February 10, 1997

BILL ANALYSIS

TO: Members, Committee on Trade and Economic Development

FROM: Kenny Pittman, Research Analyst (786-7392)

RE: HB 1546 - Revising the Washington youthbuilt program.

BACKGROUND:

The Washington Youthbuild Program (Program) was created by the Legislature in 1994. The program is designed to address the lack of educational and economic opportunities for disadvantaged youth. This is accomplished by providing work on projects that result in the expansion or improvement of residential housing units for low-income or homeless persons. The program provides basic educational skills training, specialized job training in the construction industry, work experience, and leadership skills for disadvantaged youth that have not completed high school.

The Washington Youthbuild Program is administered by the Employment Security Department (ESD), in consultation with the Department of Community, Trade, and Economic Development. The ESD provides grants to local organizations to implement local Youthbuild programs. The local organization must be eligible to secure additional funding through a public and private partnership and be eligible to provide education and employment training under federal and state law. The program participants must be: (1) 16 to 24 years of age; (2) a member of a household with an income that is at or below 50 percent of the median income for the county; and (3) a high school dropout.

In 1994, the Legislature provided a single year of funding to implement the Washington Youthbuild program. The local Youthbuild programs funded were in Wenatchee, Yakima, Seattle, Spokane, and King County.

Recently, there has been concern expressed by the Youthbuild USA organization over the unauthorized use of the term Youthbuild-which they have registered.

SUMMARY:

The Washington Youthbuild Program is revised to: (1) Allow greater local flexibility in selecting eligible participants; (2) Increase amounts to cover the administrative costs of the local Youthbuild program; (3) Direct the Workforce Training and Education Coordination Board to provide technical assistance; (4) Remove obsolete reporting requirements; and (5) Change the name of the program.

All references to Washington Youthbuild— are changed to Washington Youthbuilt— wherever they occur.

Eligibility for participation in the Washington Youthbuilt program is expanded to include youth that have completed high school, but who still have basic educational needs despite having attained a high school diploma or its equivalent. The Commissioner of Employment Security may provide waivers to allow to allow a local youthbuilt program to select up to 25 percent of their participants under this provision.

The amount of Washington Youthbuilt funds that can be used for the administrative costs of the local youthbuilt program is increased from 5 percent to 9 percent of the amount awarded.

The Workforce Training and Education Coordination Board must advise the Employment Security Department on program development and implementation.

Direct references to consultation with the Department of Community, Trade, and Economic Development and advice from the Washington State Job Training Coordinating Council are removed. Obsolete reporting requirements are removed. The Employment Security Department is to include reports on local youthbuilt programs as part of its report to the Governor and the Legislature.

<u>Appropriation:</u> \$1 million from the general fund to the Employment Security Department.

Fiscal Note: Requested February 4, 1997.

<u>Effective Date:</u> Ninety days after adjournment of session in which bill is passed.