

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1139
Ways and Means

(Delegate Vaughn, *et al.*)

Finance and Budget and Taxation

Transportation - Highway Construction Training and Supportive Services

This bill requires the State Highway Administration (SHA) to use the maximum feasible amount of specified federal funds to develop, conduct, and administer “highway construction” training and supportive services, including skill improvement programs. SHA must submit a report on its compliance with the bill’s requirements over the two previous calendar years to specified committees of the General Assembly by February 1 annually.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: While the Maryland Department of Transportation (MDOT) can develop the required annual report with existing resources, Transportation Trust Fund expenditures of approximately \$1.1 million annually may shift from other projects to highway construction training and supportive services. Revenues are not affected.

Local Effect: The bill is not expected to materially affect local finances.

Small Business Effect: Minimal.

Analysis

Bill Summary: “Highway construction” includes actual construction, preliminary engineering, highway planning and research, or any other work or activity to implement federal laws for the administration of federal aid for highways.

The report must (1) describe SHA's highway construction training, supportive services, and skill improvement programs; (2) analyze the results of the training programs; (3) state the amount of specified federal funding available; and (4) identify the amount SHA spent conducting and administering the programs.

Current Law: SHA may do anything necessary or desirable to comply with any term, condition, or provision and to obtain the benefits of any of the federal-aid highway acts, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any rule or regulation adopted under any of these acts. SHA is authorized to (1) accept any federal funds available to the State; (2) allocate and apportion these federal funds in accordance with the federal acts; (3) represent local jurisdictions for the purpose of negotiating, contracting, or dealing with the federal government on specified construction and reconstruction; (4) undertake all contracts, plans, specifications, and estimates relating to this construction and reconstruction; and (5) supervise directly the construction and reconstruction work done under federal acts.

In accordance with federal law, a state may use up to one-half of 1% of specified federal surface transportation and federal bridge program funding to "...develop, conduct, and administer highway construction training, including skill improvement programs."

Background: SHA is responsible for more than 5,200 miles or approximately 16,800 lane miles of road, 2,500 bridges, 3,500 small stream crossing structures, and 80 miles of sound barriers. It also has responsibility for planning, designing, constructing, and maintaining these roads and bridges to safety and performance standards while considering sociological, ecological, and economic concerns.

The Federal Highway Administration's (FHA) on-the-job training program requires states to establish apprenticeship and training programs targeted to move women, minorities, and disadvantaged individuals into journey-level positions to ensure that a competent workforce is available to meet highway construction hiring needs, and to address the historical under-representation of these groups in highway construction skilled crafts. FHA's on-the-job training and supportive services program provides supplemental services to highway construction contractors and assistance to highway construction apprentices and trainees. Both programs seek to make federal-aid highway construction projects more effective and increase training opportunities for women, minorities, and disadvantaged individuals.

In March 2010, SHA received a \$240,000 American Recovery and Reinvestment Act grant from FHA for the State's on-the-job training and supportive services program.

State Fiscal Effect: Since MDOT receives approximately \$220 million annually in federal surface transportation and federal bridge program funding, the bill requires the

allocation of an estimated \$1.1 million of this annual funding to highway construction training and supportive services. Currently, these federal funds are allocated to SHA projects and not to training and supportive services. SHA advises these federal funds are used for highway construction training and supportive services only when a major project is implemented.

Additional Information

Prior Introductions: None.

Cross File: SB 796 (Senator Jones-Rodwell, *et al.*) - Finance and Budget and Taxation.

Information Source(s): Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 15, 2011
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Analysis by: Amanda Mock

Direct Inquiries to:
(410) 946-5510
(301) 970-5510