

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

HOUSE JOINT RESOLUTION NO. 87
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on _____
on _____)
(Patron Prior to Substitute--Delegate Simonds)

Directing the Joint Legislative Audit and Review Commission, in conjunction with the Virginia Economic Development Partnership Authority, to study the nexus between the Commonwealth's construction industry and overall economy, and the threat posed by construction skill shortages, to ensure the stability of this industry and future economic growth. Report.

WHEREAS, a strong, prosperous economy in the Commonwealth benefits all residents and businesses and helps foster a stable stream of tax revenue to enable the Commonwealth to carry out essential government functions; and

WHEREAS, to promote continuous economic growth, the Commonwealth is appropriately focused on several key strategic objectives, which include (i) rebuilding and modernizing infrastructure systems; (ii) attracting investments in growth industries, such as health care, information technology, and advanced manufacturing; (iii) transitioning the energy sector to clean/renewable sources; (iv) expanding partnerships with military and nonmilitary agencies of the federal government; and (v) promoting other viable economic development initiatives; and

WHEREAS, each of these strategic initiatives, as well as other core components of Virginia's economy, is highly dependent on the existence of a strong construction industry that has sufficient capacity and resources to meet public and private capital construction demands throughout the Commonwealth; and

WHEREAS, a strong construction industry, in turn, requires a large, secure pool of highly skilled craft workers in all construction trades and occupations who can be readily accessed and reliably dispatched to meet increasingly challenging project delivery requirements of major construction programs; and

27 WHEREAS, certain trends and market dynamics in Virginia's construction industry are
28 undercutting its ability to ensure an adequate supply of properly trained construction workers needed to
29 meet the current and future demand, thereby jeopardizing economic growth and development; and

30 WHEREAS, Virginia, like many other states, is facing acute and worsening skill shortages in
31 construction due to strong market demands across the economy, coupled with a rapid decline in skilled
32 craft worker supply driven by a mass retirement of baby boomers, and declining participation in the
33 construction trades by younger generations; and

34 WHEREAS, due to growing construction skill shortages in Virginia and across the nation,
35 construction project delivery is becoming increasingly imperiled, as determined by all major metrics,
36 including project cost, schedule, quality, and safety, and in some cases, projects are being effectively
37 crippled by high-cost overruns, defective quality, and lengthy schedule delays; and

38 WHEREAS, apprenticeship training programs have been widely recognized as the most effective
39 strategy for training prior generations of construction workers, and there is growing concern that
40 investments in and support for such programs have been declining in recent decades and that such
41 programs have been failing to keep pace with construction market demand; now, therefore, be it

42 RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit
43 and Review Commission, in consultation with the Virginia Economic Development Partnership
44 Authority, be directed to study the nexus between the Commonwealth's construction industry and overall
45 economy, and the threat posed by construction skill shortages, to ensure the stability of this industry and
46 future economic growth.

47 In conducting its study, the Joint Legislative Audit and Review Commission shall specifically
48 research and examine the following issues for all construction markets in Virginia, including institutional,
49 industrial, and commercial, but excluding residential, construction:

- 50 1. Total annual construction industry spending in Virginia in 2020, 2015, 2010, 2005, and 2000;
- 51 2. Estimated total annual construction industry spending projected in Virginia through 2030;
- 52 3. Estimated annual construction industry spending projected by Virginia state government,
53 including all agencies and departments, through 2025 and 2030;

54 4. Estimated annual spending in state-assisted construction, including but not limited to economic
55 development and clean/renewable energy programs, projected through 2025 and 2030;

56 5. Estimated number of construction workers employed in Virginia in 2020 in comparison with
57 the number of construction workers employed in Virginia in 2015, 2010, 2005, and 2000;

58 6. Estimated number of construction workers needed in Virginia annually through 2025 and 2030
59 and projected shortfall, if any;

60 7. Number of construction industry apprenticeship programs, including all crafts and trades,
61 currently registered with the Virginia Apprenticeship Council in comparison with the number of such
62 programs that existed in 2020, 2015, 2010, 2005, and 2000;

63 8. Number of construction industry apprentices, including those from all crafts and trades,
64 currently registered with the Virginia Apprenticeship Council in comparison with the number of
65 apprentices registered in 2020, 2015, 2010, 2005, and 2000;

66 9. Number of construction industry apprentices, including those from all crafts and trades,
67 registered with the Virginia Apprenticeship Council who graduated to journeyman status in 2020, 2015,
68 2010, 2005, and 2000; and

69 10. Extent to which state procurement agencies have utilized contractors and subcontractors on
70 state construction projects that participate in apprenticeship programs registered with the Virginia
71 Apprenticeship Council, the U.S. Department of Labor, or other state apprenticeship councils for 2020,
72 2015, 2010, 2005, and 2000.

73 Technical assistance shall be provided to the Joint Legislative Audit and Review Commission by
74 the Virginia Economic Development Partnership Authority. All agencies of the Commonwealth, including
75 the Department of Labor and Industry, State Apprenticeship Council, Department of General Services,
76 Department of Corrections, Department of Education, Department of Transportation, State Corporation
77 Commission, State Council of Higher Education for Virginia,, Virginia Economic Development
78 Partnership Authority, and the Public Private Partnership Advisory Commission, shall provide assistance
79 to the Joint Legislative Audit and Review Commission for this study, upon request.

