

SUBJECT: Creating the Texas Youthworks Program

COMMITTEE: Urban Affairs — committee substitute recommended

VOTE: 6 ayes — Hill, Bailey, Burnam, Clark, Ehrhardt, Wohlgemuth
1 nay — Shields
1 present, not voting — Garcia
1 absent — Hodge

WITNESSES: For — Scott Barrow, Dallas Youth Services Corps; Dennis Borel, American Institute for Learning; John Henneberger, Texas Low Income Housing Information Service; Mike Buzbee; Laurelia Esteban; Tina Ann Harros; Arthur Torres; Pete Avalos
Against — None
On — Leslie Geballe, Texas Workforce Commission; Barbara DuBose; Lee Gros; John Garvin

DIGEST: CSHB 2904 would create the Texas Youthworks Program. Its purpose would be to promote the economic self-sufficiency of disadvantaged or at-risk youth by providing opportunities to acquire job skills while performing community service activities, and creating opportunities for communities to restore abandoned properties and historic areas, enhance public places, and increase the availability of affordable, energy-efficient housing for individuals and families of low and very low income.

The Texas Department of Housing and Community Affairs (TDHCA) would administer the program and be authorized to employ necessary personnel. The department's governing board would be required to adopt rules necessary to implement the program, including rules for auditing and accountability.

The Texas Youthworks Program would be funded by legislative appropriations and other available money identified by TDHCA or other

state agencies. In addition, TDHCA would be able to accept gifts, grants and other donations for operation of the program.

TDHCA's executive director could award grants under the Texas Youthworks Program to eligible entities for projects meeting program requirements. Eligible entities would be required to have at least three years of successful experience operating programs benefitting disadvantaged or at-risk youth. They also would have to fit into one of the following categories:

- a private nonprofit tax-exempt 501(c)(3) organization;
- a public agency operating a community-based youth employment training program;
- a community housing development organization certified by the state;
- an educational facility approved by the Texas Youth Commission;
- a corps-based community service organization;
- an open-enrollment charter school approved by the Texas Education Agency; or
- another entity authorized by the governing board of the TDHCA.

Grants would have to be used for projects that provided services to participants between the ages of 16 and 24 who either were not attending high school and had not received a high school diploma or equivalency certificate, or were at risk of dropping out of high school or an equivalency program. Participants would also have to be members of a household receiving public assistance and earning not more than 80 percent of the area median income; errant or homeless or potential wards of the Texas Department of Criminal Justice or Texas Youth Commission; referred by another state agency; or educationally disadvantaged, as defined by TDHCA board rules. TDHCA could authorize an entity to provide services to a participant not meeting those requirements.

Projects receiving Texas Youthworks Program grants would have to provide the following services to project participants:

- integrated job and education training divided between practical hands-on work experience at project sites and, if the participant had not

received a high school diploma or equivalency certificate, academic and project-based instruction to attain a diploma or certificate;

- direct access to counseling and support services, including assessment and orientation services, life-skills training, peer tutoring, gang prevention techniques, parenting and child-care skills, and medical and legal screening and referrals;
- direct access to leadership training designed to develop ethics, citizenship, personal responsibility, critical thinking, and decision-making, problem-solving and negotiation skills; and
- direct access to assistance in making the transition from training to economic self-sufficiency, including career counseling, job placement, personal finance, home buyer education and follow-up services.

These projects would have to provide participants a training stipend, in an amount determined by TDHCA rule, for up to two years, conditioned on the participant's demonstrating improved job performance and personal responsibility. The training stipend would not count as income for purposes of determining the eligibility of the participant or the participant's household for any form of public assistance. Projects also would have to provide an opportunity to earn scholarship awards for college tuition.

Projects receiving Texas Youthworks Program grants would have to provide at least one of the following community services:

- acquisition, rehabilitation or construction of energy efficient, affordable housing for elderly individuals, U.S. Armed Forces veterans, former participants in the Peace Corps, VISTA or AmeriCorps program, and individuals and families of low and very low income;
- transitional housing for homeless individuals or persons with mental or physical disabilities; or
- sustainable construction or rehabilitation in low-income neighborhoods of historic properties, community facilities, cultural districts or parks

owned by public or nonprofit agencies.

“Sustainable construction or rehabilitation” would mean long-lasting, energy-efficient construction or rehabilitation that reduces the energy costs of conventional construction or rehabilitation by at least 20 percent.

Entities proposing a project would have to file a grant application with TDHCA in a form prescribed by the director and meet certain criteria on project description, budget, and other matters. In awarding a grant under the Texas Youthworks Program, the TDHCA executive director could give preference to an applicant with experience in providing the services proposed, and would be required to give preference to applicants documenting matching contributions from other sources and support from local organizations, community leaders and elected officials.

TDHCA could not provide more than 75 percent of the money budgeted for a project. Administrative costs of a project could not exceed 15 percent of the money awarded under the Texas Youthworks Program.

Entities awarded grants would have to establish a participant council to provide comments and suggestions regarding project policies, and an advisory board that included senior staff of the entity operating the project, area employers, industrial leaders, representatives of nonprofit organizations representing low income neighborhoods, and project participants.

At the end of each fiscal year, the executive director would be required to report to the governor and the Legislature on the status of the program.

TDHCA would be assisted in implementing and promoting the Texas Youthworks Program through a work group would be composed of the chief administrative officer, or a designee, of TDHCA, Texas Workforce Commission, Texas Youth Commission, Texas Education Agency, Texas Juvenile Probation Commission, the community justice division of the Texas Department of Criminal Justice, and any other state agency that chose to participate. It would have to be formed and hold its first meeting by November 1, 1997. Before November 15, 1998, the work group would be required to identify all available state and federal funding sources for the program and appropriate state programs, services or activities that could be

delivered by referring eligible individuals to the program. Members of the work group would not receive compensation for taking part in the work group, and would have to elect a presiding officer and meet at the call of that officer. The work group would dissolve September 1, 1999.

CSHB 2904 would take effect September 1, 1997.

SUPPORTERS
SAY:

CSHB 2904 would provide and combine the three ingredients necessary to revitalize Texas communities and promote economic growth: education, jobs and low-income housing. The Texas Youthworks Program would promote the economic self-sufficiency of disadvantaged at-risk youth by providing them with education and opportunity to acquire job skills while performing community service. At the same time, the program would increase the availability of energy efficient, affordable homes for low-income individuals and families, and provide communities with restored properties and historic areas and enhanced public places.

The Youthworks Program would take at-risk youth off the streets, move them away from lives of crime, and remove them from welfare assistance. Program participants would receive an intense and thorough training program that would counsel them for substance abuse and social problems, teach them to be a part of a team effort, train them in a construction career, build their leadership skills and assist them in earning an education. In essence, the Youthworks Program would take at-risk youth who are part of our society's problems and turn them into solutions with a bright and productive future.

Training and educating at-risk youth helps prevent them from becoming involved in the criminal justice system. Each uneducated untrained youth in the criminal justice system costs taxpayers between \$1.5 million and \$2 million to publicly support through a lifetime. But that same at-risk youth, if educated and trained in the Youthworks Program, would become a tax-paying member of the community rather than a drain on the welfare and criminal justice systems.

A prototype of the Youthworks Program has already been successfully operating in Austin for the past three years. Program participants have completed construction on 15 homes and several more are currently under

way. These homes are concentrated in one of Austin's poorest neighborhoods and they are being sold to first-time homebuyers for prices in the low \$40,000s. In addition, program participants have weatherized more than 50 substandard homes and undertaken several other community service projects. Many of those who completed the program have been hired by businesses in the construction industry. This program has received several national and state awards.

No extra appropriations would be necessary for the Youthworks Program. Funding would come from TDHCA and the Texas Workforce Commission and other state agencies, primarily from pass-throughs of federal grants. Units of local government, nonprofit agencies and other successful applicants would receive funds for these types of projects, and they would be able to make a local decision on where to spend the funds they receive. TDHCA plans to provide approximately \$2.184 million for the program and projects that, in the first program generation, funding would train a minimum of 125 program participants, build 25 homes, and enable several other community service projects.

OPPONENTS
SAY:

CSHB 2904 would send the wrong message and fail to promote true volunteerism because it would pay youths for their participation in community service projects. Furthermore, the Youthworks Program, as proposed by CSHB 2904, would expand state level bureaucracy unnecessarily. There are already similar local programs operating successfully in Texas without the involvement of a state-level bureaucracy.

TDHCA already has more programs than it can competently handle and CSHB 2904 would exacerbate that problem by giving it another.

OTHER
OPPONENTS
SAY:

CSHB 2904 should include a provision explicitly requiring that any profit resulting from program home sales be channelled back into the program. This would help ensure that the Youthworks Program became self-sustaining.

NOTES:

The committee substitute lowered the age of eligible participants from 17 to 16 years; deleted a requirement that participant training be divided evenly between job and education training; deleted provision of transitional housing for individuals with mental or physical disease from the list of eligible

community services; made it permissive rather than mandatory for the TDHCA executive director to give preference in awarding grants to applicants with experience; and added the work group provisions.

The companion bill, SB 1810 by Barrientos, passed the Senate on April 16 and has been referred to the House Urban Affairs Committee.