

151st GENERAL ASSEMBLY FISCAL NOTE

BILL: HOUSE BILL NO. 487

SPONSOR: Representative Longhurst

DESCRIPTION: AND ACT TO AMEND TITLES 19 AND TITLE 29 OF THE DELAWARE CODE

RELATED TO CRAFT TRAINING REQUIREMENTS IN PUBLIC WORKS

CONTRACTS.

Assumptions:

1. This Act takes effect upon the signature of the Governor.

- 2. This Act decreases options contractors have to satisfy the craft training requirement for contractors bidding for public works contracts by eliminating the payment option to the apprenticeship and Training Fund established by SB184 of the 151st General Assembly.
- 3. Revenues generated by the payout option were intended to support craft training programs statewide.
- 4. The Department of Labor (DOL) estimates residual obligated costs of \$200,000 associated with technology to implement the payment mechanism to implement SB184.
- 5. In addition, DOL estimates that there are approximately 1,700 contractors registered in the DOL Contractor Registration System who have a certificate to perform public works contracts. Of those, 200 have a registered apprenticeship program. DOL estimates that the remaining 1,500 registered contractors could consider the payout option of \$2,000 per craft, per contract. DOL estimates that 1,500 contractors receiving a contract that meets the requirements for compliance, once per year, and only requires compliance for one craft, could result in a \$750,000 to \$3,000,000 revenue loss.

Cost:

General Fund Loss Estimated ASF Revenue Loss

Fiscal Year 2023: \$200,000 \$750,000 - \$3,000,000 Fiscal Year 2024: \$750,000 - \$3,000,000 Fiscal Year 2025: \$750,000 - \$3,000,000

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