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FISCAL IMPACT REPORT

ORIGINAL DATE 1/27/22

SPONSOR Stefanics/Padilla LAST UPDATED _____ HB _____

SHORT TITLE At-Risk Youth Training & Case Management SB 151

ANALYST Chenier

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of Bill

Senate Bill 151 appropriates \$50 thousand dollars from the general fund to WSD in FY23 to support training and case management programs that provide at-risk youth with life skills training, work experience, academic development, and assistance in preparing for the high school equivalency credential exam.

FISCAL IMPLICATIONS

The appropriation of \$50 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY23 shall revert to the general fund.

DWS said they receive approximately \$6.1 million in funds from the U.S. Department of Labor specifically earmarked for youth activities for in-school and out-of-school youth activities. These funds are distributed to the four local workforce development boards to develop and implement activities. Youth participants found eligible for these services are identified in coordination with state and local agencies and organizations.

However, WSD does not provide direct case management for eligible youth. WSD's primary

role and responsibilities include technical assistance, training, policy development, and strategic planning and implementation, best practices, and community coordination focused on youth workforce development.

SIGNIFICANT ISSUES

WSD provided the following:

WSD is the primary agency responsible for administering the Workforce Innovation and Opportunity Act (WIOA) and for improving the state's workforce systems to help New Mexican's with significant barriers to employment, including youth both in and out of school.

In 2014, the federal government enacted the Workforce Innovation Opportunity Act (WIOA), which outlined a broader youth vision supporting an integrated service delivery system and a framework defining resources and support for in-school and out-of-school youth. The goal is to fund high-quality services for all youth and young adults beginning with career exploration and guidance, continued support for educational attainment, opportunities for skills training for in-demand industries and occupations, such as pre-apprenticeships or internships, and culminating with a good job along a career pathway, enrollment in post-secondary education, or registered apprenticeship.

The WIOA youth program delivers a comprehensive array of services that focus on assisting transitional youth ages 14-24, particularly youth who are disadvantaged and have one or more barriers to employment. The goal of the program is to prepare these youth for postsecondary education and employment opportunities, attain educational and/or training credentials, and secure employment that has a positive career outlook. Local workforce development boards oversee the delivery of services and youth service providers are required to expend 50 percent of federal funds on out-of-school youth and 20 percent of these funds must be expended on paid work experiences. The balance may be directed to support in-school youth activities, including basic career exploration, job readiness and paid work-experiences.

WSD – WIOA Division currently employs one FTE, statewide youth engagement coordinator, who is tasked with ensuring compliance with state and federal statute, regulation and policy requirements for the implementation of services and program specifically designed for youth. This position provides technical assistance and training to the local workforce development boards and their WIOA funded youth program staff on best and promising practices in youth engagement, strategies for strengthening coordination with youth agencies and organizations, including secondary and post-secondary schools and programs in an effort to promote statewide awareness of the unique workforce needs of youth; as well as to provide general awareness and use of tools and resources available through DWS designed specifically for youth workforce development.

WSD, in partnership with the Public Education Department, are sharing funds for one FTE to coordinate and expand work-based learning opportunities for in-school youth. Efforts include outreach with the business community to develop and expand internships, job shadowing, and paid work experiences. This effort is in its first year of

implementation and is targeted to public schools receiving Carl D. Perkins funds for Career Technical Education. During FY2020, PED and WSD collaborated to coordinate a statewide summer youth project in partnership with local county government and tribal communities. Over 1,500 youth participated in a summer job.

Two Employment Services Division WSD staff members are also currently engaged in career readiness in eight high schools, including four in Las Cruces, two in Las Vegas, and two in Roswell. The activities do not include case management.

WSD does not provide direct case management for eligible youth. WSD's primary role and responsibilities include technical assistance, training, policy development, and strategic planning and implementation, best practices, and community coordination focused on youth workforce development.

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