

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

Senate Bill 1130

(Senator Rosapepe)

Budget and Taxation

Economic Matters

Construction Education and Innovation - Establishment of Fund

This bill establishes the Construction Education and Innovation Fund to be administered by, and support the purposes of, the Maryland Center for Construction Education and Innovation (MCCEI). The bill requires the Governor to appropriate \$250,000 annually in the State budget to the fund beginning in fiscal 2018.

Fiscal Summary

State Effect: General fund expenditures increase by \$250,000 beginning in FY 2018, which reflects the bill’s mandated appropriation to the fund. Special fund revenues and expenditures increase by corresponding amounts each year. **This bill establishes a mandated appropriation beginning in FY 2018.**

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
SF Revenue	\$0	\$250,000	\$250,000	\$250,000	\$250,000
GF Expenditure	\$0	\$250,000	\$250,000	\$250,000	\$250,000
SF Expenditure	\$0	\$250,000	\$250,000	\$250,000	\$250,000
Net Effect	\$0	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Minimal. Small businesses in the construction industry may continue to benefit from the center’s efforts.

Analysis

Current Law/Background: MCCEI is a public-private partnership located at Towson University that was established in 2010. It resulted from work performed by the Center for Industry Initiatives for Construction of the Governor's Workforce Investment Board (GWIB), which had convened a forum of industry stakeholders. GWIB provided MCCEI with grant funding of \$225,000 in each of fiscal 2013, 2014, and 2015, but GWIB ended its support for MCCEI after that. Currently, the center operates primarily with non-State revenues and contributions; Towson University provides office space for the center on an in-kind basis. MCCEI now identifies itself as an industry-led workforce intermediary that was established to create a world-class education system for Maryland's built environment. Its current staff consists of an executive director and a communications coordinator.

The fiscal 2017 State budget, as enacted, restricts \$250,000 for MCCEI as part of a larger package of \$80.0 million in restricted funds. The budget requires that the Governor transfer all, or none, of the restricted funds to their designated purposes, but the Governor may not elect to transfer only some of the restricted funds. If the Governor elects to transfer all of the restricted funds, MCCEI receives \$250,000 in fiscal 2017 in addition to the mandated appropriations to the Construction Education and Innovation Fund beginning in fiscal 2018.

Additional Information

Prior Introductions: None.

Cross File: HB 1404 (Delegate Brooks, *et al.*) - Economic Matters.

Information Source(s): Maryland Association of Community Colleges; Department of Commerce; Office of the Attorney General; Maryland State Department of Education; University System of Maryland; Department of Budget and Management; Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2016
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