

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 377 (Senator Bromwell, et al.)

Budget and Taxation

Referred to Appropriations

Juvenile Services - Construction Training Pilot Program

This amended bill alters provisions relating to funds for the Construction Training Pilot Program under the Department of Juvenile Justice for renovations at the Charles H. Hickey, Jr. School. It increases the cap on labor costs from \$150,000 to \$250,000, decreases the cap on construction materials from \$250,000 to \$150,000, and provides that total program funds may not exceed \$400,000. The bill also revises the date by which an evaluation report must be made from June 1, 1995 to June 1, 1996 and extends the termination date from May 31, 1996 to May 31, 1997.

The bill takes effect on June 1, 1996.

Fiscal Summary

State Effect: None. Although the bill increases the spending cap for labor costs, there is a corresponding decrease in the spending cap for materials costs. As a result, total expenditures for the Construction Training Pilot Program are still authorized at up to \$400,000.

Local Effect: None.

Fiscal Analysis

Background: Chapter 697 (HB 1643) of 1994 established the Construction Training Pilot Program by authorizing expenditures of up to \$400,000 from the Juvenile Services Capital Project Fund for renovations at the Charles H. Hickey, Jr. School. The purpose of the program is to teach construction skills to students at the school through participation in the renovation. Chapter 697 provided that construction materials could not exceed \$250,000 and that labor costs could not exceed \$150,000. In the contractor's bid package, material costs

were estimated at \$125,700 and labor costs at \$224,450, for a total cost of \$350,150. Since the labor costs exceed the \$150,000 cap in Chapter 697, legislation is needed to increase the cap to allow the project to proceed.

In addition, Chapter 697 required a project evaluation report from the Department of Juvenile Justice and the Department of General Services by June 1, 1995. That deadline was unable to be met due to the problem with the caps.

Information Source(s): Department of Juvenile Justice, Department of Fiscal Services

Fiscal Note History: First Reader - February 8, 1996

ncs

Revised - Senate Third Reader - March 13, 1996

Analysis by: Sue Friedlander

Direct Inquiries to:

Reviewed by: John Rixey

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710