ciency and climate mitigation and resilience;

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

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

21 **SEC. 403. OFFICE OF SCHOOL INFRASTRUCTURE AND SUS-**  
22 **TAINABILITY.**

23 (a) ESTABLISHMENT.—Not later than 90 days after  
24 the date of enactment of this Act, the Secretary shall es-  
25 tablish within the Department of Education an office to

1 be known as the “Office of School Infrastructure and Sus-  
2 tainability” (referred to in this section as the “Office”).

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

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

6 (1) to advise the Secretary on State plans  
7 under section 102;

8 (2) to serve as a liaison with other departments  
9 and agencies of the Federal Government on matters  
10 relating to public school facilities, including the De-  
11 partment of Energy, the Department of Health and  
12 Human Services, the Department of the Treasury,  
13 the Federal Emergency Management Agency, and  
14 the Environmental Protection Agency;

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

18 (4) to manage such other programs or initia-  
19 tives affecting public school facilities as the Sec-  
20 retary determines appropriate.

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

22 (a) DATA STANDARDS.—Not later than 120 days  
23 after the date of the enactment of this Act, the Secretary,  
24 in consultation with the officials described in subsection

25 (b), shall—

1           (1) identify the data that States should collect  
2           and include in the databases developed under section  
3           102(a)(2)(B);

4           (2) develop standards for the measurement of  
5           such data; and

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

8           (b) OFFICIALS.—The officials described in this sub-  
9           section are—

10           (1) the Administrator of the Environmental  
11           Protection Agency;

12           (2) the Secretary of Energy;

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

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

17 **SEC. 405. INFORMATION CLEARINGHOUSE.**

18           (a) IN GENERAL.—Not later than 120 days after the  
19           date of the enactment of this Act, the Secretary shall es-  
20           tablish a clearinghouse to disseminate information on Fed-  
21           eral programs and financing mechanisms that may be  
22           used to assist schools in initiating, developing, and financ-  
23           ing—

24           (1) energy efficiency projects;

25           (2) distributed generation projects; and

1           (3) energy retrofitting projects.

2           (b) ELEMENTS.—In carrying out subsection (a), the  
3 Secretary shall—

4           (1) consult with the officials described in sec-  
5 tion 404(b) to develop a list of Federal programs  
6 and financing mechanisms to be included in the  
7 clearinghouse; and

8           (2) coordinate with such officials to develop a  
9 collaborative education and outreach effort to  
10 streamline communications and promote the Federal  
11 programs and financing mechanisms included in the  
12 clearinghouse, which may include the development  
13 and maintenance of a single online resource that in-  
14 cludes contact information for relevant technical as-  
15 sistance that may be used by States, outlying areas,  
16 local educational agencies, and Bureau-funded  
17 schools to effectively access and use such Federal  
18 programs and financing mechanisms.

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

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

21           (1) Opportunity Zones were championed by  
22 prominent leaders of both parties as an innovative  
23 way to tackle longstanding challenges.

24           (2) As of December 2018, 8,763 low-income  
25 communities had been designated as Opportunity

1 Zones, representing all 50 States, the District of Co-  
2 lumbia, Puerto Rico, the United States Virgin Is-  
3 lands, and American Samoa.

4 (3) Schools are integral parts of communities,  
5 and a key part of communities' economic and work-  
6 force development efforts could be modernizing  
7 school facilities.

8 (b) SENSE OF CONGRESS.—It is the sense of the  
9 Congress that opportunity zones, when combined with  
10 public infrastructure investment, can provide an innova-  
11 tive approach to capital financing that has the potential  
12 to unleash creativity and help local communities rebuild  
13 schools, rebuild economics, and get people back to work.

14 **TITLE V—IMPACT AID**  
15 **CONSTRUCTION**

16 **SEC. 501. TEMPORARY INCREASE IN FUNDING FOR IMPACT**  
17 **AID CONSTRUCTION.**

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

21 “(d) CONSTRUCTION.—For the purpose of carrying  
22 out section 7007, there are authorized to be appropriated  
23 \$100,000,000 for each of fiscal years 2027 through  
24 2031.”.

1 **TITLE VI—ASSISTANCE FOR RE-**  
2 **PAIR OF SCHOOL FOUNDA-**  
3 **TIONS AFFECTED BY**  
4 **PYRRHOTITE**

5 **SEC. 601. ALLOCATIONS TO STATES.**

6 (a) IN GENERAL.—Beginning not later than 180  
7 days after the date of the enactment of this Act, the Sec-  
8 retary shall carry out a program under which the Sec-  
9 retary makes allocations to States to pay the Federal  
10 share of the costs of making grants to local educational  
11 agencies under section 602.

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

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

18 (a) IN GENERAL.—From the amounts allocated to a  
19 State under section 601(a) and contributed by the State  
20 under subsection (e)(2), the State shall award grants to  
21 local educational agencies—

22 (1) to pay the future costs of repairing concrete  
23 school foundations damaged by the presence of  
24 pyrrhotite; or

1           (2) to reimburse such agencies for costs in-  
2           curred by the agencies in making such repairs in the  
3           five-year period preceding the date of enactment of  
4           this Act.

5           (b) LOCAL EDUCATIONAL AGENCY ELIGIBILITY.—

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

9           (A) with respect to each school for which  
10           the agency seeks to use grant funds, dem-  
11           onstrate to the State that—

12           (i) the school is a pyrrhotite-affected  
13           school; and

14           (ii) any laboratory tests, core tests,  
15           and visual inspections of the school's foun-  
16           dation used to determine that the school is  
17           a pyrrhotite-affected school were con-  
18           ducted—

19           (I) by a professional engineer li-  
20           censed in the State in which the  
21           school is located; and

22           (II) in accordance with applicable  
23           State standards or standards ap-  
24           proved by any independent, nonprofit,  
25           or private entity authorized by the

1 State to oversee construction, testing,  
2 or financial relief efforts for damaged  
3 building foundations; and

4 (B) provide an assurance that—

5 (i) the local educational agency will  
6 use the grant only for the allowable uses  
7 described in subsection (f)(1); and

8 (ii) all work funded with the grant  
9 will be conducted by a qualified contractor  
10 or architect licensed in the State.

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

17 (c) APPLICATION.—

18 (1) IN GENERAL.—A local educational agency  
19 that seeks a grant under this section shall submit to  
20 the State an application at such time, in such man-  
21 ner, and containing such information as the State  
22 may require, which upon approval by the State  
23 under subsection (d)(1)(A), the State shall submit to  
24 the Secretary for approval under subsection  
25 (d)(1)(B).

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

3           (A) information and documentation suffi-  
4 cient to enable the State to determine if the  
5 local educational agency meets the eligibility  
6 criteria under subsection (b);

7           (B) in the case of an agency seeking a  
8 grant under subsection (a)(1), an estimate of  
9 the costs of carrying out the activities described  
10 in subsection (f);

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

13           (i) an itemized explanation of—

14           (I) the costs incurred by the  
15 agency in carrying out any activities  
16 described subsection (f);

17           (II) any amounts contributed  
18 from other Federal, State, local, or  
19 private sources for such activities; and

20           (ii) the amount for which the local  
21 educational agency seeks reimbursement;

22           and

23           (D) the percentage of any costs described  
24 in subparagraph (B) or (C) that are covered by  
25 an insurance policy.

1 (d) APPROVAL AND DISBURSEMENT.—

2 (1) APPROVAL.—

3 (A) STATE.—The State shall approve the  
4 application of each local educational agency for  
5 submission to the Secretary that—

6 (i) submits a complete and correct ap-  
7 plication under subsection (c); and

8 (ii) meets the criteria for eligibility  
9 under subsection (b).

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

14 (i) approve such application, in a case  
15 in which the Secretary determines that  
16 such application meets the requirements of  
17 subparagraph (A); or

18 (ii) deny such application, in the case  
19 of an application that does not meet such  
20 requirements.

21 (2) DISBURSEMENT.—

22 (A) ALLOCATION.—The Secretary shall  
23 disburse an allocation to a State not later than  
24 60 days after the date on which the Secretary

1 approves an application under paragraph  
2 (1)(B).

3 (B) GRANT.—The State shall disburse  
4 grant funds to a local educational agency not  
5 later than 60 days after the date on which the  
6 State receives an allocation under subparagraph  
7 (A).

8 (e) FEDERAL AND STATE SHARE.—

9 (1) FEDERAL SHARE.—The Federal share of  
10 each grant under this section shall be an amount  
11 that is not more than 50 percent of the total cost  
12 of the project for which the grant is awarded.

13 (2) STATE SHARE.—

14 (A) IN GENERAL.—Subject to subpara-  
15 graph (B), the State share of each grant under  
16 this section shall be an amount that is not less  
17 than 40 percent of the total cost of the project  
18 for which the grant is awarded, which the State  
19 shall contribute from non-Federal sources.

20 (B) SPECIAL RULE FOR REIMBURSEMENT  
21 GRANTS.—In the case of a reimbursement grant  
22 made to a local educational agency under sub-  
23 section (a)(2), a State shall be treated as meet-  
24 ing the requirement of subparagraph (A) if the  
25 State demonstrates that it contributed, from

1 non-Federal sources, not less than 40 percent  
2 of the total cost of the project for which the re-  
3 imbursement grant is awarded.

4 (f) USES OF FUNDS.—

5 (1) ALLOWABLE USES OF FUNDS.—A local edu-  
6 cational agency that receives a grant under this sec-  
7 tion shall use such grant only for costs associated  
8 with—

9 (A) the repair or replacement of the con-  
10 crete foundation or other affected areas of a  
11 pyrrhotite-affected school in the jurisdiction of  
12 such agency to the extent necessary—

13 (i) to restore the structural integrity  
14 of the school to the safety and health  
15 standards established by the professional  
16 licensed engineer or architect associated  
17 with the project; and

18 (ii) to restore the school to the condi-  
19 tion it was in before the school's founda-  
20 tion was damaged due to the presence of  
21 pyrrhotite; and

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

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

5                   (A) work done to outbuildings, sheds, or  
6                   barns, swimming pools (whether in-ground or  
7                   above-ground), playgrounds or ballfields, or any  
8                   ponds or water features;

9                   (B) the purchase of items not directly as-  
10                  sociated with the repair or replacement of the  
11                  school building or its systems, including items  
12                  such as desks, chairs, electronics, sports equip-  
13                  ment, or other school supplies; or

14                  (C) any other activities not described in  
15                  paragraph (1).

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

18                   (1) this section; and

19                   (2) title I.

20   **SEC. 603. DEFINITIONS.**

21           In this title:

22                   (1) PYRRHOTITE-AFFECTED SCHOOL.—The  
23                   term “pyrrhotite-affected school” means an elemen-  
24                   tary school or a secondary school that meets the fol-  
25                   lowing criteria:

1 (A) The school has a concrete foundation.

2 (B) Pyrrhotite is present in the school's  
3 concrete foundation, as demonstrated by a  
4 petrographic or other type of laboratory core  
5 analysis or core inspection.

6 (C) A visual inspection of the school's con-  
7 crete foundation indicates that the presence of  
8 pyrrhotite is causing the foundation to deterio-  
9 rate at an unsafe rate.

10 (D) A qualified engineer determined that  
11 the deterioration of the school's foundation, due  
12 to the presence of pyrrhotite—

13 (i) caused the school to become struc-  
14 turally unsound; or

15 (ii) will result in the school becoming  
16 structurally unsound within the next five  
17 years.

18 (2) QUALIFIED CONTRACTOR.—The term  
19 “qualified contractor” means a contractor who is  
20 qualified under State law, or approved by any State  
21 agency or other State-sanctioned independent or  
22 nonprofit entity, to repair or replace residential or  
23 commercial building foundations that are deterio-  
24 rating due to the presence of pyrrhotite.

1 **SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

2       There are authorized to be appropriated to carry out  
3 this title such sums as may be necessary for fiscal year  
4 2027 and each fiscal year thereafter.