

## The Massachusetts Juvenile Employment and Recidivism Initiative

### Abstract

#### Basic Project Information

**Applicant Name:** Commonwealth of Massachusetts (the "State")

**Applicant Type:** State Workforce Agency (Executive Office of Labor and Workforce Development, Department of Career Services)

**Applicant City/State:** Massachusetts

**Geographic Areas Served:** Services will be provided through two hubs, in Springfield and Chelsea, covering a total of 17 communities.<sup>1</sup>

**Project Name:** The Massachusetts Juvenile Employment and Recidivism Initiative (the "Initiative")

**Funding Level Requested:** \$11.7 million

- \$10.9 million Payments for Success
- \$0.1 million Validation Costs
- \$.7 million Administration and Oversight Costs

**Names of the Entities Serving as the:**

- **Intermediary:** Redacted pursuant to 17 CFR Part 230 Sections 501-508
- **Investor(s):** Redacted pursuant to 17 CFR Part 230 Sections 501-508
- **Independent Validator:** Public Consulting Group

#### Description of the Problem and Target Population's Characteristics

The State has enacted legislation authorizing the Secretary of Administration & Finance to enter into Pay for Success (PFS) contracts of up to \$50 million. Pursuant to that authorization, the State is developing a PFS project designed to target young men with the highest risk of being unemployed and

<sup>1</sup> The Chelsea hub will serve Cambridge, Chelsea, Everett, Lynn, Malden, Medford, Revere, Somerville and Winthrop, and the Springfield hub will serve Agawam, Chicopee, Holyoke, Ludlow, Springfield, Watertown, West Springfield and Westville

incarcerated. The state is applying for \$11.7 million of Department of Labor ("DOL") funding in this proposal and is prepared to match the federal grant on a more than 2 for 1 basis.<sup>2</sup>

The project's target population is young men between 16 and 22 who are aging out of Department of Youth Services ("DYS"), aging out of juvenile probation or currently on adult probation & are determined to be at high risk for re-incarceration. Young men who are involved with the criminal justice system often lack basic education and literacy skills, job readiness and employability skills, and specific occupational skills that will allow them to access employment in an industry with career opportunities.

A further obstacle to sustained productive employment for these young men is incarceration: 67.5% of them return to the custody of the State within 6 years. This removes them from the labor market and makes the likelihood of ever securing productive employment even more remote. Limited services accompany transitions out of custody, and services completely end when these young people are no longer under supervision by the DYS or Probation. Indeed, one year after release, only 35% of these young people have positive earnings and even among the employed, mean annual earnings are approximately \$5000.

### **Description of the Proposed Outcome(s) and Outcome Target(s)**

The Initiative will assess employment, criminal recidivism, and educational achievement outcomes. Specifically, the Initiative will work to achieve the following: (i) Increase employment by between 10 and 20 percentage points relative to a historic baseline of approximately 22%, and (ii) Reduce incarceration rates by 20 - 60% relative to a historic base of 580 bed days. We will also be obtaining educational achievement data from the state department of education that will allow us to observe 1) high school graduation rates, test scores, and attendance; 2) GED completion; and 3) enrollment in post-secondary education (through the state's data sharing with the federal clearinghouse).

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<sup>2</sup> The State intends to use the remaining \$23 million of its PFS authorization for a homelessness initiative.

All outcomes will be assessed primarily using a randomized control trial of young men from the same target population and a secondary difference of differences approach to compare outcomes with similar populations in different localities.

### Description of the Intervention Strategy

Because the State is in advanced stages of planning the Initiative, it has procured a service provider, Roca Inc., which will deliver its services through the intermediary. Roca is a nonprofit corporation whose time-tested behavioral change model—providing two years of intensive on-the-street services plus two years follow up—offers the best chance of putting high-risk youth on a path to successful adulthood and not merely effecting temporary behavioral or employment changes. Roca's intervention relies on a simple, but powerful theory of change: *when young people are re-engaged through positive and intensive relationships they can gain competencies in life skills, education and employment and move toward economic independence and living out of harm's way.*

### Expected Cost Savings and/or Efficiency Gains from Intervention:

The Initiative's economic model is based on making up-front expenditures on preventive services that raise participant earnings and reduce recidivism. These outcomes produce monetizable savings to government through reduced transfer payment expenditures, increased tax revenue, and lower criminal justice costs. The Initiative's payments are based exclusively on these monetizable government savings. The above table is a summary of the economic model.

Redacted pursuant to 17 CFR Part 230 Sections 501-508

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