149th GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE BILL NO. 76**
SPONSOR:	**Senator Walsh**
DESCRIPTION:	**AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO STATE PROCUREMENT.**

Assumptions:

1. The Bill becomes effective upon the signature of the Governor.

2. The Bill requires that contractors and subcontractors, bidding on State capital projects that meet the requirement of State prevailing wage statutes, provide craft training for journeyman and apprentice levels through an approved and registered State Department of Labor or US Department of Labor program.

3. This fiscal analysis assumes that the provisions of the Bill apply to State capital projects and include similar provisions as the FY 2014 Bond Bill approved U.S. 301 construction project. Due to these similarities, the US 301 construction project is used as the basis for calculating the estimated cost of this Bill, including:

    a. Department of Transportation staff currently verifies bidding contractor and subcontractor apprenticeship programs for the U.S 301 project. State certified apprentice programs are confirmed through the State Department of Labor. Programs certified in other jurisdictions or through the US Department of Labor require confirmation with their certifying Agencies.

    This fiscal analysis estimates the initial need for two (2) casual/seasonal positions to assist in verifying out-of-state and federally certified apprenticeship programs for all statewide construction projects. It is assumed a database will be created identifying certified programs that may be used for future bid consideration. Maintenance of this database will be the responsibility of the Agency(s).

    b. Assumes two (2) Administrative Specialist I Casual/Seasonal positions at a rate of $13/hour, working 30 hours per week, for 42 weeks. Salary and OECs total $17,907 per position.

    c. Research that attempts to identify the cost effect of requiring apprenticeship programs are often inconsistent and/or unreliable, with the primary challenge being identifying a "control group." As such, no determinations are made in this analysis on these impacts or their effect on cost increases or decreases for State construction projects.

4. There are currently 12 trade professions that do not have apprenticeship programs in the State. The estimated cost of adding each additional trade program to the Department of Education vocational curriculum is approximately $20,000 per site (Kent, New Castle or Sussex Counties) in the first year and $10,000 per site in each subsequent year. Due to the uncertainty of the demand for apprenticeship training for these 12 trades, these costs are not factored into this analysis.

Cost:

Fiscal Year 2018	$35,814 (ALL FUNDS) - 1 GF ($17,907), 1 TTF ($17,907) Casual/Seasonal
Fiscal Year 2019	$35,814 (ALL FUNDS) - 1 GF ($17,907), 1 TTF ($17,907) Casual/Seasonal
Fiscal Year 2020	$0

Prepared by Art Jenkins
Office of the Controller General