

July 9, 2025

On June 4, 2025, the Connecticut General Assembly passed a bonding and school building projects bill for fiscal years (FYs) 2026 and 2027.¹ Contained in the bonding bill are several policy changes affecting school construction and capital projects, including a new grant program for minor capital repairs and special reimbursement rate bonuses for specific types of school construction projects. This document provides a high-level overview of the provisions that impact K-12 public education and school facilities.

Key Bonding/School Construction Provisions & Changes

- The new District Repair and Improvement Project (DRIP) program provides \$30 million in both FY 2026 and FY 2027 to support minor capital repairs and maintenance for local and regional school districts, Regional Educational Service Centers (RESCs), the Goodwin University Magnet School System (GUMSS), endowed academies, and charter schools.
- Districts can receive an additional 15 percentage-point bonus to their reimbursement rates for school construction projects that include new or expanded in-district special education programs.
- Reimbursement bonuses for early childhood education are broadened to apply to full elementary school construction projects, rather than just the program-specific space.
- Several policies are updated to simplify and improve school construction grant processes, including merging the Heating, Ventilation, and Air Conditioning (HVAC) grant into the school construction program and removing duplicative requirements from grant applications.

How were school construction projects funded in FY 2025?

- Eligible public school operators undertaking major infrastructure and new construction projects are reimbursed through Connecticut's school construction grant program, with grant amounts based generally on municipal wealth rankings.²
 - Bonus reimbursement rates between five and 15 percentage points may be added on top of the standard rate for eligible projects.
- Charter schools are the only type of public school generally ineligible for the school construction grant program, though the legislature has occasionally

¹ Conn. Acts 25-174.

² To read more about how school facilities are funded, please see:

School and State Finance Project. (2025). *Improving Funding System for School District Facilities*. Southington, CT: Author. Retrieved from <https://files.schoolstatefinance.org/hubfs/Reports/Improving%20Funding%20System%20for%20School%20District%20Facilities.pdf>.

authorized funding for them through the program. Charter schools primarily receive facilities support through the Charter School Facilities grant.

- Prior to FY 2026, there was no program in place for minor capital repairs to school facilities. Instead, schools were only eligible for state assistance if they had a significant need for major construction, repair, or replacement.

What new school construction policies are beginning in FY 2026?

- Beginning in FY 2026, the new DRIP program will provide funding to districts, RESCs, GUMSS, endowed academies, and charter schools for minor capital repairs, improvements, and maintenance.
 - The bonding bill authorizes \$60 million in general obligation bonds for DRIP — \$30 million in both FY 2026 and FY 2027.³
 - DRIP program funds must assist in the constructing, renovating, repairing, and expanding of public school buildings, grounds, and infrastructure. Funds must also mitigate the need for more costly future repairs and improve accessibility to safe and well-maintained facilities.
 - The Office of Policy and Management (OPM) will allocate funds to districts using a formula partially based on enrollment and town wealth.⁴
 - Districts must use DRIP program funds for reimbursement and costs related to approved projects. They cannot be used to meet local matching requirements for other state programs or for school building projects eligible under the Department of Administrative Services (DAS) school construction grant program.
- Districts will receive an additional 15 percentage-point bonus to their reimbursement rates for school construction projects that expand or create in-district special education programs or services.
 - The bonus applies only to the portion of the project primarily used for special education services, and total reimbursement cannot exceed 100%.
 - New construction, renovation, or expansion projects are eligible for this bonus.
 - To be eligible, the special education space must be located within a building used for general education.

³ Connecticut General Assembly, Office of Legislative Research. (2025). OLR Bill Analysis: HB 7288, An Act Authorizing and Adjusting Bonds of the State and Concerning Grant Programs, State Grant Commitments for School Building Projects, Revisions to the School Building Projects Statutes and Various Provisions Revising and Implementing the Budget for the Biennium Ending June 30, 2027. Hartford, CT: Author. Retrieved from <https://www.cga.ct.gov/2025/BA/PDF/2025HB-07288-R00-BA.PDF>

⁴ To read more about how DRIP reimbursements are calculated, please see: School and State Finance Project. (2025). *FAQs: District Repair and Improvement Project (DRIP) Program*. Southington, CT: Author. Retrieved from [https://files.schoolstatefinance.org/hubfs/Reports/FAQs:%20District%20Repair%20and%20Improvement%20Project%20\(DRIP\)%20Program.pdf](https://files.schoolstatefinance.org/hubfs/Reports/FAQs:%20District%20Repair%20and%20Improvement%20Project%20(DRIP)%20Program.pdf).

What changes to existing school construction policies are beginning in FY 2026?

Bonding & Prioritization

- The bonding bill authorizes \$172.4 million in state school construction grants to support projects with an estimated total cost of \$265.7 million.⁵
- The existing 15-percentage-point reimbursement rate bonus for new or expansion elementary school construction projects with early childhood programs is expanded in FY 2026 to cover the entire project, rather than just the early childhood portion.
- The Connecticut State Department of Education must prioritize charter school capital improvement grant applications for schools with accountability index scores at or above the state average.

School Construction Requirements

- Eighteen towns and one regional school district are granted “notwithstanding” exemptions to school construction projects, allowing them to bypass certain requirements to qualify for, increase, or reauthorize state reimbursement grants.⁶
- Superintendents are no longer required to certify that their grant applications considered natural light, wireless technology, and school safety infrastructure, as the commissioner of the DAS already reviews these factors for compliance.
- School building projects for the Connecticut Technical Education and Career System (CTECS) are removed from the school construction grant program.
 - This change reflects that CTECS projects are already fully state-funded and do not require local approval or matching funds, unlike traditional school construction grants.
 - The DAS is also no longer required to submit a biennial status report on all CTECS construction projects to the General Assembly's Education Committee.

HVAC Projects

- The existing HVAC grant is repealed and merged with the existing school construction grant program.
 - New HVAC projects now follow the same application and eligibility requirements as other non-priority school building projects.
- School boards may now count HVAC inspections conducted as early as July 1, 2022, toward the state-required inspection rather than only those done on or after July 1, 2026.

⁵ To see a list of grant commitments, please see Section 141 of the bill analysis for H.B. 7288 at <https://www.cga.ct.gov/2025/BA/PDF/2025HB-07288-R00-BA.PDF>.

⁶ To see a list of grant commitments, please see Sections 149-176 of the bill analysis for H.B. 7288 at <https://www.cga.ct.gov/2025/BA/PDF/2025HB-07288-R00-BA.PDF>.