

Department of Planning and Budget 2022 Fiscal Impact Statement

1. **Bill Number:** HB718

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Filler-Corn

3. **Committee:** Commerce and Energy

4. **Title:** Virginia Board of Workforce Development; powers and duties; collaboration to develop apprenticeship.

5. **Summary:** Directs the Virginia Board of Workforce Development (the Board) to assist the Governor in collaborating with the Department of Education and the Secretaries of Labor, Education, and Commerce and Trade to develop and administer an office that shall serve as the primary office for apprenticeship programs. The Department of Education and the Secretaries of Labor, Education, and Commerce and Trade shall rely on data from the Office of Education and Labor Market Alignment in developing apprenticeship programs that are based on high-demand industry needs.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Indeterminate. See item 8.

8. **Fiscal Implications:** This fiscal impact statement is preliminary.

The bill does not specify how the development and administration of the office for apprenticeship programs are to be funded. If the intent is for the requirements of this bill to be funded with federal funds received under the Workforce Innovation and Opportunity Act (WIOA), any expenditure will have a commensurate impact on the amount of funds available to local workforce boards.

The Virginia Board of Workforce Development (VBWD) administers the WIOA Title I Governor's Set-Aside funds, and cannot determine if the work described in this bill is an allowable expense under WIOA Title I Governor's Set-Aside funds, or whether sufficient funds are available. VBWD indicates that such determinations depend on the function of the proposed office in relation to the Department of Labor and Industry (DOLI), and DOLI's role in delivering apprenticeship services in the Commonwealth, in order to avoid duplication of services, and whether DOLI's ability to provide in-kind support to the Board, as is allowed in the Code of Virginia. Information from DOLI is not available.

The Department of Education anticipates that any expenditure impact that may result from this bill can be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: Virginia Community College System; Department of Education; Secretaries of Labor, Education, and Commerce and Trade; Department of Labor and Industry.

10. Technical Amendment Necessary: No.

11. Other Comments: The bill requires that the board works in collaboration with the Secretaries of Labor, Education, and Commerce and Trade, who are ex officio members of the Board. This bill is a companion to SB661.