

Department of Planning and Budget
2021 Special Session I Fiscal Impact Statement

1. Bill Number: HB1849

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Simonds

3. Committee: General Laws and Technology

4. Title: Virginia Board of Workforce Development, Department of Labor and Industry, and Department of General Services; apprenticeship training programs; report.

5. Summary: Directs the Virginia Board of Workforce Development (the Board), the Department of Labor and Industry (DOLI), and the Department of General Services (DGS) to review the availability of registered apprenticeship programs in the Commonwealth and evaluate the capacity to build a program that would require contractors engaged in construction contracts with public bodies to participate in apprenticeship training programs for each trade or classification of employees engaged in the construction contract. The bill also requires the Board, DOLI, and DGS to evaluate whether a requirement to limit public procurements to bidders with registered apprenticeship programs would assist the construction industry in meeting its workforce needs. The bill permits the Board, DOLI, and DGS to convene a stakeholder advisory group as part of its review. The bill requires the Board, DOLI, and DGS to complete its review and complete any advisory group meetings by September 1, 2021, and to submit to the Governor and the General Assembly an executive summary and a report of its findings and recommendations.

6. Budget Amendment Necessary: Yes – Item 79.

7. Fiscal Impact Estimates: The Department of General Services estimates a \$100,000 fiscal impact, see Item 8.

7a. Expenditure Impact: Department of General Services Item 79

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021	\$0	-	-
2022	\$100,000	-	General
2023	\$0	-	-
2024	\$0	-	-
2025	\$0	-	-
2026	\$0	-	-
2027	\$0	-	-

8. Fiscal Implications: In order to participate in the study as directed by this bill, the Department of General Services (DGS) indicates it will need to assign two staff members

from the Division of Engineering and Buildings (DEB) to participate. DEB is primarily funded through an internal service fund, where customer agencies are billed an hourly rate for DEB staff hours. As included in HB1800/SB1100 as introduced, the DEB hourly rate for FY2022 is \$154 per hour. Since the staff will not be able to bill for the hours worked on the study, DGS indicates that general fund support is needed to support the decrease in billable hours. DGS assumes two staff members each spending approximately 40 work days to participate in the review, stakeholder meetings, and report. This estimate equates to approximately 650 hours for both employees combined. The 650 hours at a rate of \$154 per hour equates to \$100,100.

The Department of Labor and Industry indicates it can participate in the study within its current resources.

The Chief Workforce Advisor provides staff support for the Virginia Board of Workforce Development. An estimate for any fiscal impacts are not available at this time.

9. Specific Agency or Political Subdivisions Affected: Virginia Board of Workforce Development, Department of Labor and Industry, Department of General Services

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: February 10, 2021
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