

America's Opportunity Youth Deserve an Equitable Economic Recovery

Recommendations to the Biden Administration for Youth Employment Policy

April 2021

Introduction

In today's volatile economy, we can no longer afford to underinvest in America's opportunity youth. The costs of ignoring these young people, who are disconnected from education and out of work, are too high and growing. Even before the COVID-19 pandemic, young people, especially those of color and from low-income backgrounds, were facing <u>declining economic prospects</u>: the rate of youth unemployment was double the national average, and more than one-third of these young people were living in poverty.¹ Over the past year, the opportunity youth population has more than doubled: previously, 4.6 million young adults ages 16 to 24 were out of school and unemployed, but that number is now closer to 10 million.².

Building skills and gaining work experience are key to young people's upward mobility, but the pandemic has all but shut off opportunities for employment. In addition, funding for programs helping low-income, disconnected youth has <u>declined precipitously</u> since its peak in the late 1970s.³ Today, the primary federal program serving opportunity youth is authorized under the Workforce Innovation and Opportunity Act (WIOA), which provides formula funding for state and local programs. In Fiscal Year 2020, funding for WIOA youth totaled only \$913 million, serving just over 150,000 young people.⁴

To reverse this trend, we need big and bold solutions that create strong bridges between education and employment for young people. Federal policies must provide solutions that include postsecondary education and training that is of high quality and affordable. They must also offer paid work experiences and holistic supports to ensure that youth receive the services they need to access and persist in education, training, and work. Taxpayers save, communities thrive, and businesses gain critical workers when opportunity youth make strong connections to education and the labor market.

To accomplish this, JFF urges the Biden Administration to take the following actions:

Increase Funding for Programs Serving Opportunity Youth

- Increase investments in programs serving opportunity youth by \$10 billion, which is estimated to serve an additional 1 million to 1.5 million young people in need of assistance (based on investment levels comparable to those for traditional students under the Pell Grant program).
- Continue to prioritize out-of-school youth in WIOA youth programs. WIOA's formula grant programs for youth are currently required to spend at least 75 percent of funding on out-of-school youth. We urge these programs to continue to prioritize out-of-

school youth. However, we also recognize the need to serve young people who are still technically enrolled in school but are at risk of disconnection. Therefore, we strongly recommend that the nation's K-12 education system devote adequate funding and attention to youth who are at risk of disengaging from high school. We urge the administration to expand policies that support reengagement of these young people through evidence-based strategies, such as pathways approaches (e.g., <u>Back on Track</u>), and other models with proven success. We also recommend the expansion of our nation's career navigation efforts, including the establishment of a career navigation corps that includes members dedicated to reengaging young people at risk of disconnection from school.

- Establish a new competitive grant program to serve local areas that have high concentrations of opportunity youth. Such a program should align multiple programs and partners through collective impact strategies for serving in-school and out-of-school youth who are at risk of disconnection. In addition, it should expand evidence-based strategies for helping opportunity youth succeed. The program must also focus on solutions that address the education and employment needs of underrepresented youth—including Black, Latinx, and Indigenous populations, who have been historically underserved—with special attention to racial equity. These grants should be awarded to partnerships of workforce systems, secondary schools, community colleges, community-based organizations, employers, and other key stakeholders. They should incorporate flexibility similar to that provided in Performance Partnership Pilots for Disconnected Youth grants, to allow for creative solutions to the complex challenges faced by opportunity youth and other vulnerable youth populations.
- Expand access to more flexible student aid through skills accounts to expand funding for skill development, short-term Pell Grants, and other financing mechanisms to remove cost as a barrier to postsecondary credentials and allow individuals to access more modern postsecondary options that meet their career and personal needs.

Increase Program Quality and Expand Services for Opportunity Youth

- Ensure that youth programs build upon evidence-based models and service delivery strategies that have proved successful in serving opportunity youth by doing the following:
 - Expand and improve career navigation services for opportunity youth, including access to innovative tools such as <u>MyBestBets</u>.
 - Expand the use of technology for improved data analysis and enhanced service delivery.

- Emphasize career pathways approaches that include multiple on-ramps to postsecondary education and training opportunities and end with the attainment of valued credentials and in-demand careers.
- Expand opportunities for work-based learning, including pre-apprenticeships and apprenticeships.
- Emphasize wraparound supports, mentoring, mental health services and trauma-informed counseling, and other critical supports.

Expand Access to Work-Based Learning and Good Jobs

- Champion a national initiative to expand work-based learning opportunities
 for vulnerable and opportunity youth. This initiative should incorporate the
 development of national principles for high-quality work-based learning, including preapprenticeship and apprenticeship programs, and encourage employer commitments to
 expand work- based learning participation.
- Focus job creation and subsidized employment opportunities on opportunity youth. Ensure that opportunity youth have access to opportunities in upcoming job-creation initiatives, including infrastructure, green energy, and health workforce programs. Additionally, skills training for these jobs should be a priority, with not less than 1 percent of funding for these initiatives dedicated to job training for unemployed and underemployed individuals, including opportunity youth.
- Launch a new <u>national youth service corps</u>, and ensure that opportunity youth have access to high-quality service experiences that, combined with education, training, and on-the-job experience, will prepare them for further education and in-demand careers. New service corps members could be trained to augment the efforts of frontline workers responding to the pandemic, or serve on reengagement crews to help affected students and workers reconnect to education and jobs as part of public career navigation efforts. Reengagement crews could begin an all-out effort this summer to help the many young people who are at risk of disconnection, or those who have already left high school, to reengage in education and skills training programs.
- Provide incentives for inclusive outreach, recruiting, support, and hiring
 practices that are designed to ensure that underrepresented populations, including
 opportunity youth, are able to access and succeed in in-demand, family-supporting
 careers.

Align Youth Programs and Investments

- Appoint a cabinet-level youth appointment and establish an interagency task
 force on youth policy. The task force should reestablish federal policymakers'
 commitment to youth populations, coordinate efforts across youth serving programs,
 and find key solutions that can help opportunity youth attain needed credentials and indemand, family-supporting careers. This initiative should include the establishment of
 common performance metrics across youth programs, building on performance
 measures in WIOA.
- Reestablish youth councils as subcommittees of regional workforce boards, serving as the primary strategic planning, oversight, and coordinating body for youth programming under WIOA youth programs. Such councils should comprise stakeholders with expertise in the field of youth policy and practice, such as leaders from key education and youth-serving systems and employers. They should also include a strong youth membership to advise on the programs, strategies, and cross-system alignment needed to best serve the comprehensive needs of vulnerable youth in communities.

Conclusion

As the nation moves toward recovery from the COVID-19 pandemic and the economic crises it has exacerbated, the Biden Administration has an unprecedented opportunity to invest and make needed changes in systems and policies that are designed to help Americans succeed economically. JFF has developed a range of recommendations for the new Administration in its blueprint *How to Achieve an Equitable Economic Recovery for America*, and in our *Recommendations for a Fully Funded and Transformed Workforce Development System*. The documents outline ways to make needed changes in outdated education and workforce development systems, foster community revitalization, and provide individuals from all backgrounds with career and educational opportunities and the supports they need to succeed.

In this paper, we have provided recommendations for how the administration can invest and make needed changes in programs and policies that serve our most vulnerable youth populations. As we state in the broader blueprint, now is not the time to focus on getting back to "normal." We need to leapfrog "normal" and aim for something better. We must be bold in our efforts to address the complex needs of vulnerable and opportunity youth to build a more resilient, more prosperous, and more equitable future.

The COVID-19 pandemic has had a devastating effect on educational and career opportunities for youth and young adults. But with targeted investments, changes in our program offerings,

and with effective collaboration across our secondary and postsecondary education, workforce, youth, human services, and economic development systems, we can ensure that America's young people have access to the skills, credentials, and careers that will support their economic advancement as the economy rebounds. By increasing resources for youth programs and ensuring the quality of these programs, we can ensure that opportunity youth and other vulnerable youth are able to succeed. JFF urges the Biden Administration and our leaders in Congress to take action and invest in America's greatest resource: its young people.

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About JFF

JFF is a national nonprofit that drives transformation in the American workforce and education systems. For 35 years, JFF has led the way in designing innovative and scalable solutions that create access to economic advancement for all. Join us as we build a future that works.

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Endnotes

¹ JFF, *Investments in Opportunity Youth Fuel Prosperity* (Boston, MA: JFF, December 4, 2018), https://jfforg-prod-new.s3.amazonaws.com/media/documents/BudgetBrief_1203184.pdf.

² Richard Fry and Amanda Barroso, "Amid Coronavirus Outbreak, Nearly 3 in 10 Young People Are 'Disconnected,'" *State Legislature Magazine* (Washington, DC: National Conference of State Legislatures, August 6, 2020), https://www.ncsl.org/bookstore/state-legislatures-magazine/covid-19-nearly-3-in-10-young-people-are-disconnected-magazine2020.aspx.

³ JFF, *Investments in Opportunity Youth*, https://jfforg-prod-new.s3.amazonaws.com/media/documents/BudgetBrief_1203184.pdf.

⁴ JFF, Investments in Opportunity Youth.