TESTIMONY FOR THE JOINT ECONOMIC COMMITTEE
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Chairman Coats, Ranking Member Maloney, and the members of the Joint Economic Committee - thank you for the opportunity to appear before you today. My name is Jennifer Mishory, and I am the Executive Director of Young Invincibles, a non-profit, non-partisan organization that works to expand economic opportunity for young adults. We welcome the opportunity to examine the challenges facing today's young people and to provide solutions that will set this generation up for success.

The Millennial generation is the largest and most diverse generation in American history. We are also the most educated, the most tech savvy, and, as I will outline here today, facing some of the deepest financial challenges of any generation since the Great Depression. Below are a few statistics to paint the picture:

- Definitions and estimates vary, but according to Pew Research, there are 75 million Millennials[1], defined as those born in between 1980 and 1999, and we are much more diverse than previous generations: 57 percent are white, 21 percent are Hispanic, 13 percent are black, and 6 percent are Asian American. This compares to Boomers, of which 72 percent are white.[2]
- In 2013, 47 percent of Millennials aged 25-34 had bachelor's degrees, and another 18 percent had completed some post-secondary education.[3]
- We are low- and moderate-income on average. The typical Millennial annual salary is $35,000 for men, and around $31,000 for women.[4]
- About 20.5 million Millennials are young parents, which accounts for almost a third of the overall generation.[5]

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[1] *This Year, Milllennials Will Overtake Baby Boomers*, (Pew Research Center, 2014), http://www.pewresearch.org/fact-tank/2015/01/16/this-year-millennials-will-overtake-baby-boomers/.
[2] *Comparing Millennials to Other Generations*, (Pew Research Center, 2015), http://www.pewsocialtrends.org/2015/03/19/comparing-millennials-to-other-generations.
[3] *15 Economic Facts about Millennials*, (White House Council of Economic Advisors, 2014), https://www.whitehouse.gov/sites/default/files/docs/millennials_report.pdf.
[4] Kathleen Elkins, "Here's how much money millennials are earning in each state," *Business Insider,* April 7, 2015, http://www.businessinsider.com/the-average-salary-of-millennials-2015-3.
[5] Konrad Mugglestone, *Finding Time: Millennial Parents, Poverty, and Rising Costs*, (Washington, DC: Young Invincibles, 2015), http://younginvincibles.org/wp-content/uploads/2015/04/Finding-Time-Apr29.2015-Final.pdf.

TODAY'S TRENDS

Young Invincibles has the chance to interact with thousands of young people a year to hear about what they care about the most. Many young people tell us about struggling to attend school, find a job that will allow accommodate class schedules, all the while raising a family and trying to limit the amount of student debt they take on. They tell us about the critical nature of job training programs, the pivotal role that financial aid plays in gaining skills, but also the difficulty in attaining financial security both without a degree and even with a degree but with too much debt.

The stories they share are borne out in the data. Millennials are experiencing an economic environment that is so dramatically different than that of their parents and grandparents it is almost unrecognizable. The Great Recession accelerated decades-old economic trends in employment, wage, and educational changes that have left this generation with critical challenges unlike those seen by our parents.

Employment Trends

While young people have experienced job growth in recent years, there are several long-term negative trends in youth employment levels that were further exacerbated by the Great Recession.[6] Labor Department data on workers between the ages of 25 and 34 show the percentage of unemployed workers consistently above the overall level of joblessness since the economic recovery began, with the exception of one month.[7]

Indeed, Millennials now make up the biggest generation, yet they account for just over 30 percent of employed Americans.[8] And this can have long-lasting effects. A study by a Yale economist reinforced what many of have said: workers who graduate from college during a period of high unemployment earn significantly less than workers who have better timing.[9] This gap lasts not for a year or two, but for 15 years or even longer.[10]

The trend is even more troubling for young people from communities of color. The September 2015 unemployment rate for 18-34 African-Americans was nearly double that of their white counterparts, and nearly double that of the Millennial generation as a

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[6] *See generally,* Rory O'Sullivan, Konrad Mugglestone, and Tom Allison, *In This Together: The Hidden Cost of Young Adult Unemployment*, (Washington DC: Young Invincibles, 2014) accessed November 15th, http://younginvincibles.org/wp-content/uploads/2014/01/In-This-Together-The-Hidden-Cost-of-Young-Adult-Unemployment.pdf; Rory O'Sullivan and Konrad Mugglestone, *Editorial Board Headline: How the Great Recession is the Worst for Millennials in Six Graphs*, (Washington, DC: Young Invincibles 2013), http://younginvincibles.org/wp-content/uploads/2013/07/How-the-Great-Recession-is-the-Worst-for-Millennials-in-Six-Graphs.pdf.

[7] Ibid.

[8] Bureau of Labor Statistics, Employed Persons by detailed occupation and age, http://www.bls.gov/cps/cpsaat11b.pdf

[9] *See generally* Lisa B. Khan, "The long-term labor market consequences of graduating from college in a bad economy," *Labour Economics*, Volume 17, Issue 2, April 2010, http://www.sciencedirect.com/science/article/pii/S0927537109001018.

[10] Ibid.

whole.[11] Hispanic unemployment was comparable to the seven percent Millennial average, but that figure and the generation as a whole lags behind the 5.1 percent rate seen in the broader economy.[12]

Wage Stagnation and Fewer Benefits

Millennials are also swept up in wage stagnation trends that have hurt workers of all ages. Adjusting for inflation, today's hourly wage has the same purchasing power as it did in 1979, and in real terms, the average wage peaked in 1973.[13] Young people are disproportionately also more likely to work in sectors that earn lower wages: median wages have declined or remained unchanged in the last decade in four out of the top five industry sectors employing young Millennials (18 to 24 year-olds).[14] Younger Millennials predominantly work in service industries: over 40 percent work in leisure and hospitality or retail and wholesale. In these sectors, wages have dropped $2,000 per year, compared to a decade ago.[15] Employment and wage trends mean that Millennials are far poorer than 20-somethings and 30-somethings in 1980.[16]

Other trends similarly impact this generation. Employers have shifted towards hiring more part-time and temporary workers in lieu of investing in full-time employees, and benefits structures have changed as well. One in four employed 18 to 34-year-olds is working only a part-time position, as opposed to one in six adults over 34 years old.[17] While still making up a relatively small sector of the labor market, contract workers have increased four-fold in the last thirty years.[18] In 2014, Career Builder forecasted that 42 percent of employers planned to hire temporary or contract workers during that year.[19]

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[11] "Millennial Unemployment Rate Remains Stagnant in September," *Young Invincibles*, October 2, 2015, http://younginvincibles.org/millennial-unemployment-rate-remains-stagnant-in-september/.
[12] Ibid.
[13] Drew DeSilver, *For most workers, real wages have barely budged for decades*, (Washington, DC: Pew Research Center, 2014) http://www.pewresearch.org/fact-tank/2014/10/09/for-most-workers-real-wages-have-barely-budged-for-decades/.
[14] Tom Allison and Konrad Mugglestone, *Where Do Young Adults Work?,* (Washington, DC: Young Invincibles, 2015),1, http://younginvincibles.org/wp-content/uploads/2014/12/Where-Do-Young-Adults-Work-12.4.pdf.
[15] Ibid. at 2.
[16] Derek Thompson, "Millennials" $2000 Poorer Than Their Parents Were at the Same Age," *The* Atlantic, http://www.theatlantic.com/business/archive/2015/01/young-adults-poorer-less-employed-and-more-diverse-than-their-parents/385029/.
[17] Analysis of 2013 Current Population Survey Data, U.S. Census Bureau. Data accessed from: Miriam King, Steven Ruggles, J. Trent Alexander, Sarah Flood, Katie Genadek, Matthew B. Schroeder, Brandon Trampe, and Rebecca Vick. Integrated Public Use Microdata Series, Current Population Survey: Version 3.0. [Machine-readable database]. Minneapolis: University of Minnesota, 2010.
[18] Tom Raum, "Temporary Jobs on the rise in today's shifting economy", Associated Press, May 19, 2014, http://bigstory.ap.org/article/temporary-jobs-rise-todays-shifting-economy.
[19] "2014 Jobs Forecast," *Career Builder* , December 2013, 2, accessed August 13, 2014, http://careerbuildercommunications. com/pdf/careerbuilder2014_forecast.pdf.

The rise of the on-demand or "sharing" economy, while providing desired flexibility and entrepreneurship for some young workers,[20] has also likely exacerbated that trend.[21]

As a result, many of today's young workers lack key benefit, wage, and other workplace protections such as paid sick or family leave, or even consistent workplace scheduling.[22] Previous generations had access to defined benefit retirement plans; that trend shift to defined contribution plans; and now many workers cannot access either of those through their work.[23] And employer-based health insurance decreased much faster for younger workers than for older workers in the early 2000s,[24] although reforms in the Affordable Care Act have helped to reverse rising uninsurance rates and provide young people with increased flexibility and access to coverage when they are unemployed or underemployed.[25]

Growing demand for education, growing debt

Other changes in today's economy have disproportionately impacted this generation, particularly the growing demand for skills and education. Research shows that by 2020, 65 percent of jobs will require some sort of postsecondary education training beyond high school.[26] As a result, while those with a degree have also experienced wage stagnation,

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[20] Tom Allison and Konrad Mugglestone, *The Future of Millennial Jobs* (Washington, DC: Young Invincibles, 2014), 10, accessed November 15th, 2015, http://younginvincibles.org/wp-content/uploads/2014/12/FUTURE-OF-MILLENNIAL-JOBS-1.20.2015.pdf.

[21] *See generally* Rebecca Smith & Sarah Leberstein, *Rights on Demand: Ensuring Workplace Standards and Worker Security in the On-Demand Economy* (New York: National Employment Law Project (NELP), 2015), 3-4, accessed November 13, 2015, http://www.nelp.org/content/uploads/Rights-On-Demand-Report.pdf.

[22] Brigid Schulte, "Millennials want a work-life balance. Their bosses just don't get why. ," *The Washington Post,* May 5, 2015, https://www.washingtonpost.com/local/millennials-want-a-work-life-balance-their-bosses-just-dont-get-why/2015/05/05/1859369e-f376-11e4-84a6-6d7c67c50db0_story.html.

[23] Stephanie L. Costo, "Trends in retirement plan coverage over the last decade ," *Monthly Labor Review* (February 2006): 58, http://www.bls.gov/opub/mlr/2006/02/art5full.pdf; Employee Benefit Research Institute (EBRI), "FAQs About Benefits—Retirement Issues," accessed November 13, 2015, http://www.ebri.org/publications/benfaq/index.cfm?fa=retfaq14; Teresa Ghilarducci and Joelle Saad-Lessler, "Explaining the Decline in the Offer Rate of Employer Retirement Plans Between 2001-2012" (Working Paper 2014-2, Schwartz Center for Economic Policy Analysis, Department of Economics, The New School for Social Research, July 2014), http://www.economicpolicyresearch.org/images/docs/research/retirement_security/Ghilarducci_Lessler_2014-2_Final.pdf. Now only about half of jobs offer retirement plans.

[24] Demos and Young Invincibles, The State of Young America, 4, accessed November 15th, 2015, http://www.demos.org/sites/default/files/imce/soya_HealthcareandCoverage_0.pdf,

[25] From 2013 to 2014, the percentage of uninsured Millennials dropped 5.2 percent, compared to a 2.7 percent drop in uninsured rate for those 35 and older. 3.6 million Millennials gained insurance during that time, and young adults made up 46 percent of the newly insured in the past year. Data derived from Young Invincibles' analysis of data from the U.S. Census Bureau's Current Population Survey (CPS).

[26] Anthony Carnevale, Nicole Smith and Jeff Strohl, "Executive Summary" in *Recovery: Job Growth And Education Requirements Through 2020* (Washington, DC: Georgetown University Center on Education and the Workforce (CEW), 2014), 1, accessed November 13, 2015, https://cew.georgetown.edu/wp-content/uploads/2014/11/Recovery2020.ES_.Web_.pdf.

there is still a wage premium that comes with having a postsecondary degree.[27] Yet affording college has become increasingly difficult.

Since 1978, tuition and fees have increased over 1,000 percent, primarily due to a decrease in state spending per student.[28] Things have gotten worse since the Recession: only two states are spending as much as they did on aid per student since before the Great Recession[29] – in fact, state investment in higher education is down 23 percent.[30] In 1979, the average student could work 182 hours to pay for a year's tuition, as compared to the 991 hours it would have taken to pay for that single year in 2013.[31] As a result, student debt ballooned.

In 2014, almost seventy percent of those public and nonprofit graduates from public had student debt, and those borrowers left with an average of $28,950.[32] Over the last decade, average debt at graduation rose at more than twice the rate of inflation.[33] Overall, borrowers hold $1.2 trillion dollars of student debt[34] - significantly more than the total amount of credit card debt that we have in this country[35] - and it has an enormous impact on millions of young people. As many as one-quarter of young adults live with a parent,[36] and while the rate of 18- to 24 year-olds living with their parents declined last year, the

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[27] Heidi Shierholz and Lawrence Mishel, *A Decade of Flat Wages: The Key Barrier to Shared Prosperity and a Rising Middle Class* (Economic Policy Institute, 2013), accessed November 13, 2015, http://www.epi.org/publication/a-decade-of-flat-wages-the-key-barrier-to-shared-prosperity-and-a-rising-middle-class/

[28] Michelle Jamrisko and Ilan Kolet, "Cost of College Degree in U.S. Soars 12 Fold: Chart of the Day," *Bloomberg Business,* August 15, 2012, http://www.bloomberg.com/news/articles/2012-08-15/cost-of-college-degree-in-u-s-soars-12-fold-chart-of-the-day; The Education Trust, "College Affordability's Enemy — State Disinvestment," press release, March 26, 2013, https://edtrust.org/press_release/college-affordabilitys-enemy-state-disinvestment/; Robert Hiltonsmith *Pulling Up The Higher-Ed Ladder: Myth and Reality in the Crisis of College Affordability* (New York: Demos, 2015), accessed November 13, 2015, http://www.demos.org/publication/pulling-higher-ed-ladder-myth-and-reality-crisis-college-affordability.

[29] *See generally* Young Invincibles, State Report Cards http://www.studentimpactproject.org/state_report_cards.

[30] Adrienne Lu, "Students Paying Bigger Share of Public College Costs," *Stateline*, May 15, 2014 By http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2014/05/15/students-paying-bigger-share-of-public-college-costs.

[31] Svati Kirsten Narula, "The Myth of Working Your Way Through College,".*The Atlantic*, April 1, 2014, http://www.theatlantic.com/education/archive/2014/04/the-myth-of-working-your-way-through-college/359735/.

[32] The Institute for College Access and Success (TICAS), "Student Debt and the Class of 2014," accessed November 13, 2015, http://ticas.org/posd/home.

[33] Ibid.

[34] E.g. Kelley Holland, "The high economic and social costs of student loan debt," *CNBC*, June 15, 2015, http://www.cnbc.com/2015/06/15/the-high-economic-and-social-costs-of-student-loan-debt.html.

[35] Federal Reserve Bank of New York, *Household Debt and Credit Report,* https://www.newyorkfed.org/newsevents/news/research/2015/rp150217.html

[36] Richard Fry, *More Millennials Living With Family Despite Improved Job Market*, (Washington, DC: Pew Social Trends, 2015), http://www.pewsocialtrends.org/2015/07/29/more-millennials-living-with-family-despite-improved-job-market/?utm_source=Pew+Research+Center&utm_campaign=3d28da9b98-Millennials7_29_2015&utm_medium=email&utm_term=0_3e953b9b70-3d28da9b98-399986101

rate of 25-to 34 year-olds actually increased.[37] We hear often from borrowers that their debt means delaying major life decisions like buying a car, taking out a mortgage, or even getting married and starting a family, and the data bears that out: Millennials hold the largest responsibility for the falling homeownership rate,[38] and a recent study indicated that student debt prevented $83 billion in real estate sales from taking place in 2014.[39]

So while Millennials are the best-educated generation in American history, the United States is still projected to have a deficit of five million workers with postsecondary education by 2020.[40] Students know they have to get postsecondary credentials to have a better shot at long-term economic stability for themselves and their potential families, but those credentials are getting harder to afford and harder to pay off.

Wealth building

These trends have severely hampered individual wealth building among our generation. Millennials have less wealth at this point in our lives than the members of the generations that came before. We have seen a 41 percent decline in the median net worth for Millennial families (under 35) from 1995, down $7,000 to $10,000.[41] And young adults have only recovered about one-third of wealth lost in the recession.[42]

These numbers make it clear: decades-long trends have left Millennials facing unique challenges different than our parents generation - yet public policy has not caught up with those changes.

BUILDING AN ECONOMY FOR MILLENNIALS

Tackling the critical challenges facing young people today requires action. Investing in access to an affordable, quality degree and reducing student debt burdens will provide more young people with a pathway to the middle class. And providing pathways for skills in growing industries, combined with essential workforce supports for those working across industries, can give young people a better shot at the America Dream.

Invest in Quality Higher Education

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[37] U.S. Census Bureau, "Figure AD-1: Young adults living in the parental home: 1960 to present," accessed November 13, 2015, http://www.census.gov/hhes/families/files/graphics/AD-1.pdf.
[38] Reid Cramer, *Millennials Rising: Coming Of Age In The Wake Of The Great Recession* (Washington, DC: New America, 2014), 13, accessed November 13, 2015, https://www.newamerica.org/downloads/Millennials_Rising_Coming_of_Age_in_the_Wake_of_the_Great_Recession.pdf.
[39] Rick Palacios Jr., "Student Loans Will Cost the Industry $83 Billion this Year," *John Burns Real Estate Consulting*, September 19, 2014, http://realestateconsulting.com/student-loans-will-cost-the-industry-83-billion-this-year/.
[40] Carnevale, Smith and Strohl, "Executive Summary" in *Recovery*, 1.
[41] Cramer, *Millennials Rising,* 13.
[42] Ibid.

Making education attainable for all will require both state and federal action, as both play critical roles in financing our system of higher education. The federal government must incentivize states to put more money back into their ailing systems to halt and then reverse this pattern of disinvestment and debt, and double down on investments such as the Pell grant.

Pell grants are an essential investment the federal government makes to provide higher education access to millions of low income students – it is a well-targeted, effective program.[43] However, as the cost of college rises, the purchasing power of Pell continues to diminish. Just thirty-one percent of the costs of attending a four-year public university are covered by the maximum Pell Grant compared to more than three-quarters of the cost in the 1980s, leaving students and families to make up the difference with loans.[44] Scaling investments in Pell and attaching additional federal investments that would encourage state investments will help bring costs down and give students a pathway to a debt-free degree.

Doing so will also provide a pathway to tackle racial equity gaps. African American young adults suffer from higher unemployment and lower wages than their white peers.[45] In our report entitled *Closing the Race Gap*, YI discusses how investments made in our educational system can disproportionately help young African-Americans and start to mitigate disparities in unemployment and wages.[46]

Seemingly simple reforms can also go a long way. Simplifying the financial aid process through supporting the Administration's commitment to use Prior-Prior Year tax data for the FAFSA; reducing the number of questions on the FAFSA; and providing students and families with more clear information about which schools provide outcomes to students through a national data system would also provide a clearer higher education pathway for this generation.

Finally, Congress must crack down on poor performing schools to address some of the quality issues that we see with many institutions.[47] Taxpayers should not be funding

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[43] *See generally* Arnold Mitchem, "Pell Grants Boost College Access for Low-income Students but Money is Only Half the Story," *The Hechinger Report*, October 11, 2012, accessed June 24, 2014, http://hechingerreport.org/content/pell-grants-boost-college-access-for-low-income-students-but-money-is-only-half-the-story_9915/.

[44] Michael Stratford "College Affordability, Up Front," *Inside Higher Education,* October 3, 2014, https://www.insidehighered.com/news/2014/10/03/pell-grant-loses-access-potency-new-paper-calls-bolder-federal-college-affordability.

[45] Rory O'Sullivan, Konrad Mugglestone, and Tom Allison, *Closing The Race Gap: Alleviating Young African American Unemployment Through Education* (Washington, DC: Young Invincibles, 2014), 4, 6, accessed November 13, 2015, https://d3n8a8pro7vhmx.cloudfront.net/yicare/pages/141/attachments/original/1403804069/Closing_the_Race_Gap_Ntnl_6.25.14.pdf.

[46] Ibid., 13.

[47] Jennifer Wang, *Reauthorizing the Higher Education Act: Exploring Institutional Risk-Sharing* (testimony, United States Senate Committee on Health, Education, Labor and Pensions (HELP), May 20, 2015), http://younginvincibles.org/wp-content/uploads/2015/05/Jennifer-Wang-Revised-Risk-Sharing-Testimony.pdf.

institutions that do a poor job of offering access to low-income students, graduate students at severely low rates, or see a majority of graduates fail to secure jobs that allow them to pay down debt and attain financial security. Congress can do a better job of restricting funds to poorly performing schools through risk sharing[48] or other means, and providing incentive structures to reward and highlight the best actors within the American higher education community.

These steps can do a lot to increasing degree attainment and giving young people the skills they need to succeed an economy that increasingly calls for education past high school.

Provide Relief for Those Struggling with Student Debt

Even while we seek to repair our higher education financing system, we also need to support those who have left with burdensome debt. We hear from young people all the time: young parents trying to pay down their debt and finding it impossible to save for college for their children, young adults moving back in with their parents to afford their monthly payments, and young entrepreneurs finding it too hard to start a business because of their debt.

First, income-based repayment plans are essential tools that give our generation badly-needed debt relief, and those should be scaled up so that no one who did the right thing and pursued an educational pathway is forced to pay back more than they can afford.[49] Scaling up income-based repayment plans should be coupled with a suite of consumer protections that are critically missing. Borrowers who are really struggling can declare bankruptcy on credit card debt, car loan debt, or even gambling debt, yet it is very difficult to declare bankruptcy on student loans.[50] Similarly, borrowers can refinance mortgages but not student debt. Refinancing and bankruptcy protections for those truly struggling are commonsense solutions that would help get us all on a pathway toward more greater economic recovery.[51]

As Amy, a young woman from Chicago, Illinois, shared with us: “My partner and I are hardworking and resourceful people. We’ve both been working since the age of 16. We were the first in our families to finish college and financed our own educations. We have no retirement fund, no savings, and we can’t afford our $1,300 monthly student loan payment, which is more than our rent. To make ends meet, we subsidize our monthly rent by helping the building owner with maintenance. We own one car, which we’ve paid off. We don’t use our credit cards. We cook at home most nights and can make better pizza than you can order out … If we could refinance our federal and private student loans, which have interest rates up to 8.25%, we would have greater financial security and could

[48] Ibid.
[49] Young Invincibles, *A Higher Education Promise for the 21st Century* (Washington, DC: 2015), accessed November 13, 2015, http://younginvincibles.org/wp-content/uploads/2015/06/YI-Higher-Ed-Agenda.pdf.
[50] Student Loan Borrower Assistance, *Bankruptcy*, accessed November 16, 2015, http://www.studentloanborrowerassistance.org/bankruptcy/.
[51] Young Invincibles, *A Higher Education Promise*.

save to have children."

Finally, the Department of Education must crack down on bad servicers. Of about 1,200 survey respondents to a YI survey, 54 percent reported that they had problems with repayment ranging from misapplied payments, lack of communications regarding loan status, and failure of servicers to inform borrowers of repayment options.[52] We must emphasize the rights of borrowers to clear and accurate information about their repayment options and to receive consistent, responsive, fair, and responsible treatment from their servicers.

Reducing the burdens of student debt means easing the financial struggles of millions of young people – and ultimately increasing economic activity such as home buying and even business creation.[53]

Reconnecting Opportunity Youth

With 5.6 million opportunity youth in this country– youth who are not working and not in school – we must aggressively scale innovative alternative pathways to help reconnect them to education and job training.[54] There are federally-funded programs like those contained in the Workforce Innovation and Opportunity Act, as well as non-profits like YearUp, doing valuable work to equip young people with viable, marketable skills.[55] But the federal government must halt the pattern of policymaking that has seen a billion dollars cut from vital job training programs and invest in America's future.

The federal government can also do more in partnership with the private sector. For example, apprenticeships are a great means by which the federal government can encourage private-public partnerships to help develop America's workforce. Apprentices graduate from their programs with gainful employment, an accredited degree, money in the bank, and no debt.[56] Congress should do its part by incentivizing institutions, organizations, private companies, and communities to join together and think creatively about specific tactics that meet youth where they are and work for them.

Supporting Workplace Policies Designed for Today's Economy

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[52] Young Invincibles, "Student loan servicers hinder loan repayment; CFPB launches public inquiry," May 27, 2015, http://younginvincibles.org/student-loan-servicers-hinder-loan-repayment-cfpb-launches-public-inquiry/.
[53] *See* Brandon Busteed "Student Loan Debt: Major Barrier to Entrepreneurship," *Gallup*, October 14, 2015, http://www.gallup.com/businessjournal/186179/student-loan-debt-major-barrier-entrepreneurship.aspx.
[54] Allie Bidwell, "5.6 Million Youths Out of School, Out of Work," *U.S. News And World Report*, October 20, 2014, https://opportunitynation.org/latest-news/5-6-million-youths-school-work/.
[55] Employment and Training Administration, "Fact Sheet: Youth Program" (Washington, DC: US Department of Labor), accessed November 13, 2015, http://www.doleta.gov/wioa/Docs/WIOA_YouthProgram_FactSheet.pdf.
[56] Reid Setzer, "An Alternative to Debt: Apprenticeships Update," November 5, 2014, http://younginvincibles.org/an-alternative-to-debt-apprenticeships-update/

In addition to putting young people on track to gain skills in growing fields, workplace protections like reasonable increases to the minimum wage[57] and expanding the availability of the Earned Income Tax Credit to childless young adults – currently unavailable for those under 25[58] - can help the most low-income young people find a pathway out of poverty.

It's also important to remember that policies that promote family economic security often benefit young people. Thirty percent of Millennials are parents, and those 20 million Millennial parents are experiencing the highest poverty rates seen by any young parents in the past 25 years, with one in five Millennial parents living in poverty.[59] Young parents experience a series of unique challenges, including increased caretaking responsibilities, challenges when they go back to school (about 25 percent of students are parents, and take on 25 percent more debt than non-parents[60]), and barriers to stable work and school schedules.

Policies such as improving access to on-campus child care for student parents through reforming and expanding the CCAMPIS program; better access to long-term and short-term paid leave through passing laws such as the FAMILY Act and the Healthy Families Act; improved workplace flexibility and predictable schedules through laws such as the Schedules that Work Act; and alternate pathways to degree completion that reflect the life-experience of young parents through Prior Learning Assessment could all support this generation now starting families.

Despite the challenges we face, the Millennial generation remains optimistic about the future. Polls show that 70 percent are optimistic about their economic prospects; and 79 percent believe that they will have the same standard of living or be better off than their parents.[61] It's up to us to make that perception of the future a reality.

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[57] *See* Bureau of Labor Statistics, "Characteristics of Minimum Wage Workers: 2010," February 25, 2011, www.bls.gov/cps/minwage2010.pdf. Twenty-eight percent of minimum wage workers are teenagers 16 to 19 years old, and 26 percent are 20 to 24 years old. In total, there are nearly one million 16- to 24-year-olds who make minimum wage.

[58] Chuck Marr and Chye-Ching Huang, *Strengthening the EITC for Childless Workers Would Promote Work and Reduce Poverty* (Washington, DC: The Center on Budget and Policy Priorities (CBPP), 2015), accessed November 13, 2015.

[59] Konrad Mugglestone, *Finding Time – Millennial Parents, Poverty and Rising Costs* (Washington, DC: Young Invincibles, 2015), 1-2, accessed November 13, 2015, http://younginvincibles.org/wp-content/uploads/2015/04/Finding-Time-Apr29.2015-Final.pdf.

[60] Ibid., 4, 10.

[61] Harstad Strategic Research, Inc., "National Online Survey of 2,004 Millennial Adults Age 18-31, March 30 – April 3, 2014," 2, accessed November 13, 2015, https://salsa3.salsalabs.com/o/50742/images/Harstad.Millennial_May15.pdf.