H. R. ______

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

IN THE HOUSE OF REPRESENTATIVES

Mr. Scott of Virginia introduced the following bill; which was referred to the Committee on __________________________

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 Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

3 (a) Short Title.—This Act may be cited as the “Rebuild America’s Schools Act of 2019”.

4 (b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
TITLE I—GRANTS FOR THE LONG-TERM IMPROVEMENT OF PUBLIC SCHOOL FACILITIES

Sec. 101. Purpose and reservation.
Sec. 102. Allocation 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. 203. Annual report on bond program.

TITLE III—GENERAL PROVISIONS

Sec. 301. Allowable uses of funds.
Sec. 302. Prohibited uses.
Sec. 303. Green Practices.
Sec. 304. Use of American iron, steel, and manufactured products.
Sec. 305. Comptroller general report.
Sec. 306. Study and report physical condition of public schools.
Sec. 307. Development of data standards.
Sec. 308. Information clearinghouse.

TITLE IV—IMPACT AID CONSTRUCTION

Sec. 401. Temporary increase in funding for impact aid construction.

1 SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate.

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

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

(A) under title I of this Act;

(B) from a school infrastructure bond; or

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

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

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

(6) PUBLIC SCHOOL FACILITIES.—The term “public school facilities” means the facilities of a public elementary school or a public secondary school.

(7) QUALIFIED LOCAL EDUCATIONAL AGENCY.—The term “qualified local educational agency”
means a local educational agency that receives funds under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.).

(8) **School infrastructure bond.**—The term “school infrastructure bond” has the meaning given such term in section 54BB of the Internal Revenue Code of 1986 (as added by section 202).

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

(10) **State.**—The term “State” means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

**TITLE I—GRANTS FOR THE LONG-TERM IMPROVEMENT OF PUBLIC SCHOOL FACILITIES**

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

(a) **Purpose.**—Funds made available under this title shall be for the purpose of supporting long-term improvements to public school facilities in accordance with this Act.

(b) **Reservation for Outlying Areas and Bureau-Funded Schools.**—
(1) IN GENERAL.—For each of fiscal years 2020 through 2029, the Secretary shall reserve, from the amount appropriated to carry out this title—

(A) one-half of 1 percent, to provide assistance to the outlying areas; and

(B) one-half of 1 percent, for payments to the Secretary of the Interior to provide assistance to Bureau-funded schools.

(2) USE OF RESERVED FUNDS.—

(A) IN GENERAL.—Funds reserved under paragraph (1) shall be used in accordance with sections 301 through 304.

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

(i) APPLICABILITY.—Sections 301 through 304 shall apply to a Bureau-funded school that receives assistance under paragraph (1)(B) in the same manner that such sections apply to a qualified local educational agency that receives covered funds. The facilities of a Bureau-funded school shall be treated as public school facilities for purposes of the application of such sections.
(ii) **TREATMENT OF TRIBALLY OPERATED SCHOOLS.**—The Secretary of the Interior shall provide assistance to Bureau-funded schools under paragraph (1)(B) without regard to whether such schools are operated by the Bureau of Indian Education or by an Indian Tribe. In the case of a Bureau-funded school that is a contract or grant school (as that term is defined in section 1141 of the Education Amendments of 1978 (25 U.S.C. 2021)) operated by an Indian Tribe, the Secretary of the Interior shall provide assistance under such paragraph to the Indian Tribe concerned.

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

(a) **ALLOCATION TO STATES.**—

(1) **STATE-BY-STATE ALLOCATION.**—Of the amount appropriated to carry out this title for each fiscal year and not reserved under section 101(b), each State that has a plan approved by the Secretary under subsection (b) shall be allocated an amount in proportion to the amount received by all local educational agencies in the State under part A of title I of the Elementary and Secondary Edu-
cation Act of 1965 (20 U.S.C. 6311 et seq.) for the previous fiscal year relative to the total such amount received by all local educational agencies in every State that has a plan approved by the Secretary under subsection (b).

(2) STATE RESERVATION.—A State may reserve not more than 1 percent of its allocation under paragraph (1) to carry out its responsibilities under this Act, which shall include—

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

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

(ii) coordinating the provision of technical assistance across such agencies;

(B) in accordance with the guidance issued by the Secretary under section 307, developing an online, publicly searchable database that contains an inventory of the infrastructure of all public school facilities in the State (including the facilities of Bureau-funded schools, as appropriate), including, with respect to each such facility, an identification of—
(i) the information described in clauses (i) through (vi) of subparagraph (F);
(ii) the age (including an identification of the date of any retrofits or recent renovations) of—
(I) the facility;
(II) its roof;
(III) its lighting system;
(IV) its windows;
(V) its ceilings;
(VI) its plumbing; and
(VII) its heating, ventilation, and air conditioning system;
(iii) fire safety inspection results; and
(iv) the proximity of the facilities to toxic sites or the vulnerability of the facilities to natural disasters, including the extent to which facilities that are vulnerable to seismic natural disasters are seismically retrofitted;
(C) updating the database developed under subparagraph (B) not less frequently than once every 2 years;
(D) ensuring that the information in the database developed under subparagraph (B)—

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

(ii) is regularly distributed to local educational agencies and Tribal governments in the State;

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

(F) issuing or reviewing regulations to ensure safe, healthy, and high-performing school buildings, including regulations governing—

(i) indoor air quality and ventilation, including exposure to carbon monoxide and carbon dioxide;

(ii) mold, mildew, and moisture control;

(iii) the safety of drinking water at the tap and water used for meal preparation, including regulations that—

(I) address the presence of lead and other contaminants in such water; and
(II) require the regular testing of the potability of water at the tap; (iv) energy and water efficiency; (v) excessive classroom noise due to activities allowable under section 301; and (vi) the levels of maintenance work, operational spending, and capital investment needed to maintain the quality of public school facilities; and

(G) creating a plan to reduce or eliminate exposure to toxins and chemicals, including mercury, radon, PCBs, lead, vapor intrusions, and asbestos.

(b) STATE PLAN.—

(1) IN GENERAL.—To be eligible to receive an allocation under this section, a State shall submit to the Secretary a plan that—

(A) describes how the State will use the allocation to make long-term improvements to public school facilities;

(B) explains how the State will carry out each of its responsibilities under subsection (a)(2);
(C) explains how the State will make the
determinations under subsections (b) and (c) of
section 103;

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

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

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

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

(1) MATCHING REQUIREMENT.—The State shall
contribute, from non-Federal sources, an amount
equal to 10 percent of the amount of the allocation
received under this section to carry out the activities
supported by the allocation.

(2) MAINTENANCE OF EFFORT.—The State
shall provide an assurance to the Secretary that the
combined fiscal effort per student or the aggregate
expenditures of the State with respect to the activi-
ties supported by the allocation under this section for fiscal years beginning with the fiscal year for which the allocation is received will be not less than 90 percent of the combined fiscal effort or aggregate expenditures by the State for such purposes for the year preceding the fiscal year for which the allocation is received.

(3) Supplement not supplant.—The State shall use an allocation under this section only to supplement the level of Federal, State, and local public funds that would, in absence of such allocation, be made available for the activities supported by the allocation, and not to supplant such funds.

SEC. 103. NEED-BASED GRANTS TO QUALIFIED LOCAL EDUCATIONAL AGENCIES.

(a) Grants to local educational agencies.—

(1) In general.—Subject to paragraph (2), from the amounts allocated to a State under section 102(a) and contributed by the State under section 102(c)(1), the State shall award grants to qualified local educational agencies, on a competitive basis, to carry out the activities described in section 301(a).

(2) Allowance for digital learning.—A State may use up to 10 percent of the amount described in paragraph (1) to make grants to qualified educational agency...
local educational agencies carry out activities to improve digital learning in accordance with section 301(b).

(b) Eligibility.—

(1) In general.—To be eligible to receive a grant under this section a qualified local educational agency—

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

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

(C) may be among the local educational agencies in the State—
(i) with the greatest need to improve public school facilities, as determined by the State, which may include consideration of threats posed by the proximity of the facilities to toxic sites or the vulnerability of the facilities to natural disasters; and

(ii) with the most limited capacity to raise funds for the long-term improvement of public school facilities, as determined by an assessment of—

(I) the current and historic ability of the agency to raise funds for construction, renovation, modernization, and major repair projects for schools;

(II) whether the agency has been able to issue bonds or receive other funds to support school construction projects, and

(III) the bond rating of the agency.

(2) Geographic distribution.—The State shall ensure that grants under this section are awarded to qualified local educational agencies that represent the geographic diversity of the State.
(c) PRIORITY OF GRANTS.—In awarding grants under this section, the State—

(1) shall give priority to qualified local educational agencies that—

(A) demonstrate the greatest need for such a grant, as determined by a comparison of the factors described in subsection (b);

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

(i) elementary schools or middle schools that have an enrollment of students who are eligible for a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) that constitutes not less than 40 percent of the total student enrollment at such schools; or

(ii) high schools that have an enrollment of students who are eligible for a free or reduced price lunch under such Act that constitutes not less than 30 percent of the total student enrollment at such schools (which may be calculated using comparable data from the schools that feed into the high school); and
(C) operate public school facilities that pose a severe health and safety threat to students and staff, which may include a threat posed by the proximity of the facilities to toxic sites or the vulnerability of the facilities to natural disasters; and

(2) may give priority to qualified local educational agencies that—

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

(B) serve elementary schools or secondary schools, including rural schools, that lack such access; and

(C) meet one or more of the requirements set forth in subparagraphs (A) through (C) of paragraph (1).

(d) APPLICATION.—To be considered for a grant under this section, a qualified local educational agency shall submit an application to the State at such time, in such manner, and containing such information as the State may require. Such application shall include, at minimum—
(1) the information necessary for the State to make the determinations under subsections (b) and (c);

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

(3) an explanation of how such projects will reduce risks to the health and safety of staff and students at schools served by the agency; and

(4) in the case of a local educational agency that proposes to fund a repair, renovation, or construction project for a public charter school, the extent to which—

(A) the public charter school lacks access to funding for school repair, renovation, and construction through the financing methods available to other public schools or local educational agencies in the State; and

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

(e) FACILITIES MASTER PLAN.—

(1) PLAN REQUIRED.—Not later than 180 days after receiving a grant under this section, a qualified local educational agency shall submit to the State a comprehensive 10-year facilities master plan.
(2) ELEMENTS.—The facilities master plan required under paragraph (1) shall include, with respect to all public school facilities of the qualified local educational agency, a description of—

(A) the extent to which public school facilities meet students’ educational needs and support the agency’s educational mission and vision;

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

(C) the current health, safety, and environmental conditions of the public school facilities, including—

(i) indoor air quality;

(ii) the presence of hazardous and toxic substances and chemicals;

(iii) the safety of drinking water at the tap and water used for meal preparation, including the level of lead and other contaminants in such water;

(iv) energy and water efficiency;

(v) excessive classroom noise; and

(vi) other health, safety, and environmental conditions that would impact the
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health, safety, and learning ability of stu-
dents;

(D) how the local educational agency will
address any conditions identified under sub-
paragraph (C);

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

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

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

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

and

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

(i) any funds in the budget of the agency that will be dedicated to the maintenance and operation of such facilities; and

(ii) any funds not in the budget of the agency that will be dedicated to the maintenance and operation of such facilities.

(3) CONSULTATION.—In developing the facilities master plan required under paragraph (1), the qualified local educational agency shall consult with teachers, principals and other school leaders, custodial and maintenance staff, emergency first responders, school facilities directors, students and families, community residents, and Indian Tribes.

(f) SUPPLEMENT NOT SUPPLANT.—A qualified local educational agency shall use a grant received under this section only to supplement the level of Federal, State, and local public funds that would, in the absence of such grant, be made available for the activities supported by the grant, and not to supplant such funds.

SEC. 104. ANNUAL REPORT ON GRANT PROGRAM.

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

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

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

(2) With respect to each such agency, a description of—

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

(i) race;

(ii) the number and percentage of students counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)); and

(iii) the number and percentage of students who are eligible for a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

(B) the population density of the geographic area served by the agency;
(C) the projects for which the agency used
the grant received under this title;

(D) the demonstrable or expected benefits
of the projects; and

(E) the estimated number of jobs created
by the projects.

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

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

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

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

(3) submit the information to the State.

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

(1) compile the information and report it annu-
ally to the Secretary at such time and in such man-
ner as the Secretary may require;
(2) make the information available to the public, including by posting the information on a publicly accessible State website; and

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

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.
There are authorized to be appropriated $7,000,000,000 for each of fiscal years 2020 through 2029 to carry out this title.

TITLE II—SCHOOL INFRASTRUCTURE BONDS

SEC. 201. RESTORATION OF CERTAIN QUALIFIED TAX CREDIT BONDS.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Section 54A of the Internal Revenue Code of 1986, as in effect before repeal by Public Law 115–97, is restored as if such repeal had not taken effect.

(2) CREDIT LIMITED TO CERTAIN BONDS.—Section 54A(d)(1) of such Code, as restored by paragraph (1), is amended by striking subparagraphs (A), (B), and (C).

(b) CREDIT ALLOWED TO ISSUER.—
(1) IN GENERAL.—Section 6431 of the Internal Revenue Code of 1986, as in effect before repeal by Public Law 115–97, is restored as if such repeal had not taken effect.

(2) SCHOOL INFRASTRUCTURE BONDS.—Section 6431(f)(3) of such Code, as restored by paragraph (1), is amended by inserting “any school infrastructure bond (as defined in section 54BB) or” before “any qualified tax credit bond”.

(c) QUALIFIED ZONE ACADEMY BONDS.—

(1) IN GENERAL.—Section 54E of the Internal Revenue Code of 1986, as in effect before repeal by Public Law 115–97, is restored as if such repeal had not taken effect.

(2) REMOVAL OF PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—Section 54E of the Internal Revenue Code of 1986, as restored by paragraph (1), is amended—

(A) in subsection (a)(3), by inserting “and” at the end of subparagraph (A), by striking subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B),

(B) by striking subsection (b), and

(C) in subsection (c)(1)—
(i) by striking “and $400,000,0000” and inserting “$400,000,000”, and

(ii) by striking “and, except as pro-

vided” and all that follows through the pe-

period at the end and inserting “, and

$1,400,000,000 for 2020 and each year

thereafter.”.

(3) CONSTRUCTION OF A PUBLIC SCHOOL FA-

CILITY.—Section 54E(d)(3)(A) of the Internal Rev-

enue Code of 1986, as restored by paragraph (1), is

amended by striking “rehabilitating or repairing” and inserting “constructing, rehabilitating, retro-

fitting, or repairing”.

(d) EFFECTIVE DATE.—The amendments made by

this section shall apply to obligations issued after Decem-

ber 31, 2019.

SEC. 202. SCHOOL INFRASTRUCTURE BONDS.

(a) IN GENERAL.—The Internal Revenue Code of

1986 is amended by inserting after subpart I (as restored

by section 201) of part IV of subchapter A of chapter 1

the following new subpart:

“Subpart J—School Infrastructure Bonds

(“Sec. 54BB. School infrastructure bonds.
“SEC. 54BB. SCHOOL INFRASTRUCTURE BONDS.

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

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

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

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

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

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

“(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable
year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

“(d) SCHOOL INFRASTRUCTURE BOND.—

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

“(A) 100 percent of the available project proceeds of such issue are to be used for the purposes described in section 301 of the Rebuild America’s Schools Act of 2019,

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

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

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

“(2) APPLICABLE RULES.—For purposes of applying paragraph (1)—

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

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

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

“(3) 6-YEAR EXPENDITURE PERIOD.—

“(A) IN GENERAL.—An issue shall be
treated as meeting the requirements of this
paragraph if, as of the date of issuance, the
issuer reasonably expects 100 percent of the
available project proceeds to be spent for pur-
poses described in section 301 of the Rebuild
America’s Schools Act of 2019 within the 6-
year period beginning on such date of issuance.

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

“(e) Limitation on Amount of Bonds Designated.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (d) by any issuer shall not exceed the limitation amount allocated under subsection (g) for such calendar year to such issuer.

“(f) National Limitation on Amount of Bonds Designated.—The national qualified school infrastructure bond limitation for each calendar year is—

“(1) $10,000,000,000 for 2020,

“(2) $10,000,000,000 for 2021, and

“(3) $10,000,000,000 for 2022.

“(g) Allocation of Limitation.—

“(1) Allocations.—

“(A) States.—After application of subparagraph (B) and paragraph (3)(A), the limitation applicable under subsection (f) for any
calendar year shall be allocated by the Secretary among the States in proportion to the respective amounts received by all local educational agencies in each State under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) for the previous fiscal year relative to the total such amount received by all local educational agencies in for the most recent fiscal year ending before such calendar year.

“(B) CERTAIN POSSESSIONS.—One-half of 1 percent of the amount of the limitation applicable under subsection (f) for any calendar year shall be allocated by the Secretary to possessions of the United States other than Puerto Rico for such calendar year shall be one-half of 1 percent.

“(2) ALLOCATIONS TO SCHOOLS.—The limitation amount allocated to a State or possession under paragraph (1) shall be allocated by the State educational agency (or such other agency as is authorized under State law to make such allocation) to issuers within such State or possession in accordance with the priorities described in section 103(c) the of the Rebuild America’s Schools Act of 2019
and the eligibility requirements described in section 103(b) of such Act, except that paragraph (1)(C) of such section shall not apply to the determination of eligibility for such allocation.

“(3) Allocations for Indian Schools.—

“(A) In General.—One-half of 1 percent of the amount of the limitation applicable under subsection (f) for any calendar year shall be allocated by the Secretary to the Secretary of the Interior for schools funded by the Bureau of Indian Affairs for such calendar year.

“(B) Allocation to Schools.—The limitation amount allocated to the Secretary of the Interior under paragraph (1) shall be allocated by such Secretary to issuers or schools funded as described in paragraph (2). In the case of amounts allocated under the preceding sentence, Indian tribal governments (as defined in section 7701(a)(40)) shall be treated as qualified issuers for purposes of this subchapter.

“(4) Digital Learning.—Up to 10 percent of the limitation amount allocated under paragraph (1) or (3)(A) may be allocated by the State to issuers within such State to carry out activities to improve
digital learning in accordance with section 301(b) of the Rebuild America’s Schools Act of 2019.

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

“(i) SPECIAL RULES.—

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

“(2) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of subsections (f), (g), (h), and (i) of section 54A shall apply for purposes of the credit allowed under subsection (a).”.

(b) TRANSITIONAL COORDINATION WITH STATE LAW.—Except as otherwise provided by a State after the date of the enactment of this Act, the interest on any school infrastructure bond (as defined in section 54BB of the Internal Revenue Code of 1986, as added by this section) and the amount of any credit determined under such section with respect to such bond shall be treated for pur-
poses of the income tax laws of such State as being exempt from Federal income tax.

(c) Application of Certain Labor Standards to Projects Financed With Certain Tax-favored Bonds.—

(1) In general.—Subchapter IV of chapter 31 of the title 40, United States Code, shall apply to projects financed with the proceeds of—

(A) any school infrastructure bond (as defined in section 54BB of the Internal Revenue Code of 1986), and

(B) any qualified zone academy bond (as defined in section 54E of the Internal Revenue Code of 1986) issued after the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009.

(2) Conforming Amendment.—Section 1601 of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(d) Clerical Amendments.—The table of subparts for part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following:

“Subpart J—School Infrastructure Bonds”.
(e) Effective Date.—The amendments made by this section shall apply to obligations issued after December 31, 2019.

SEC. 203. ANNUAL REPORT ON BOND PROGRAM.

(a) In General.—Not later than September 30 of each fiscal year beginning after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the appropriate congressional committees a report on the school infrastructure bond program.

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

(1) An identification of—

(A) each local educational agency that received funds from a school infrastructure bond; and

(B) each local educational agency that was eligible to receive such funds—

(i) but did not receive such funds; or

(ii) received less than the maximum amount of funds for which the agency was eligible.

(2) With respect to each local educational agency described in paragraph (1)—
(A) an assessment of the capacity of the agency to raise funds for the long-term improvement of public school facilities, as determined by an assessment of—

(i) the current and historic ability of the agency to raise funds for construction, renovation, modernization, and major repair projects for schools, including the ability of the agency to raise funds through imposition of property taxes;

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

(I) qualified zone academy bonds under section 54E of the Internal Revenue Code of 1986; and

(II) school infrastructure bonds under section 54BB of the Internal Revenue Code of 1986; and

(iii) the bond rating of the agency;

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

(i) race;
(ii) the number and percentage of students counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)); and

(iii) the number and percentage of students who are eligible for a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

(C) the population density of the geographic area served by the agency;

(D) a description of the projects carried out with funds received from school infrastructure bonds;

(E) a description of the demonstrable or expected benefits of the projects; and

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

(3) The total dollar amount of all funds received by local educational agencies from school infrastructure bonds.

(4) Any other factors that the Secretary of the Treasury determines to be appropriate.
(c) INFORMATION COLLECTION.—A State or local educational agency that receives funds from a school infrastructure bond shall—

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

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

TITLE III—GENERAL PROVISIONS

SEC. 301. ALLOWABLE USES OF FUNDS.

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

(1) develop the facilities master plan required under section 103(e);

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

(3) carry out major repairs of public school facilities;

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

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

(7) extend the life of basic systems and components of public school facilities;

(8) reduce current or anticipated overcrowding in public school facilities;

(9) ensure the building envelopes of public school facilities protect occupants and interiors from the elements and are structurally sounds and secure;

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

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

(12) reduce or eliminate the presence of—

(A) toxins and chemicals, including mercury, radon, PCBs, lead, and asbestos;

(B) mold and mildew; or

(C) rodents and pests;

(13) ensure the safety of drinking water at the tap and water used for meal preparation in public school facilities, which may include testing of the potability of water at the tap for the presence of lead and other contaminants;
(14) bring public school facilities into compliance with applicable fire, health, and safety codes;

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

(16) provide instructional program space improvements for programs relating to early learning (including early learning programs operated by partners of the agency), special education, science, technology, career and technical education, physical education, the arts, and literacy (including library programs);

(17) increase the use of public school facilities for the purpose of community-based partnerships that provide students with academic, health, and social services;

(18) ensure the health of students and staff during the construction or modernization of public school facilities; or

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

(b) ALLOWANCE FOR DIGITAL LEARNING.—A local educational agency may use funds received under section
103(a)(2) or proceeds from a school infrastructure bond
limitation allocated under section 54BB(g) of the Internal
Revenue Code of 1986 (as added by section 202) to lever-
age existing public programs or public-private partner-
ships to expand access to high-speed broadband sufficient
for digital learning.

SEC. 302. PROHIBITED USES.

A local educational agency that receives covered
funds may not use such funds for—

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

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

(3) vehicles; or

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

SEC. 303. GREEN PRACTICES.

(a) IN GENERAL.—In a given fiscal year, a local edu-
cational agency that uses covered funds for a new con-
struction project or renovation project shall use not less
than the applicable percentage (as described in subsection
(b)) of the funds used for such project for construction
41 or renovation that is certified, verified, or consistent with the applicable provisions of—

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

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

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

(4) a program that—

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

(B) is adopted by the State or another jurisdiction with authority over the agency; and

(C) includes a verifiable method to demonstrate compliance with such program.

(b) APPLICABLE PERCENTAGE.—The applicable percentage described in this subsection is—

(1) for fiscal year 2020, 60 percent;

(2) for fiscal year 2021, 70 percent;

(3) for fiscal year 2022; 80 percent;
(4) for fiscal year 2023, 90 percent; and
(5) for each of fiscal years 2024 through 2029, 100 percent.

SEC. 304. USE OF AMERICAN IRON, STEEL, AND MANUFACTURED PRODUCTS.

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

(b) WAIVER AUTHORITY.—

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

(A) applying subsection (a) would be inconsistent with the public interest;

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

(C) using iron, steel, and manufactured products produced in the United States will increase the cost of the overall project by more than 25 percent.

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

(c) CONSISTENCY WITH INTERNATIONAL AGREEMENTS.—This section shall be applied in a manner consistent with the obligations of the United States under international agreements.

(d) DEFINITIONS.—In this section:

(1) PRODUCED IN THE UNITED STATES.—The term “produced in the United States” means the following:

(A) When used with respect to a manufactured product, the product was manufactured in the United States and the cost of the components of such product that were mined, produced, or manufactured in the United States exceeds 60 percent of the total cost of all components of the product.

(B) When used with respect to iron or steel products, or an individual component of a manufactured product, all manufacturing processes for such iron or steel products or components, from the initial melting stage through the application of coatings, occurred in the United States, except that the term does not include—
(i) steel or iron material or products manufactured abroad from semi-finished steel or iron from the United States; and

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

(2) MANUFACTURED PRODUCT.—The term “manufactured product” means any construction material or end product (as such terms are defined in part 25.003 of the Federal Acquisition Regulation) that is not an iron or steel product, including—

(A) electrical components; and

(B) non-ferrous building materials, including, aluminum and polyvinylchloride (PVC), glass, fiber optics, plastic, wood, masonry, rubber, manufactured stone, any other non-ferrous metals, and any unmanufactured construction material.

SEC. 305. COMPTROLLER GENERAL REPORT.

(a) In General.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the appropriate congressional committees a report on the projects carried out with covered funds.
(b) ELEMENTS.—The report under subsection (a) shall include an assessment of—

(1) the types of projects carried out with covered funds;

(2) the geographic distribution of the projects;

(3) an assessment of the impact of the projects on the health and safety of school staff and students; and

(4) how the Secretary or States could make covered funds more accessible—

(A) to schools with the highest numbers and percentages of students counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)); and

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

(c) UPDATES.—The Comptroller General shall update and resubmit the report to the appropriate congressional committees—

(1) on a date that is between 5 and 6 years after the date of the enactment of this Act; and

(2) on a date that is between 10 and 11 years after such date of enactment.
SEC. 306. STUDY AND REPORT PHYSICAL CONDITION OF
PUBLIC SCHOOLS.

(a) Study and Report.—Not less frequently than
once in each 5-year period beginning after the date of the
enactment of this Act, the Secretary, acting through the
Director of the Institute of Education Sciences, shall—
(1) carry out a comprehensive study of the
physical conditions of all public schools in the
United States; and
(2) submit a report to the appropriate congressional committees that includes that results of the
study.

(b) Elements.—Each study and report under subsection (a) shall include an assessment of—
(1) the effect of school facility conditions on
student and staff health and safety;
(2) the effect of school facility conditions on
student academic outcomes;
(3) the condition of school facilities, set forth
separately by geographic region;
(4) the condition of school facilities for eco-
nomically disadvantaged students as well as students
from major racial and ethnic subgroups;
(5) the accessibility of school facilities for stu-
dents and staff with disabilities; and
(6) an explanation of any differences observed with respect to the factors described in paragraphs (1) through (5) between local educational agencies that received covered funds and agencies that did not receive such funds.

SEC. 307. DEVELOPMENT OF DATA STANDARDS.

(a) Data Standards.—Not later than 120 days after the date of the enactment of this Act, the Secretary, in consultation with the officials described in subsection (b), shall—

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

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

(3) issue guidance to States concerning the collection and measurement of such data.

(b) Officials.—The officials described in this subsection are—

(1) the Administrator of the Environmental Protection Agency;

(2) the Secretary of Energy;

(3) the Director of the Centers for Disease Control and Prevention; and
48  (4) the Director of the National Institute for 
Occupational Safety and Health.

SEC. 308. INFORMATION CLEARINGHOUSE.

(a) IN GENERAL.—Not later than 120 days after the 
date of the enactment of this Act, the Secretary shall es-

tablish a clearinghouse to disseminate information on Fed-
eral programs and financing mechanisms that may be 
used to assist schools in initiating, developing, and financ-
ing—

(1) energy efficiency projects;
(2) distributed generation projects; and
(3) energy retrofitting projects.

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

(1) consult with the officials described in sec-
tion 307(b) to develop a list of Federal programs 
and financing mechanisms to be included in the 
clearinghouse; and

(2) coordinate with such officials to develop a 
collaborative education and outreach effort to 
streamline communications and promote the Federal 
programs and financing mechanisms included in the 
clearinghouse, which may include the development 
and maintenance of a single online resource that in-
cludes contact information for relevant technical as-
sistance that may be used by States, local educational agencies, and schools to effectively access and use such Federal programs and financing mechanisms.

TITLE IV—IMPACT AID CONSTRUCTION

SEC. 401. TEMPORARY INCREASE IN FUNDING FOR IMPACT AID CONSTRUCTION.

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

“(d) CONSTRUCTION.—For the purpose of carrying out section 7007, there are authorized to be appropriated—

“(1) $18,756,765 for fiscal year 2020;

“(2) $50,406,000 for each of fiscal years 2021 and 2022; and

“(3) $52,756,765 for fiscal year 2023.”.