

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 5582

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 4, 2024

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 5582 (1R).

As amended, this bill allows for 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 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 Commissioner of Labor and Workforce Development will require all programs eligible to receive YouthBuild grant funding to meet the specific application requirements outlined in this bill. YouthBuild programs selected for funding under the bill will be required to report outcomes to the Department of Labor and Workforce Development, which will be publicly available. The department will also complete an initial

evaluation report on the progress of individual programs funded under the bill; this report will be available to the Governor and appropriate legislative committees.

The bill will be funded by available federal resources, not to exceed \$4.5 million in federal funds provided or made available to the State.

The purpose of this bill is to increase accessibility and sustainability of the evidence-based YouthBuild model. For more than 30 years, the YouthBuild model, through YouthBuild USA, has demonstrated positive outcomes for youth- supporting young people in earning their high school diploma, or equivalent, and acquiring the skills and credentials necessary to meet their postsecondary goals. Over the years, the number of YouthBuild programs throughout the State of New Jersey has fluctuated because the federal YouthBuild appropriation from the federal Department of Labor is not guaranteed. A Statewide YouthBuild appropriation would help ensure that opportunity youth throughout New Jersey are consistently served with an evidence-based model. It would promote the sustainability of currently operating YouthBuild programs and would also likely lead to an increase in YouthBuild programs throughout New Jersey.

As amended and reported by the committee, Assembly Bill No. 5582 (1R) is identical to Senate Bill No. 3781 (1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

This amendment provides that, subject to the availability of certain federal funds, an amount determined by the Commissioner of Labor and Workforce Development, not to exceed \$4.5 million, will be made available to the Department of Labor and Workforce Development to effectuate the purposes of the bill, subject to the approval of the Director of Budget and Accounting in the Office of Management and Budget.

FISCAL IMPACT:

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.

The bill caps the total amount of the funding at \$4.5 million. The duration of the grant program and the fiscal years in which the expenditures will occur are indeterminate.

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