

## POLITICS

## Is this the end of crumbling schools?

*Ending fiscal year 2021 with the largest budget surplus in history, Virginia is ready to take on the school infrastructure crisis.*

 by **Markus Schmidt**  
January 3, 2022



The exterior of Highland View Elementary in Bristol, a school declared "functionally obsolete" in 2011 but still in use. Courtesy of Bristol Public Schools.

On a hot Wednesday morning back in July, Robert Graham, the superintendent of Radford City Schools, led a group of visitors from out of town through the local high school. Among the dozen guests was Del. Haya Ayala from Prince William County right outside of Washington, D.C., then the Democratic nominee for lieutenant governor, who got to experience firsthand how it feels on a sweltering summer day inside a gym without air conditioning that the school system simply cannot afford to get fixed.

"There are significant renovation needs at our high school, just for HVAC improvements alone, we are looking at about \$5 million," Graham said in a recent interview, as he reminisced about the visit by state officials at the school. Radford High was just another stop on the Crumbling Schools Tour, a statewide initiative to give lawmakers, educators and other stakeholders an opportunity to view the deteriorating conditions of public schools, many of which are in the underserved communities of Southwest and Southside Virginia.

Virginia's school infrastructure crisis has been decades in the making. But there are signs of efforts now underway to finally address this multibillion-dollar challenge in a state in which more than half of public school buildings are more than 50 years old. A legislative commission on school construction in December adopted several recommendations for making more grants and low-interest loans available to school divisions, which would benefit especially those in underserved localities that have far less capacity to provide much above the state required minimum for per student expenditures. The panel also endorsed the establishment of a separate fund for school modernization for the state legislature to consider when it reconvenes in Richmond next week.

And in his final two-year budget, outgoing Gov. Ralph Northam proposed to contribute \$500 million from the state's flush coffers toward repairing or replacing outdated public school buildings – a plan that school officials like Graham welcome as a starting point. “It would be a blessing to be able to have the opportunity to provide what we need to our staff and students,” he said. “But please understand that there are more needs, and sustainability is such a powerful word, we are going to use those funds quickly but we are going to need more so our children have the opportunity to thrive,” Graham said.

A small city of just 16,000, Radford has two elementary schools, one intermediate school and one high school, all of which require modernization and costly upgrades. Some renovations are currently ongoing at McHarg Elementary, using funds from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Work was due to be completed a few months ago but has been delayed until April because of the pandemic. “I hope we can move into that building in fall,” Graham said. In the meantime, some students were moved to modular trailer units at Belle Heth Elementary for security reasons, others are in classrooms that the school system is renting at a local church.

McHarg, which was built in 1954, has needed extensive upgrades for years. “It's been frustrating,” Graham said. “I can remember a meeting with school board members and city council in 2010 when I was assistant superintendent, and talking about the need to have McHarg renovated, and we're finally getting that done.”

Graham said that the Crumbling Schools tour was an attempt at bringing attention to the need for school construction and modernization funding and to bridge the disconnect between the Southwest and the more affluent communities in Northern Virginia. “We had some delegates, senators, lieutenant governor candidates, folks from architectural companies and educators, and we showed them what we are dealing with here,” he said. “Loudoun County is building two or three schools a year, how is that equitable to schools here in Southwest Virginia?”

But lawmakers have long been aware of the dire situation at many Virginia schools. In 2013, during the final weeks of Bob McDonnell as governor, his administration compiled a list of all the school construction needs in the state totalling \$18 billion. That year also marked the last time that school construction grants and other funding were made available to localities by the state.

In 2018, an investigation by *The Roanoke Times* showed that 29.6% of Virginia's public schools were built before 1958, and 13% were built before 1949. More recent data provided by the Virginia Department of Education shows that the total cost to replace schools that are at least 50 years old would carry a price tag of over \$25 billion.

For school systems in the far Southwest, raising these funds from their local tax base is impossible. Take Bristol, a city of 17,000 separated from its twin city of the same name by the state line that runs down the middle of its main street. Bristol City Schools Superintendent Keith Perrigan is dealing with a wide array of maintenance challenges that have befallen every school in his district. “We have technology issues, asbestos, mold, water infiltration, mildew, and we are not equipped for providing a 21st century education,” Perrigan said in a phone interview.

Of Bristol's six schools, the newest was built in 1974, and the oldest in 1916. In 1997, the Virginia Department of Education recommended for two schools to be phased out of service, but “for many reasons, that has not occurred,” Perrigan said. In 2011, independent consultants recommended the same. “Three of our oldest schools are elementary schools, one was built in 1938, one in 1948 and the third in 1968. Two of those are completely handicapped inaccessible, one is only partially accessible.”

Perrigan, who also serves as president of Virginia's Coalition of Small and Rural Schools and as a member of the newly formed Commission on School Construction and Modernization, cited an incident from a few years ago, when a fifth-grader broke her leg. “She would have graduated that year, but because 5th grade classes are on the top floor of that building, and the cafeteria is on the bottom floor, with no elevator, we had to transfer that student to a different school,” he said.

The Crumbling Schools Tour visitors and candidates coming through the area during election season has reignited interest in the issue of school construction, Perrigan said. “People comment that we've been putting lipstick on a pig,” he said. Some lawmakers representing the more affluent urban areas are beginning to understand the challenges facing schools in the Southwest.

“Between Loudoun County and Dickenson County, there is a difference of \$112,000 in income. To think they have the same capacity to raise the local resources needed is just not realistic,” Perrigan said. “And while this isn't the state's full responsibility, localities like Bristol, or Lee and Halifax counties are only going to be able to improve infrastructure with help from the state and the federal government.”





State Sen. Bill Stanley, R-Franklin County has championed legislation providing for more school construction funding for years, and he is one of the lawmakers serving on the bipartisan school construction commission. He said that while he appreciated Northam's budget proposal, \$500 million is not nearly enough to transform the infrastructure of Virginia's schools. "We're really looking at a minimum of \$6 billion to address the crumbling of the schools that's going on. We need to stop the degradation of schools by time and weather, we must start with the roofs and once we stabilize the structure we have to make sure that teachers have the tools to provide a modern education," Stanley said in a recent interview. "Whether it's inner city or rural areas, we need to modernize infrastructure to match that in the more populated areas so a child who graduates from a school in Danville gets the same education as a child in Fairfax County. We see some money now going in the right direction but that's not enough," Stanley said.

On the federal level, Democratic Sens. Mark R. Warner and Tim Kaine, both members of the Senate Budget Committee, in September reintroduced legislation to help modernize schools in Virginia and across the nation. The School Infrastructure Modernization Act would adjust the current federal historic rehabilitation tax credit to make school buildings that continue to operate as schools eligible for the credit. Under current law, the credit only applies to buildings renovated to serve a different function than before.

This bill would waive this 'prior use' clause for school renovation projects, allowing school districts with aging infrastructure and tight budgets to partner with private entities to finance renovations that the districts otherwise would not be able to afford. Older schools can often be renovated for less money than the cost of new construction.

"The COVID-19 pandemic has further underscored the need to ensure our schools are modern and safe learning environments," Kaine and Warner said in a joint statement. "By modernizing schools, we can help more students learn, support local economies with construction jobs, and maintain the character of these historic institutions."

Rep. Morgan Griffith, R-Salem, said in an email that federal funding streams for education support "programmatic spending" such as Title I rather than school construction. "Occasionally, money sent by the Federal Government to states for general educational purposes has been subsequently directed to construction," Griffith said.

Stanley, the state senator from Franklin County, recognizes that low-income rural communities with a low tax base rely more heavily on state funding than the more prosperous counties. Ahead of the 2021 General Assembly session, Stanley introduced several bills, including a proposal for a statewide referendum on a \$3 billion bond issue to finance school construction. It was killed by Democrats in a House committee.

"School modernization should be a 100-percent bipartisan idea and should be executed as such, but as I discovered, the Democrats in the wealthier counties had no interest that kids in Petersburg got the same education as theirs," Stanley said. "It was very disappointing that they were unwilling to engage in this, because they based their policy making on their zip codes, and every zip code south of the James River wasn't important."

Now Stanley and many school officials, particularly in the Southwest and Southside, are hoping that the General Assembly will take up a list of half a dozen recommendations adopted by the Commission on School Construction and Modernization in December.

One of the key proposals asks the legislature to make changes to the state Literary Fund – a tool enshrined in the state Constitution as a permanent fund to provide low interest loans to school divisions – by increasing the minimum size of the fund from \$80 million to \$250 million, raising the maximum loan from \$7.5 million to \$25 million. The fund currently has a balance of about \$134 million after expending \$229 million in fiscal year 2021.

The commission also recommended lowering interest rates from currently 2 to 6% at 1% increments to 1 to 3% at .5% increments, and creating an open application process at a scheduled time each year with priority given to low LCI (Local Ability to Pay) school divisions that make certain commitments.

Perrigan, the superintendent from Bristol, said that 40 years ago, the Literary Fund was primarily used for school construction. But in the last five years, just \$24 million went towards school construction, while \$790 million were used for the teacher retirement fund. "As the Literary Fund started to be focused on other areas, high poverty school divisions lost one way to fund school construction," Perrigan said.

As another means to raise revenue, the commission asked the General Assembly to allow localities to impose a 1% increase of the local sales tax to provide revenue solely for capital projects for the construction or renovation of schools – if such levy is approved in a voter referendum. Under current law, such sales tax is only permitted in nine Virginia localities. And it asked the legislature to direct the Board of Education to make recommendations for revising the standards for operations and maintenance of and new construction of public school buildings, and to allow school divisions to keep unexpended money appropriated by the locality at the end of a fiscal year and use it for one-time projects.

The panel also wants the legislature to establish a special non-reverting fund and a competitive program for the award of grants for the construction or renovation of public school buildings, using funds remaining in the Casino Gaming Fund and, potentially, from the commercialization of marijuana. This would help localities that don't qualify for or are unable to afford loans.

Perrigan said that expanding access to low-interest loans, grants and returning the Literary Fund to its original purpose all are steps in the right direction. "Bristol has limited borrowing capacity, so bonds really won't help us. But for other localities bonds would help, and localities having the capacity to add a sales tax, and any revenues, like casinos, those recommendations along with other remedies will go a long way in beginning to solve the school infrastructure crisis," he said.

The new Republican majority in the House of Delegates will consider the commission's recommendations and Northam's budget proposal during the 2022 legislative session. While Gov.-elect Glenn Youngkin has made public education a key platform of his campaign, he has not yet publicly weighed in. Several emails to his transition team asking for comment were not answered.

Stanley applauded the commission's list of recommendations. "We have to fix the problem with a concerted effort and a commitment to dollars, so when we finish we don't have to start over again. If we knock this out now, we don't have to do it again in the future," he said. "If you beat the drum loud enough, people in the Assembly will listen and find a solution."

POLITICS

# House pushes for \$2 billion to fund school construction needs

*Budget amendment also includes \$1 million for Catawba Hospital study.*



by **Markus Schmidt**

February 20, 2022



The exterior of Highland View Elementary in Bristol, a school declared "functionally obsolete" in 2011 but still in use. Courtesy of Bristol Public Schools.

*This story was updated at 3:54 p.m.*

RICHMOND – House Republicans propose to make available \$2 billion for school construction needs in Virginia – which is four times the \$500 million proposed by former Gov. Ralph Northam in his two-year budget that he sent to the General Assembly in December. “To put this in perspective, this would build 80 new elementary schools,” Del. Barry Knight, R-Virginia Beach, chairman of the House Appropriations Committee, said during the presentation of the House of Delegates budget amendments Sunday.

School construction has been one of the state’s most pressing problems for decades, and cash infusions from the state are desperately needed especially in many underserved communities in Southwest and Southside Virginia, where localities with a low tax base struggle to keep up even with the most basic maintenance.

The Senate version of the budget appears to have stayed with Northam’s original \$500 million proposal.

Del. Glenn Davis, R-Virginia Beach, chairman of the House Education Committee, said that many schools in those areas have faced “horrible conditions” that students do not deserve. “Roofs were leaking, HVAC systems were failing, and pipes were deteriorating. This is a health and safety matter, and this is unacceptable,” Davis said at the budget presentation by the House Appropriations Committee.

Virginia school divisions spend just over \$1 billion annually on capital projects, Davis said. By establishing the School Construction Loan Rebate program, communities that would otherwise be unable to address school infrastructure needs would have access to an additional \$2 billion in funding. “This proposal will go a long way toward addressing the critical conditions facing so many of our school buildings,” Davis said. “Virginia students deserve the best education possible in modern state-of-the-art schools.”

However, documents provided as part of the budget presentation also show that the state would provide a total of \$541.7 million (funded with \$291.7 million from the General Fund and \$250 million from the state’s literary fund) in loan rebates that would incentivize \$2 billion in school construction loans in a two-tier system.

House Republicans also recommend a 4% salary increase for teachers staff in both budget years – which is 1% below Northam’s proposal – in addition to a 1% bonus. “Without our teachers, the students would not have the same opportunities to develop into the future leaders of Virginia,” Davis said. “We recognize that Virginia is behind the national average of K-12 teachers, but this pay increase is moving us in the right direction. Virginia will now be 80% closer to the national average than we are now.”

Northam's two-year budget for fiscal 2022-24 totals \$158 billion. A strong economic recovery and federal aid during the pandemic allowed the administration to set aside \$1.7 billion to the commonwealth's revenue reserves, including a \$564 million voluntary deposit, bringing the total reserves amount to more than \$3.8 billion, or 16.8% of state revenues, and more than double the 8% that the administration set as a goal four years ago.

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### **Budget also includes money to study using Catawba Hospital for substance abuse treatment**

The House budget also includes \$1 million for the Department of Behavioral Health and Developmental Services to study the feasibility of transforming Catawba Hospital into a state-of-the-art campus offering substance abuse treatment and addiction recovery in addition to its current mental health services.

Located in the western part of Roanoke County, about half an hour from Roanoke City, Catawba Hospital specializes in serving adults who need mental health care. House Bill 5, sponsored by Del. Sam Rasoul, D-Roanoke, would expand the hospital's role in the community.

Rasoul on Sunday thanked Del. Terry Austin, R-Botetourt County, the vice chair of the House Appropriations Committee, as well as the regional delegation for "appreciating the value of us making this investment and moving forward with planning for the transformation of the Catawba campus."

Both the House of Delegates and the state Senate are presenting their proposed amendments Sunday. Delegates submit their amendments to the budget bill to the House Appropriations Committee, while their colleagues in the Senate submit amendments to the budget bill to the Senate Finance Committee.

After reporting their respective amendments, both chambers are set to vote on their budget bills on the floor sometime this week before the finalized versions cross over to the other body for review. As the next step, a Budget Conference Committee is appointed that typically is made up of six delegates and six Senators. These so-called conferees negotiate the final version of the budget and present it to the House and Senate, where it is voted on again before heading to the governor's desk.

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### **Budget also includes money for life sciences labs**



The House budget also includes \$15.7 million for [life sciences labs](#) in the Roanoke and New River Valley. It couldn't be determined whether there was similiar money in the Senate budget.

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## POLITICS

# Virginia is putting \$1.3 billion towards school construction and improvements. Enrollment for grants starts in January.

*The Virginia legislature will weigh changes to the criteria and guidelines for grant applicants made by the Commission on School Construction and Modernization. Most of the proposals are designed to make funds more broadly and easily available.*



by **Markus Schmidt**

December 14, 2022

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The exterior of Highland View Elementary in Bristol, a school declared "functionally obsolete" in 2011 but still in use. Courtesy of Bristol Public Schools.

**RICHMOND** – When Gov. Glenn Youngkin signed his first budget in June, it included a record investment in public education, such as a 10% salary increase and one-time bonus for teachers – and \$1.25 billion to leverage more than \$3 billion for school construction and modernization projects. In the six months since, school divisions in fiscally distressed localities across the commonwealth have been eagerly waiting to tap into those funds, hoping to update or replace their crumbling school buildings.

The hold-up, during which state officials developed guidelines and criteria for grant applications, might be over soon. Kent Dickey, deputy superintendent of the Division of Budget, Finance, and Operations at the Virginia Department of Education, told members of the Commission on School Construction and Modernization at a recent meeting in Richmond that he expects the enrollment period to begin sometime in late January.

“We’re completing the final language that the Board of Education requested of the department, staff is working on a very final version of the guidance, and we are actively working with the office of the attorney general to complete that,” Dickey told the panel. “We’re as eager as anyone to get it launched and get it ready to go, but I think we’re looking at January and perhaps even later in the month.”

In the meantime, the commission – which the General Assembly created in 2020 to examine the state of K-12 school infrastructure across the commonwealth – adopted seven recommendations for lawmakers to consider when they convene in Richmond for the 2023 legislative session on Jan. 11.

Most of these proposals are designed to make more funds available for a greater number of school divisions while reducing the bureaucratic hurdles in the application process.

The recommendations – some of which are already consistent with the guidelines developed by the Board of Education – will be introduced during the upcoming session in the form of legislation and budget amendments.

Among them is a renewed push for the legislature to allow all localities in Virginia to impose a 1% increase in their sales tax, subject to voter approval and to be used solely for school construction or renovation. During the 2022 session, [legislation](#) sponsored by Sen. Creigh Deeds, D-Charlottesville, was passed in the Senate but was defeated by a Republican-led House subcommittee.

However, the General Assembly still approved an unprecedented investment of almost more than \$1.2 billion in a combination of grants and loans for school construction. Of this amount, about \$850 million have been allocated for grants, of which \$400 million are formula grants that go to each school division with flexible use.

“This is similar to the program that existed prior to the recession,” Tyler Williams, a legislative fiscal analyst for the Senate Finance and Appropriations Committee, told the panel.

Under this program, all 134 school divisions in the commonwealth will receive a \$1 million base allocation with the remaining \$266 million being distributed based on a locality’s Local Composite Index (LCI), which considers property value, adjusted gross income, taxable retail sales, and the student and total population in each school division. The LCI is calculated every two years.

“Expenditures are pretty flexible and can be used for debt service on projects completed or initiated during the last 10 years,” Williams said, adding that divisions are allowed to carry a positive funding balance into future fiscal years.

Another \$450 million will be made available in the new School Construction Fund and Program, a competitive grant program created during the 2022 legislative session by [House Bill 563](#), sponsored by Del. Israel O'Quinn, R-Washington County, and [Senate Bill 473](#), sponsored by Sen. Jennifer McClellan, D-Richmond, the commission's chair.

This program follows a recommendation by the panel from last year and benefits divisions with poor building conditions and a higher fiscal need, helping to pay for school construction, renovation or the expansion of public school buildings. It directs 98% of the state's gaming revenues from the four casinos approved in Virginia – Bristol, Danville, Portsmouth and Norfolk – to that fund, which is administered by the Virginia Board of Education.

Williams said that by October, total tax revenues from the Bristol Casino were \$7.2 million, with \$4.7 million going towards the school construction fund. "Lottery estimated that it would be about \$23.4 million collected for Fiscal Year 2023 from Bristol, and my calculation is that it would be about \$15 million for the gaming proceeds fund that would then be transferred to the school construction assistance program," he said.

Williams added that the [2019 study](#) of gaming in Virginia by the Joint Legislative Audit & Review Commission found that by 2028, the four casinos would "generate about \$102 million that would then be the portion for the school construction gaming proceeds fund."

The program also requires the Department of Education to develop and maintain a data collection tool to assist school boards in determining the relative age of each school building and amount of reserve funds needed to restore each building.

In Virginia, public school divisions get the bulk of their funding for school construction and modernization needs from their local tax base – an increasingly difficult undertaking especially for localities in the far Southwest suffering from population decline and economic downturns. Recent data provided by the Virginia Department of Education shows that the total cost to replace about 1,000 schools that are at least 50 years old would carry a price tag of more than \$25 billion.

For many years, help from the state was mostly limited to providing access to the Literary Fund, a permanent and perpetual school fund established in the Constitution of Virginia that provides low-

interest loans for school construction, grants under the interest rate subsidy program, and debt service for technology funding, all based on local composite index rates.

Revenues to the Literary Fund are derived primarily from criminal fines, fees, and forfeitures, unclaimed and escheated property, unclaimed lottery winnings and repayments of prior Literary Fund loans. In recent years, most school divisions primarily used the fund to help pay for teacher retirement.

But during the 2022 legislative session, lawmakers made modifications to the loan program through the \$400 million fund. For example, they increased the maximum loan amount from \$7.5 million to \$25 million, with a maximum interest rate of 2%.

“The General Assembly allocated additional general funds to support teacher retirement costs, which freed up the Literary Fund to be able to issue construction loans for the first time in a long time,” Williams said.

Meanwhile, the Virginia Board of Education has worked to establish selection criteria for the competitive grant program, considering local funding commitment, local fiscal needs and local composite index and fiscal stress classification. After the legislature passed the legislation establishing the program for school construction, divisions haven’t always been sure if they qualify to receive money to help fund specific projects.

Under the program’s guidelines, project costs must include planning, design, site acquisition, core building construction and site work. Divisions can apply for grants covering up to 30% of approved project costs, at a \$100 million cap for the project. “This is the basis for the competitive grant awards, and that’s dependent on the school division’s composite index and the fiscal stress designation of a locality,” said the VDOE’s Dickey.

Qualifying projects also must meet a minimum total score on competitive criteria in the categories of Commitment, Need and Poor Building Conditions. Awards are prioritized based on ranked project scores, with one grant awarded per project.

In devising the guidelines, the Board of Education reviewed drafts at its October and November meetings, offered opportunities for public comment and adopted a final version at its Nov. 17 meeting, with direction to DOE staff to incorporate language allowing projects beginning construction on or after July 1 to apply for funding.

“We’re currently working with the Attorney General’s office on language to weave into the guidelines,” Dickey said.

Once the open enrollment period begins early next year, school divisions may apply online for grant funding during what Dickey said will likely be an eight- to 10-week window. “With capital type projects it takes time locally, of course,” he said.

The submitted applications will be evaluated and scored on 11 competitive criteria the board established in the guidelines on “a maximum 100-point scale attempting to align to and reflect the commitment, need and poor building condition categories that the General Assembly established in the budget language,” Dickey said, adding that the minimum qualifying score is 65 points on the 100-point scale.

Additional criteria for application eligibility requires projects to be in the local planning phase, planned or documented in a locality’s Capital Improvement Plan (CIP). They must lack sufficient funding to cover full cost, and have not yet started construction, or projects beginning construction July 1 or after pending review by the attorney general’s office.

“Really the emphasis here is on new or emerging projects in high need localities that need state support,” Dickey said. “And school divisions should be in good standing with all other state requirements, regulations, policies and guidelines.”

If a school division is found to be in non-compliance, a project can be disqualified or awarded funds may be withheld. Following staff review of the applications, projects recommended for funding will be brought to the Board of Education for action.

Ken Nicely, the superintendent at Roanoke County Public Schools, said that school divisions like his have been waiting to get started with the application process in the competitive grant program.

“There’s a huge level of high interest to pursue those, and we’ve been eager since summer to know what the criteria is going to be and to be able to hit that send button,” Nicely said.

As Virginia’s 20th largest school division, Roanoke County serves 13,000 students in 27 schools, nine of which are currently part of the local CIP. But the division’s biggest capital project is the construction of a new Career & Technical Education Center to replace the aging Burton Center for Arts and Technology, which dates back to 1962. Construction is expected to cost up to \$100 million.

In June, the county [purchased the land](#) for the new facility adjacent to Peters Creek Road between Airport Road and Burlington Elementary School. But some local officials voiced opposition to the scale of the center due to the potential cost, and without knowing whether the project will qualify under the state's grant program, the county last week [offered the school system](#) a funding solution facility by allocating \$80 million of what would be borrowed funds in fiscal year 2025.

"We've done all the due diligence to move forward with this replacement in making sure it's on our CIP, garnered support from our Board of Supervisors, and we purchased the land to build our new CTE Center," Nicely said. "The commitment is there, the preparation and work has been done to move this project forward."

But Nicely added that the strict criteria for the competitive grant program has him worried. "I am very concerned we are not going to reach the 65 percent threshold with the emphasis on factors that we don't measure up to," he said. "We're the third or fourth highest taxed county in Virginia, so the commitment is there in terms of what the public is willing to put into that. But I also want to encourage this commission to continue to keep this at the forefront, especially ahead of the new General Assembly session."

Apart from its renewed push for allowing all localities in Virginia to impose a 1% increase in their sales tax to fund school construction, the commission recommended to modify the guidelines using multiple years of composite index and fiscal stress data for determining the grant award amounts to recognize "changing local economic conditions or fluctuating data values from a single year," or use the most favorable of the latest or multi-year data.

The panel also advised requiring localities a minimum local effort for capital maintenance programs and for school boards to include in any capital improvement plans a minimum 1.5% capital asset replacement value commitment target to avoid major replacement costs in the future.

Bristol City Schools Superintendent Keith Perrigan, a former commission member who also serves as president of Virginia's Coalition of Small and Rural Schools, said he hopes that the legislature will make what he called "slight adjustments" to the school construction assistance program criteria to ensure that as many divisions as possible can take advantage.

"Unfortunately, Bristol has reached their legal debt capacity and is struggling financially because of bad decisions by former city leaders," Perrigan said. "However, because of the hope that this budget language provided, and along with creative financing that was provided through our Industrial Development Authority, we were finally able to get a project approved that would shutter and consolidate three of the oldest school buildings in the commonwealth."



But this decision will force Bristol City Schools to sacrifice in other areas in the future because of the city's continued financial stress, Perrigan said. "If the recommendations are approved by the attorney general and make it through Bristol's project, we will be eligible for the school construction assistance program."

The commission also advised lawmakers to include additional funding of \$2.5 billion in the appropriation act for the School Construction Grant and Assistance Program – \$500 million for entitlement spending and \$2 billion for competitive grants.

McClellan, the state senator and commission chair, said that the body will continue to push for more funding for school construction and modernization.

"I think we knew on the day we voted on the budget that we are probably going to seek more funding," McClellan said. "I suspect that one of the recommendations from this commission might be to go for more money."