

Analysis

Oregon Department of Education – Youth Development Division

Special Purpose Appropriation Request for Youth Development Programs

Analyst: Doug Wilson

Request: Allocate the \$1,789,557 Special Purpose Appropriation to the Emergency Board to the Oregon Department of Education for Youth Development Programs.

Recommendation: The Legislative Fiscal Office recommends that an appropriation of \$1.6 million General Fund for Youth Development Grant-in-Aid programs and a \$189,557 General Fund appropriation to the agency Operations budget be included in the budget reconciliation bill.

Analysis: HB 5008 (2013 Session) included a \$1,789,557 General Fund special purpose appropriation to the Emergency Board representing funding for the second year of the biennium for youth development services provided at the local level. Prior to the release of these funds, the Youth Development Council (YDC) and the Youth Development Division of the Oregon Department of Education (ODE) were required to report to the interim Joint Committee on Ways and Means with a funding allocation plan that can be implemented no later than July 1, 2014, “for (1) All services provided by the council; (2) Juvenile crime prevention programs; and (3) New investments in youth development programs and services that align with and support goals established by the Oregon Education Investment Board.” This report was presented to the interim Joint Committee in January 2014 and outlined a plan with four components:

- **Youth and Community Grant Fund** for assisting existing efforts for improving education and workforce success for those youth disconnected or at risk of disconnecting from the education system and labor market;
- **Youth and Gangs Grant Fund** for community-based grants for assisting existing efforts in addressing youth gang violence;
- **Youth and Innovation Grant Fund** for the same general purpose as the Youth and Community Grant Fund above but directed more at new innovative approaches; and
- **Youth and Crime Prevention Grant Fund** to assist state and local efforts to prevent juvenile crime and reduce youth involvement with the justice system.

The funding plan assumed that \$1.6 million of the General Fund special purpose appropriation would be used for the Youth and Innovation Grant Fund, with the remainder for the administrative costs of these grant programs. Grants from the Youth and Innovation Grant Fund would be one-time in nature, not to exceed \$100,000 per biennium, and would be expected to move the program or service to operational sustainability.

Complicating this overall funding allocation plan is that one of the key funding sources for the Youth and Community Grant Fund may not be available to be used in the manner assumed by the YDC in the current biennium. HB 4134 was introduced at the request of the Governor, and, as introduced, would have directed the juvenile justice funding authorized under ORS 417.855 currently provided directly to counties be redirected to ODE for competitive grants under the Youth and Community Grant Fund beginning in July 2014. The current version of that bill (B Engrossed) delays the implementation date to July 2015, and establishes a Committee to review the current use of these

funds and recommend changes to the Legislature.

While the delay in the implementation date in HB 4134 does leave a hole of just less than \$3 million General Fund in the overall YDC funding allocation plan for the second year of this biennium, the YDC still would like to use \$1.6 million of the special purpose appropriation funding for new and innovative approaches under the Youth and Innovation Grant Fund. This appears to make sense given that the existing juvenile justice funding still would go to what are essentially current approaches and programs, similar to what YDC had planned to use the funds for under its proposed funding allocation plan.

The Legislative Fiscal Office (LFO) recommends that the \$1,789,557 General Fund special purpose appropriation to the Emergency Board be redirected for youth development programs as outlined in the YDC's funding allocation plan. Of the total amount, \$1.6 million would be designated for the Youth and innovation Grant Fund, and the remaining \$189,557 would be designated for grant administration and other activities related to the overall funding allocation plan. LFO recommends these appropriations be included in the 2014 session budget reconciliation bill.