



Section-by-Section

COMMITTEE ON EDUCATION & THE WORKFORCE DEMOCRATS

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The Hon. Bobby Scott • Ranking Member

H.R. 2475 The Rebuild America's Schools Act of 2017

Section 1. Short Title cites the short title of the Act as the “Rebuild America’s Schools Act of 2017.”

Section 2. Definitions provides definitions for the terms “appropriate congressional committees,” “Bureau-funded school,” “covered funds,” “elementary school,” “local educational agency,” “outlying area,” “secondary school,” “public school facilities,” “qualified local educational agency,” “school infrastructure bond,” and “State.”

Title I— Grants for the Long-Term Improvement of Public School Facilities

Section 101. Purpose and Reservation states the purpose of this Act, which is to support “long-term improvements to public school facilities.” This section reserves 0.5% of funds for the outlying areas, 0.5% of funds for the Commonwealth of Puerto Rico, and 0.5% of funds for schools funded by the Bureau of Indian Education (BIE).

Section 102. Allocation to States outlines the allocation of funds to States as well as State responsibilities under this Act. States shall be allocated funds in proportion to the funds that all Local Education Agencies (LEAs) in the State receive under Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA). This section requires States to issue regulations to ensure safe, healthy, and high-performing buildings and develop an online, publicly searchable database that outlines the condition of all public school facilities in the State. Other State requirements include a 10% matching requirement, maintenance of effort provision, and a supplement-not-supplant provision. This section also requires that States submit a plan to the Secretary of Education for approval to carry out the competitive grant program described in Section 103.

Section 103. Need-Based Grants to Qualified Local Education Agencies includes eligibility requirements and other provisions for the competitive grant program. States shall allocate all funds competitively to LEAs based on the poverty level of the school, fiscal limitations to raise funds to improve school facilities, and the severity of the need to improve school facilities. States may distribute up to 10% of the total allocation of grants to enable LEAs to leverage existing public programs or public-private partnerships to expand access to high-speed broadband sufficient for digital learning. Section 103 also includes the requirements for an LEA application.

Section 104. Annual Report on Grant Program requires that the Secretary of Education annually submit to Congress a report that includes a description of the projects carried out under the grant program as well as the demographic information of students attending schools that used funds from the grant program.

Section 105. Authorization of Appropriations authorizes to be appropriated \$70 billion total for Title I of this Act from FY 2018 through FY 2017.

Title II— School Infrastructure Bonds

Sec. 201. School Infrastructure Bonds amends the Internal Revenue Code of 1986 by adding “Section 54BB. School Infrastructure Bonds.” Section 201 designates a total national bond limitation of \$30 billion for qualified school infrastructure bonds (QSIBs), \$10 billion each for FY 2018, FY 2019, FY and 2020. States may

distribute up to 10% of the total bond limitation to enable LEAs to leverage existing public programs or public-private partnerships to expand access to high-speed broadband sufficient for digital learning.

Section 201 also:

- allocates bond authority to states based on the proportion of funds that States receive under Title I, Part A of ESEA;
- requires that the federal government provide a tax credit of 100 percent of the interest on any QSIB—such credit may be issued as a tax credit to the bondholder or as a direct payment to the bond issuer;
- reserves 0.5% of the bond allocation for outlying areas, 0.5% of the bond allocation for the Commonwealth of Puerto Rico, and 0.5% of the bond allocation for schools funded the BIE;
- requires States to use the same criteria outlined in Section 103 in distribution of bond authority, excluding provisions related to fiscal capacity, to LEAs;
- and amends the Balanced Budget and Emergency Deficit Control Act of 1985 such that QSCIB payments shall not be subject to sequestration.

Section 202. Expansion of Qualified Zone Academy Bonds amends the Internal Revenue Code of 1986 Section 54(E)(d)(3), allowing proceeds from Qualified Zone Academy Bonds to be used construction and retrofitting of public school facilities. Section 202 permanently increases the national limitation for QZABs from \$400 million annually to \$1.4 billion annually and removes the private business contribution requirement for LEAs to participate in the QZAB program.

Section 203. Annual Report on Bond Program requires the Secretary of Education to annually submit to Congress a report that includes the LEAs that participated in the bond program as well as LEAs that were unable to participate due to fiscal challenges.

Title III—General Provisions

Section 301. Allowable Uses outlines the allowable uses of funds for Title I and Title II.

Section 302. Prohibited Uses outlines the prohibited use of funds for Title I and Title II.

Section 303. Green Practices outlines the requirements for green practices for Title I and Title II projects.

Section 304. Use of American Iron, Steel, and Manufactured Products includes a Buy America provision for iron, steel, and manufactured products.

Section 305. Comptroller General requires the Comptroller General to submit to Congress a report that must include the geographic distribution of projects, the impact of projects on student and staff health and safety, and how funds under these projects could be made more accessible to high-poverty schools and those with fiscal capacities.

Section 306. Study and Report of Physical Conditions of Public Schools requires that the Institute of Educational Sciences carry out a national study that includes the condition of public school facilities as well as the impact of such facilities on students and staff.

Section 307. Development of Data Standards requires that the Secretary of Education, in consultation with the EPA, CDC, DOE, and NIOSH, develop guidance on data to be collected by States under Section 102. **Section 308. Information Clearinghouse** requires that the Secretary of Education, in consultation with the officials in Section 307, to disseminate information to schools on financing for green projects.

Title IV—Impact Aid Construction

Section 401. Temporary Increase in Funding for Impact Aid Construction temporarily increases funding for the Impact Aid Construction program under ESEA by \$100 million over FY 2018, 2019, and 2020.