

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 5582
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: DECEMBER 26, 2023

SUMMARY

- Synopsis:** Establishes grant program for NJ YouthBuild programs through DOLWD; makes appropriation.
- Type of Impact:** Annual State expenditure increase.
- Agencies Affected:** Department of Labor and Workforce Development.

Office of Legislative Services Estimate

| Fiscal Impact | <u>Annual</u> |
|----------------------------|---------------|
| State Expenditure Increase | Indeterminate |

- The Office of Legislative Services (OLS) concludes that this bill would result in an indeterminate annual State expenditure increase for a grant program for YouthBuild programs throughout New Jersey, to be funded by available federal funding sources.

BILL DESCRIPTION

This bill allows the Department of Labor and Workforce Development to establish a grant program for YouthBuild programs throughout New Jersey. YouthBuild is a community-based pre-apprenticeship program that provides job training and educational opportunities for at-risk youth ages 16 to 24 through the United States Department of Labor. The bill would expand YouthBuild programs in the State by establishing a State program with federal funding that would work in coordination with the federal program.

In order for a YouthBuild program to be eligible to receive this grant funding, several program requirements must be met: (1) serving economically disadvantaged young people ages 16 to 24 who have not received a secondary school diploma or its equivalent; (2) offering integrated education and job skills training services and activities which are evenly divided within the program, with 50 percent of students’ time spent in classroom-based instruction, counseling, and leadership development instruction and 50 percent of their time spent in service learning experiences at job sites; (3) curriculum culminating in an industry recognized credential, with the



YouthBuild program being the entity administering the examination; and (4) providing stipends to youth participants to cover the costs associated with their full time participation in this program. Only not-for-profit private agencies that are affiliates of YouthBuild USA or have received a federal Housing and Urban Development YouthBuild award are eligible to use the term YouthBuild and apply for this funding.

The bill requires the appropriation to the Department of Labor and Workforce Development of funds from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act of 2021, federal block grants, or other available federal funding sources to implement the provisions of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill would result in an indeterminate annual State expenditure increase for a grant program for YouthBuild programs throughout New Jersey, to be funded by available federal funding sources.

The OLS notes that the YouthBuild programs currently rely on periodic federal grants to maintain their projects.

Section: *Commerce, Labor and Industry*
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 Assistant Fiscal Analyst
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 Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).