

GRANT PROGRAM IMPLEMENTATION PRINCIPLES

BIPARTISAN INFRASTRUCTURE LAW

SECTION 40541: GRANTS FOR EERE IMPROVEMENTS AT PUBLIC SCHOOL FACILITIES

MARCH 11, 2022

Section 40541 of the Bipartisan Infrastructure Law (BIL) provides \$500 million for grants to make energy efficiency upgrades and improvements at public school facilities.

The undersigned diverse organizations – representing schools, equity, labor, environment, building industry, and energy service and HVAC companies – collectively drafted a set of principles on how best to implement this new grant program so that the Local Education Agencies (LEAs) with the most need are awarded grants and the benefit of those grants are maximized.

We recommend the following four grant program implementation principles:

- I. Application Process:** It should be structured to improve the health, efficiency, and resiliency of public school facilities while demonstrating the positive impact of federal funding and engagement, particularly in low wealth districts and high need schools.
- II. Funding Guidelines:** The Department of Energy (DOE) should prioritize projects which will improve the health, energy efficiency, and resiliency of public school facilities.
- III. Replicable Models:** The grant program should facilitate replication of public school health and efficiency retrofits.
- IV. Trained Workforce:** The grant program should prioritize the use of a trained workforce in the construction of all projects.

Below are the recommendations to achieve the four principles. We recognize that the LEAs most in need, especially those in rural isolated communities without staff capacity, will require robust technical assistance to implement these principles. Our organizations are committed to working with the Administration on these recommendations to ensure this critical grant program improves the health, efficiency, and resiliency of public school facilities that are in the most need and lack resources.

- I. The application process should be structured to improve the health, efficiency, and resiliency of public school facilities while demonstrating the positive impact of federal funding and engagement, particularly in low wealth districts and high need schools.**
 - A. Convene focus groups of LEAs to provide input on the application processes.
 - B. Define a limited, but geographically distributed, set of eligible LEA applicants based on community and/or school financial means and level of need.
 - C. Invite eligible LEAs to propose a project scope through a simple, online Letter of Interest (LOI).
 - D. Collect information from as many of the eligible LEAs as possible to gain an understanding of the level of facilities needs from within this population of LEAs.

- E. Based on LOI selection criteria, provide a small financial award to the LEAs selected to conduct facility energy audits, gather necessary partners, and submit a more thorough application for project funding.
- F. Provide LEAs assistance in identifying an “Eligible Entity” through creating a list of vetted partners such as is done with the [DOE Qualified List of Energy Service Companies](#).
- G. Encourage the LEAs to select an “Eligible Entity” early in the application process so that the LEAs in high-need and low-wealth districts get immediate assistance with the project selection process, which can be complex and challenging.
- H. Obligate all the grants no later than 2024.

II. The funding guidelines should prioritize projects which will improve the health, energy efficiency, and resiliency of public school facilities.

- A. Funding guidelines should prioritize needed improvements to school facilities, as districts are eligible for other sources of funding to support electric vehicles and related infrastructure.
- B. To further the climate goals of the BIL, funding guidelines should prioritize the use of mechanical equipment that uses electricity as its energy source where appropriate.
- C. Funding guidelines should prioritize applications in which each dollar of grant can be combined with, at least, three dollars of private funding such as, for example, through energy savings performance contracting.
- D. Grant awards to LEAs should be of minimum of \$300,000 to \$500,000 to ensure the award amount is large enough to make a meaningful difference (accounting for leveraged funding) while reaching as many schools in need as possible.

III. The grant program should facilitate replication of public school health and efficiency retrofits.

- A. DOE should recognize a flexible range of partnership models that participating LEAs may use, including with the state education agencies, state energy offices, and regional education service agencies, which will advance replicability in states and regions.
- B. DOE should provide easily accessible and trusted information about application processes, applications received, funding awarded, and expected results through partnership with state and municipal offices that are known sources for energy-related information for their communities.
- C. DOE should encourage or require trusted systems of third-party certification and/or verification, such as ENERGY STAR, WELL, CHPS Verified, and LEED, to maximize transparency around expected and actual results of funding awards.
- D. DOE should require the ongoing performance validation and reporting of projects to ensure proper performance, with periodic retraining of school personnel as needed to ensure proper equipment operation.
- E. DOE should provide central third-party technical support for reporting on projects.

IV. The grant program should prioritize projects that use a trained workforce in the construction of all projects.

- A. Funding guidelines should prioritize projects that use a trained workforce, defined as a workforce where at least 50 percent of the workers on a jobsite are graduates of an applicable State or Federally approved apprenticeship program or graduates of an applicable two- or four-year community college program.
- B. Funding guidelines should prioritize projects in which “Eligible Entities” use a trained workforce to perform all construction.
- C. Funding guidelines should prioritize projects with a workforce training component.
- D. DOE should require that contractors on projects that receive priority under this provision submit to the LEA a monthly report, including certified payroll verification, with sufficient information to demonstrate compliance with the trained workforce requirements. The report should include:
 - 1. The total number of construction workers employed by each contractor or subcontractor on a project each day for an applicable occupation; and
 - 2. The number that are graduates of an applicable apprenticeship program or applicable 2 or 4 year community college program, including the name of the program and their graduation date.

If you have any questions about the principles or would like to schedule a meeting to discuss them, please contact John Monsif, Director of Government Relations, at Carrier at either 571-424-0676 (c) or john.monsif@carrier.com.

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