§ 42. Youth education, employment and training program. This program shall provide services to economically disadvantaged in-school and out-of-school youth fourteen to twenty-one years of age and shall be subject to the following provisions of this section:

1. The goals of this program shall be entry into post-secondary education, enrollment in vocational or skills training programs, or the attainment of favorable employment and career opportunities. To obtain program goals, local projects shall include one or more of the following objectives: retention in high school, improvement in basic academic and vocational skills and, when attainable, the acquisition of a high school diploma or its equivalent.

2. For the purpose of this section, the following terms shall have the following meanings: "local project" shall mean the specific plan or proposal for support and/or direct client services at the local level as specified in a contractual agreement with employment and training providers pursuant to this section; and "economically disadvantaged" shall be defined as set forth in regulations promulgated by the state education department pursuant to sections sixty-four hundred fifty-one and sixty-four hundred fifty-two of the education law or as set forth in the federal job training partnership act, public law 97-300 or its successor program or in the absence of such, as defined by the commissioner. Moneys to fund the program may be used for projects in which up to ten percent of the participants enrolled, on a project by project basis, are youth who are not economically disadvantaged if such youth have been identified as at risk of dropping out of school or have barriers to employment.

3. Subject to the limits of available moneys for this program and the approval of the director of the budget, the commissioner, in consultation with the commissioner of education, shall select and make contracts with preference to employment and training providers who have demonstrated effectiveness in serving disadvantaged youth for the purpose of conducting local projects. Such moneys may be used for contractors selected on a competitive basis consistent with executive order number one hundred twenty-seven which expedites and simplifies

contracting with not-for-profit agencies. Such employment and training providers shall only include not-for-profit community based organizations, boards of cooperative educational services, post-secondary educational agencies, grant recipients or administrative entities of the service delivery areas (hereinafter referred to as SDAs), as may be defined by the Federal Job Training Partnership Act (hereinafter referred to as JTPA) or its successor program or in the absence of such, as defined by the commissioner, joint apprentice committees, labor organizations, and public and private employers. Preference in selection of such contractors shall be given to qualified and experienced community based organizations with proven ability to administer such programs.

4. Moneys for this program shall be apportioned in a manner that ensures a distribution of funds to projects operating in communities which have high rates of youth unemployment, significant drop-out rates among high school-aged youth, large numbers of youth living in poverty, and a high proportion of households receiving public assistance benefits.

5. Such moneys may not be used for an SDA as an employment and training provider for local projects for out-of-school youth unless it has been determined by the commissioner that no other employment and training provider is available in the area which this program is designed to serve.

6. Notwithstanding any other provisions of law to the contrary, the educational opportunity centers (hereinafter referred to as EOCs) operated by the state university and educational centers operated by the units of the city university of New York are hereby authorized to contract with employment and training providers funded pursuant to this section for provision of services authorized under this section and to receive reimbursement for services provided. For the purpose of this program, all participants eligible for services pursuant to this section shall be deemed to be eligible for services provided by the EOCs.

7. Allowable activities under this section may include tutoring, basic

skills remediation, occupational/vocational training, vocational exploration, on-the-job and supervised worksite training, counseling, and support services. Local projects shall integrate such allowable activities, as fully as possible.

8. Participants in programs under this section may be granted a stipend if such youth are not participating in a paid work experience. On an individual participant basis, the local project operator may extend tutorial services, basic skills remediation, and counseling beyond one program year, provided the participant continues to meet the other eligibility requirements of this program.

9. Pursuant to a memorandum of agreement, the education department shall be responsible for the approval of the educational component of local projects under this section predicated upon a review of each local project proposal. Such educational component shall include programs of instruction, remedial activities, and services designed to improve participants' performance in reading, writing, communication, math, and science. Academic credit may be made available to qualifying participants for their involvement and performance in this program. Local projects shall be evaluated for credit and recommendations shall be made to local schools by the education department.

10. As a condition of participating in programs under this section, each employment and training provider shall establish cooperative relationships for improving linkages with local educational agencies and SDAs which insure that school-based educational activities are integrated with the educational component of the local project as fully as possible.

11. Up to ten percent of the program funds allocated to local projects for direct client services may be expended for support services, provided that such support services are not available from other federal, state, local, or private resources. Such support services shall include day care which meets state standards, transportation, meal allowances, and clothing allowances.

12. No moneys shall be allocated to the department for support and/or direct client services unless the following conditions have been met: a memorandum of agreement has been signed with the education department pursuant to this section; and, regulations governing the selection and implementation of local projects have been issued. Further, no liabilities shall be assumed or moneys expended for support and/or direct client services unless such funding is specified in a contractual agreement with employment and training providers and the educational component of such contract has been approved by the education department.

13. Of the total funds made available for the payment of local projects for in-school youth and out-of-school youth, no more than one million three hundred forty-nine thousand dollars shall be allocated for local projects administered by service delivery areas. Provided further that as a condition of funding under such appropriation, a fifty percent match for the amount made available for local projects for in-school youth shall be required from employment and training providers out of in-kind services or moneys received through other local, private, or federal resources; except that a match of those funds designated for payment of participant wages and fringe benefits shall not be required. However, fifty percent of the payment of wages and fringe benefits to participants in approved vocational exploration or trial work experience in local projects for in-school youth administered by SDAs and funded under such appropriations shall be subsidized by the SDA out of moneys received through JTPA or its successor program, except that no JTPA or successor program subsidization of trial work experience shall be required if the SDA shall have otherwise obligated all moneys received through JTPA or its successor program, in which case the SDA may meet its obligation to subsidize from moneys received from any available source other than such appropriation. Further, no more than twenty-five percent of the payment of wages and fringe benefits to participants in on-the-job training in local projects for in-school youth administered by SDAs shall be paid from funds made available pursuant to such appropriation and any such funds so used shall be matched by the SDA out of moneys received through JTPA or its successor program, unless the SDA shall have otherwise obligated all moneys received through JTPA or its

successor program.

14. As a condition of receipt of moneys for payments for local projects for in-school youth and out-of-school youth local projects for out-of-school youth shall give preference to youth who are homeless and to adolescent parents, provided such youth meet other eligibility requirements of this program. Employment and training providers under this appropriation shall not be required to match moneys made available for local projects for out-of-school youth.

15. Notwithstanding any other law, rule or regulation to the contrary, the department shall prepare and submit to the governor, the temporary president of the senate, the speaker of the assembly and the chair of the legislative commission on skills development and vocational education, an annual evaluation report of this program no later than October thirty-first following the end of the program year. The report shall include a statement of program objectives which identifies outcomes and indicators of the effectiveness of the program. It shall represent the extent to which program activities meet program objectives including, but not limited to, improvements in participants' educational competencies and employability skills as measured by accepted testing tools. The basic measures of performance for projects for in-school youth shall be: high school retention, attainment of a high school diploma, enrollment in a post-secondary educational program or vocational skills training program, or attainment of unsubsidized employment. The basic measure of performance for projects for out-of-school youth shall be: improvement in basic academic and vocational skills, return to high school, attainment of a high school equivalency diploma, enrollment in a post-secondary educational program or vocational skills training program, or attainment of unsubsidized employment. The report shall include a separate count of participants who have participated in the same program model through more than one program cycle. A methodology shall be prescribed which requires collection of post-program information on program participants including, but not limited to, whether a participant receives a high school degree or its equivalent and subsequent labor market experience for one year following termination from the program, and the extent to

which the participant achieved outcomes as defined by the certified program model. The report shall also describe the types of support services provided, levels of expenditure, and demonstrate how such support services improve participant involvement in local projects.

16. Notwithstanding any other law, rule, or regulation to the contrary, including the provisions of the social services law, wages and income earned by the participants of this program who are receiving assistance under the temporary assistance for needy families block grant shall be exempt and disregarded when determining the need for such assistance in accordance with federal law and regulations or pursuant to waiver of such law and regulations. Wages and income earned by participants in this program, who are receiving assistance pursuant to the safety net assistance program, or under the temporary assistance for needy families block grant, or the veterans assistance program, shall be exempt and disregarded when determining the need for such assistance. Such income and wage exemptions and disregards shall be allowed, if, and as long as, federal financial participation is available.

17. Notwithstanding any other law, rule or regulation to the contrary, employment and training providers funded through this program shall be designated no later than June first of each year. Failure of providers to submit required monthly or fiscal reports to the department without waiver for reasonable or unanticipated circumstances shall cause forfeit of the program contract effective after sixty days notification to providers.