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FISCAL IMPACT REPORT

ORIGINAL DATE 1-30-06

SPONSOR Gonzales LAST UPDATED _____ HB 348

SHORT TITLE TAOS YOUTH ECONOMIC DEVELOPMENT PROGRAMS SB _____

ANALYST Hadwiger

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
 Children, Youth, and Families Department (CYFD)
 Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 348 appropriates \$100 thousand from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) to contract with a nonprofit entity to provide opportunities for Taos county youth to overcome personal and societal problems by learning entrepreneurial skills, studying worldwide economic development while serving as ambassadors from New Mexico and participating in design and construction training.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

DFA noted that the Taos Da Vinci Project ("Project") was incorporated to provide opportunities

for Taos County's troubled youth to overcome personal and societal problems through entrepreneurial training. The Project assists youth between the ages of 15 and 24 learn business skills and receive educational credits to meet high school graduation requirements. The Project focuses on at-risk youth. Youth are referred to the Project primarily through the court system. Typically, 100 youth participate in the Project through one of the services offered. Entrepreneurial skills are learned through agricultural development. Approximately 30 kids will be responsible for farming a tract of land, ordering the necessary supplies and equipment, and selling the produce at a Farmer's Market. The kids earn roughly \$10/hour and are learning the "ins and outs" of operating a business and the physical and mental labor that goes along with that. Additionally, approximately 20 kids travel to a foreign country to meet with community leaders and share ideas on business development and community service. The funding for the trip is through private donations and foundation grants. According to DFA, a portion of HB348 funding will go to pre- and post-trip activities. The 2006 trip will be to El Salvador.

CYFD indicated that Taos County is a rural county with several remote communities with limited access to services. Historically there has been a lack of services, including juvenile services, in both the Town of Taos and within the County. CYFD is expanding services through the Juvenile Justice Advisory Committee (JJAC) recommended funding of the town as a JJAC continuum site. The town through the 'continuum' agreement provides restorative justice and day reporting programs across both the town and county. The Taos Juvenile Justice Board is actively engaged in assessing disproportionate minority contacts in Taos, and is developing a gender specific program in cooperation with the 8th Judicial District Court's juvenile drug court program. The board is developing a sustainability plan for juvenile justices programs and services.

PED identified the following benefits from participation in youth entrepreneurship programs such as that funded in this bill:

- Life Skills
 - Problem-solving skills
 - Interpersonal communication skills
 - Technology skills
- Employability and work readiness
- Employment and earnings
- Academic achievement
- Educational attainment
- Positive interpersonal relationships
- Civic engagement
- Health status
- Reduction in risky behaviors
 - Low rates of youth crime and delinquency activities
 - Fewer arrests
- Low rates of depression, anxiety and other mental disorders
- High rates of optimism and positive sense of self
- Positive psychological well-being

PERFORMANCE IMPLICATIONS

CYFD noted that the services funded by this bill could have a positive impact on local rates of juvenile justice contact and involvement, as well as on the percentage of juveniles successfully completing formal probation.

ADMINISTRATIVE IMPLICATIONS

The grant will be administered through DFA which indicates it already has the staff and the knowledge to easily fund and monitor this project.

DH/mt