

NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC’s office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT



SPONSOR: Bailey **DATE TYPED:** 02/05/02 **HB** _____

SHORT TITLE: Public School Construction Projects **SB** 243

ANALYST: Woodlee

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	NFI		NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates House Bill 52

SOURCES OF INFORMATION

Labor Department

SUMMARY

Synopsis of Bill

Senate Bill 243 amends current statute to allow public school district construction from the requirements of paying the prevailing wage rates on public constructions projects.

Significant Issues

The Labor and Industrial Division of the Labor Department is responsible for setting wage rates for various classes of laborers for public construction projects. The agency indicates that in terms of total dollar revenue, construction and renovation projects for school districts represented approximately 17 percent of all state public work projects in fiscal year 2001. In addition, of 1209 public works projects, there were 319 contracted by public schools. There may be a slight decline in apprenticeship revenue, which is based on total dollar value of contract and varies from contract to contract. However, a significant decline is unlikely. The agency indicates that for over \$1 billion worth of public works construction, only \$164.0 was collected for apprenticeship programs. Currently, the agency budgets \$135.0 of the apprenticeship revenue.

FISCAL IMPLICATIONS

There is no appropriation or significant fiscal implication associated with this bill. There is a possible slight decline in apprenticeship revenue; however, the agency indicates there is a minimal amount of revenue generated when compared to the total dollar value of projects.

DUPLICATION

Senate Bill 243 duplicates House Bill 52.

MW/njw