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FISCAL IMPACT REPORT

ORIGINAL DATE 1/18/08

SPONSOR Gonzales LAST UPDATED _____ HB 139

SHORT TITLE Taos County At-Risk Youth Education Programs SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$215.0	Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Public Education Department (PED)

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 139, Making an Appropriation for Educational Programs Serving At-risk Youth in Taos County, appropriates \$215 thousand from the general fund to the Department of Finance and Administration for the purpose of paying for construction training, general educational development certificate training, leadership and job skills training, among others, for at-risk youth ages 16 to 24 in Taos County.

FISCAL IMPLICATIONS

The appropriation of \$215 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall revert to the general fund.

SIGNIFICANT ISSUES

According to DFA, the 2005 US Bureau of Census estimates the poverty rate in Taos County at

20.9% while the national rate is estimated at 12.4%. The unemployment rate of 16-19 year olds is 10.6% and of 20-24 years olds is 14.2%. The national unemployment average is 6.9%. Taos County had the fifth highest unemployment ranking in the state. The number of 18-24 years olds without a high school diploma in Taos County is at 29% while the national average is at 19.6%.

The goals of this program are to address the core issues with low income rural living in northern New Mexico by providing education development, employment, housing and leadership skills to at-risk youth in Taos County.

The program that is slated to receive this funding has been in existence for ten years. The program delivers services for 20 youth per program cycle (6-12 months). 90% of the trainees who graduate from the program are placed into relevant jobs, or apprenticeship programs or continued education. 71 trainees obtained their GED in the last seven years. Through collaboration with other entities in Taos County, this program has helped to build 20 homes and 40 apartments for low income citizens in Taos County. The program recently sold their first home that was built from the ground up solely by trainees. The income generated from this sale, will be turned around into the start up costs for the next project. This will make the construction program sustainable, but the program needs funding for operational costs.

Up until now, funding for this program was provided through HUD. This year the funding was appropriated through DOL and this program, along with many other rural programs, was not selected for continued funding. The program will be applying for funding from other sources into the future, but because of the short notice of not being selected for federal funding, this program needs assistance to bridge the current gap in funding and keep the program operational.

WEP/mt