

# **FACT SHEET**

#### **House Committee on Education and Labor**

Chairman Robert C. "Bobby" Scott

## **Opening Doors for Youth Act**

Investing in our Nation's At-Risk and Opportunity Youth

#### **Background**

In 2018, 4.4 million of young people ages 16 to 24 were disconnected from both school and work, representing a steady, eight-year decline in youth disconnection rates. The COVID-19 pandemic is expected to erase all this progress. Researchers <u>estimate</u> that there were six million young people disconnected in 2020 and that this number could grow to nine million (one in four) young people. Disconnected youth are three times more likely than other youth to have a disability, twice as likely to live below the federal poverty threshold, and significantly more likely to live in racially segregated neighborhoods. Disconnected young women and girls are four times more likely to have a child, and young people involved in the juvenile justice system or aging out of the foster care system are at high risk of disconnection.

Disconnection during this critical period can leave young people without the entry-level work experience and post-secondary credentials they need to succeed in the workforce. Disconnection also imposes significant costs on affected young people, their communities, and the overall economy. According to the 2020 report, *A Decade Undone: Youth Disconnection in the Age of Coronavirus*, by the time they reach their 30s, these young people will, on average, earn \$31,000 less annually than workers who were not disconnected in their youth. Connecting all youth estimated to be disconnected in 2020 could <u>save the federal government</u> \$55 billion in public expenditures, including health care, unemployment benefits, and incarceration costs, and generate \$71 billion in tax revenues each year.

Disconnected young people are also commonly referred to as "opportunity youth" because of the tremendous potential they possess. Young people from high-poverty, low-opportunity communities may need a range of supports to overcome barriers to reengaging in school or training and stay on the path to a good job.

### About the *Opening Doors for Youth Act*

This legislation expands opportunities for our nation's at-risk and opportunity youth by putting youth to work and supporting community efforts to keep youth connected to school and training by authorizing \$6.75 billion over six years.

The Opening Doors for Youth Act connects at-risk and opportunity youth with employment opportunities by:

- Authorizing \$2.025 billion in formula grants over six years for subsidized summer jobs for in- and out-ofschool youth ages 16 to 24. This program will help in-school youth remain connected to the education system and avoid involvement in the criminal and juvenile justice system.
- Authorizing \$ 2.362 billion in formula grants over six years for partially subsidized year-round jobs for youth
  ages 16 to 24 who are out of school and work. This program provides opportunity youth with the extended
  entry-level work experiences and work-readiness skills that are vital to improved employment outcomes.

The Opening Doors for Youth Act helps communities develop opportunities for youth to successfully transition from school to work by:

• Authorizing \$2.362 billion in competitive grants over six years to transform communities with high rates of youth disconnection into communities of opportunity. Local community partnerships will use funds to establish or expand community-based systems that provide at-risk and opportunity youth with comprehensive pathways to remain connected or reconnect to education and training systems, as well as the supportive services needed to overcome individual barriers to reconnection.