

Youth Employment Programs Can Grow the Economy, Expand Opportunity, and Improve Public Safety

Young adults who are engaged in either work or school strengthen our communities and provide significant economic benefits. When policymakers invest in supporting *opportunity youth*, defined as those between 16 and 24 who are neither in school nor working, the benefits are widespread and long term.

Expanding employment opportunities for opportunity youth—including through proven year-round and summer job training programs—can help improve work readiness, expand professional networks, boost earnings, and reduce interaction with the criminal justice system. Certain programs have also been shown to improve public safety and reduce gun violence. There are several avenues for Congress to invest in these proven programs, including through a reauthorization of the Workforce Innovation and Opportunity Act (WIOA) and other federal initiatives.

Supporting young people who are neither in school nor working pays dividends to the U.S. economy and society.

In 2021, nearly 4.7 million young people ages 16 to 24 were opportunity youth, representing about 12% of people in that age group. Black, non-Hispanic; Native American; and Hispanic youth were overrepresented among opportunity youth compared to those who are White, non-Hispanic or Asian American, Native Hawaiian, and Pacific Islanders. Many opportunity youth have [disabilities](#), are [uninsured](#), currently homeless, living in poverty, or are involved with the juvenile [justice](#) or child welfare systems.

While many young people pursue formal education to advance their careers, even those who are not in school can build up early work experience that can lay the groundwork for future economic success. However, opportunity youth are not benefiting from education or work experience, resulting in numerous downstream consequences. A 2018 study [estimates](#) that after roughly 14 years, opportunity youth have been paid \$31,000 less than those who were not opportunity youth. Other research finds young people's unemployment can reduce social [mobility](#) and [homeownership](#), spur future bouts of [unemployment](#), and result in poor physical [health](#).

Not only are these consequences detrimental to individuals, but they also create broader costs to society and consequences for the overall economy. People who are not working for pay do not contribute any income taxes, spend less in their local economies, and may need the support of government programs for necessities like health care. One [study](#) from 2011 found that after accounting for each of these costs and losses, each opportunity youth could cost society \$13,900 in that year. Given the age of this report, this estimate is likely an understatement of the total societal cost of not investing in opportunity youth.

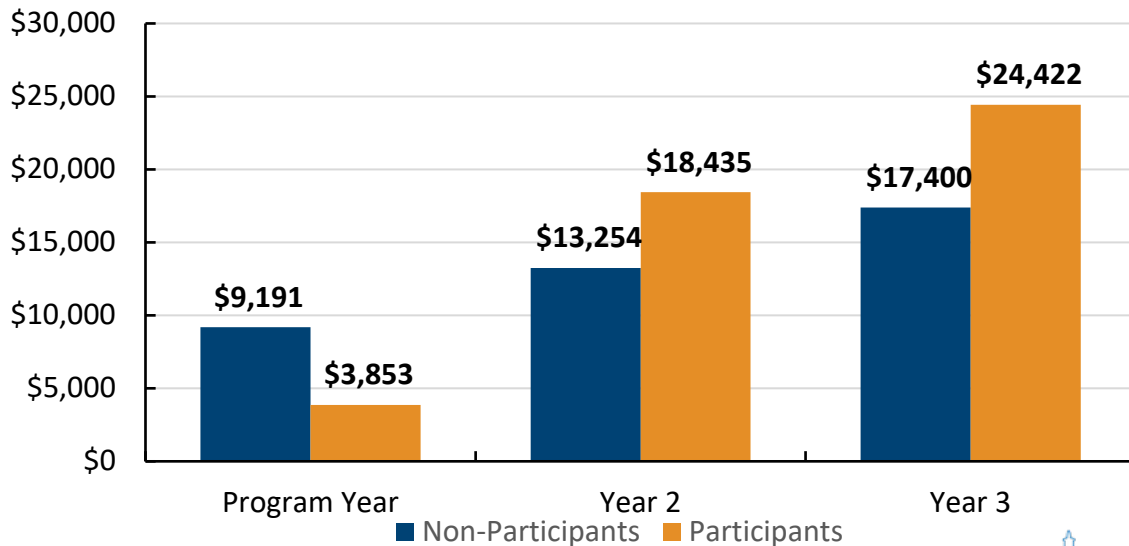
Failing to invest in opportunity youth can also be connected to higher crime rates, as one [study](#) found that 63% of crimes committed by young people were committed by those who were not in school or working. Entering the judicial system can be [costly](#) for young people, impacting their future job choices, employment opportunities, wages, and recidivism—[especially](#) for Black and Latino Americans. Youth incarceration also [costs](#) state economies \$214,620 each year per youth in just the cost of confinement as of 2020.

Connecting young people with employment can boost earnings and augment professional development.

Youth employment programs provide young people with job training and education that can streamline the skill development necessary for different career fields. For example, Year Up—a one-year training program with an intensive focus on professional development and building skills—[saw](#) participants’ average quarterly earnings increase by 53% in the post-program year and 40% in the following year compared to non-participants’ earnings. This added income can relieve tight family budgets, especially for those in low-income households. One recent study [found](#) that half of the participants in a different summer employment program used a portion of their earnings to pay for one or more household bills. In the same study, one in five participants saved a portion of their earnings for college tuition.

Year Up Program Participation Boosts Earnings in the Long-Run

Average Annual Earnings for Year Up Program Non-Participants and Participants



Source: Office of Planning, Research, and Evaluation, U.S. Department of Health and Human Services



Youth employment programs can also create connections between young people from different socio-economic classes, giving lower-income young people exposure to new professional avenues and opportunities. Forging these sorts of connections can provide long-term benefits, with some research [suggesting](#) that economic connectedness—described as the degree of interaction between people from different socio-economic classes—is an important predictor of upward economic mobility.

These programs can also improve some of the simple but vital job search skills that are required to enter and stay in the labor force. One study [found](#) that participants in a work readiness program were more likely to complete a resume and cover letter than a comparison group of non-participants. This finding is consistent with observed behavioral shifts in the youth, who saw improvements in their sense of belonging, ability to contribute to their communities, and conflict resolution skills. Oswego, a former participant in the Marion Barry Summer Youth Employment Program in Washington, D.C. [noted](#), “I [learned] how to not be so awkward. I used to be pretty awkward with adults... I like that I got to grow in that sense.”

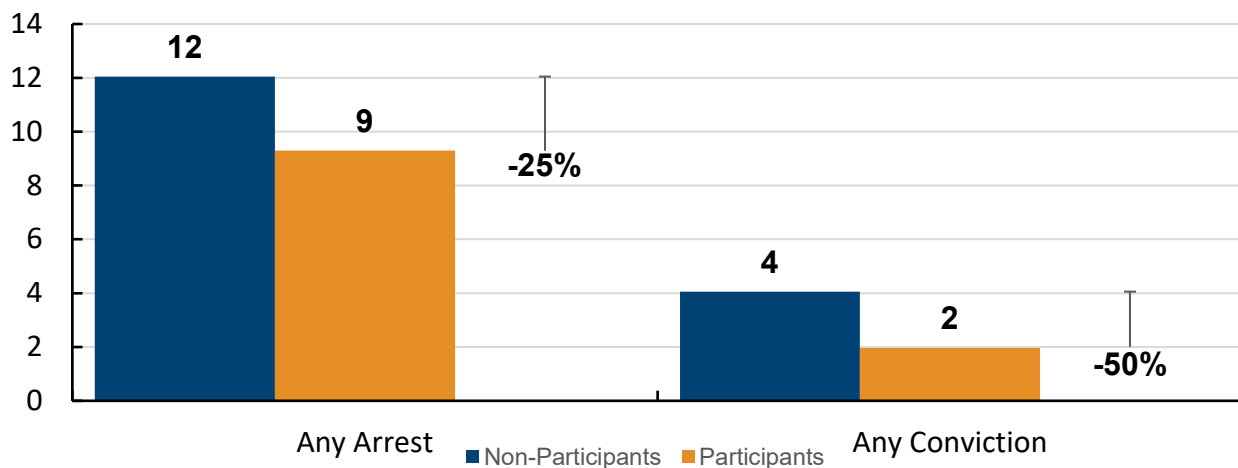
Youth employment programs can reduce interaction with the criminal justice system.

Alongside these direct economic benefits, youth employment programs can also play an important role in reducing criminal justice involvement among young adults. The Rapid Employment and Development Initiative ([READI](#)) program in Chicago provides both job training and therapy to the most at-risk young men in the community, with the goal of addressing the root causes of gun violence. Participants [referred](#) to the program by outreach workers were 43% less likely to be the victim of a violent crime and 79% less likely to be arrested for a shooting or a homicide compared to a control group. Researchers estimate that the benefits of reduced criminal activity are four to 18 times the cost of the READI program, equating to between \$182,000 and \$916,000 saved per participant over the long run.

In a separate study analyzing the NYC Summer Youth Employment Program—the largest summer youth employment program in the country—researchers found that participation [reduced](#) the chances of both arrests and convictions. During the program summer, the study revealed a 17% decrease in overall arrest likelihood and a 23% decrease in felony arrest likelihood. Moreover, there was a 31% reduction in criminal conviction probability and a 38% reduction in felony conviction probability.

New York's Summer Youth Employment Program Helps Reduce Interactions with the Justice System

Likelihood of arrests and convictions for at-risk youth, per 100 people



*At-risk youth are defined as having an arrest(s) prior to program launch

Source: *The Effects of Youth Employment on Crime: Evidence from New York City Lotteries*, Judd B. Kessler, Sarah Tahamont, Alexander M. Gelber, Adam Isen



Studies of similar programs suggest participation can have lasting results. One study in [Boston](#) found a 35% reduction in violent crime and a 29% reduction in property crime in the 17 months after the city's program concluded. Another study in Chicago, [observed](#) a 43% reduction in violent crime arrests through the duration of the city's program and 14 months afterward.

Reauthorizing and improving WIOA can support youth employment programs.

The Workforce Innovation and Opportunity Act ([WIOA](#)) is a major federal vehicle for state and local employment programs and can serve as an important funding source for proven youth employment program models. Initially signed into law in 2014, WIOA is [funded](#) through temporary extensions in annual appropriations. WIOA [allocates](#) funding to states based on a formula using income and employment information, with the states then passing the funding along to localities based on similar needs. Local and state workforce boards should use these funds to implement evidence-based programs that increase economic mobility and improve outcomes for opportunity youth.

One component, [WIOA Youth](#), includes funding for paid and unpaid work experiences, including the types of summer and year-round employment programs discussed above. At least 75% of these funds must be used to provide services to opportunity youth, among other vulnerable populations. [YouthBuild](#), a grant program through WIOA, also provides funding for pre-apprenticeship programs for this group. [Job Corps](#), the largest youth-focused program in WIOA, also provides career training and other supports to low-income young people ages 16-24 through a network of residential training centers.

WIOA Youth has made a measurable [impact](#). In 2021, the most recent year [data](#) are available, nearly 125,000 young people were served through the program—and 70.9% of program year 2020 participants were at work, school, or training during the fourth quarter after they had finished a funded program. Median earnings during the second quarter after program exit were more than the median quarterly earnings of part-time wage and salary workers ages 16 to 24 in the same year, \$4,235 in 2021 compared to \$3,315.

While WIOA's authorization expired in 2020, Congress can further support the employment of young people, especially opportunity youth, by [reauthorizing](#) WIOA and including subsidized wages for youth employment programs. Congress should include the key investments in the [Opening Doors for Youth Act](#) of 2023 in the WIOA authorization given its focus on supporting opportunity youth. This bill would [invest](#) \$6.75 billion over six years to help at-risk and opportunity youth get summer and year-round jobs and invest in community-based organizations that help them stay connected and provide supportive services. Additional funding and grant opportunities can help even more young people find employment and training opportunities.

Outside of WIOA, a number of other federal programs can support young people.

Investing in other [federal](#) grants and programs can also expand opportunities for young people. Among existing sources of funds and types of programming, support for young people can come from:

- The Temporary Assistance for Needy Families (TANF) program, which [states](#) can use [money](#) from to expand summer employment [opportunities](#) for low-income [youth](#). Some states used this flexibility after the Great Recession to engage more young people in the labor force.
- The Community Services Block [Grant](#), which helps provide education and employment services for low-income people.
- The John H. Chafee Foster Care [Program](#) for Successful Transition to Adulthood, which provides funding for education and employment services for youth and young adults in or formerly in foster care.
- [AmeriCorps](#) or the recently created [American Climate Corps](#), which can help further employment and training opportunities. For example, a 2017 [study](#) of AmeriCorps alumni found that 80% said participation benefited their career path and 42% who were employed within six months after the program found their job through a program connection.
- School retention measures, like career and technical education ([CTE](#)) programming, where students often have a higher [rate](#) of high school graduation than those not in CTE programs.

There are a number of avenues for Congress to support youth employment programs that have a proven track record of improving outcomes for opportunity youth. A WIOA reauthorization could support a dedicated funding stream for summer and year-round opportunities, as would a number of other federal job training programs. Uplifting young people by investing in these proven employment programs can foster equity and help ensure the success of future generations.

Appendix Table

Number and Share of Opportunity Youth by State, 2022		
State	Number of Opportunity Youth	Share of People Ages 16 to 24 Who Are Opportunity Youth
United States	4,343,580	10.9%
Alabama	75,054	12.1%
Alaska	13,302	15.2%
Arizona	106,727	11.7%
Arkansas	57,365	15.2%
California	523,983	11.2%
Colorado	59,109	8.5%
Connecticut	44,790	10.1%
Delaware	7,716	7.0%
District of Columbia	5,458	6.9%
Florida	266,928	11.3%
Georgia	157,553	11.4%
Hawaii	16,021	10.7%
Idaho	22,755	9.1%
Illinois	163,081	10.8%
Indiana	89,060	10.1%
Iowa	30,865	7.6%
Kansas	37,223	9.5%
Kentucky	74,728	13.9%
Louisiana	86,935	15.5%
Maine	13,818	10.0%
Maryland	69,084	10.1%
Massachusetts	64,381	7.5%
Michigan	127,798	10.7%
Minnesota	52,672	8.0%
Mississippi	58,132	15.4%
Missouri	78,799	10.7%
Montana	11,685	9.1%
Nebraska	15,937	6.4%
Nevada	52,709	15.2%
New Hampshire	11,966	8.0%
New Jersey	96,534	9.4%

New Mexico	39,259	15.3%
New York	246,128	10.9%
North Carolina	141,823	10.9%
North Dakota*	4,525	4.4%
Ohio	148,584	10.8%
Oklahoma	65,284	12.8%
Oregon	53,952	11.7%
Pennsylvania	136,535	9.0%
Rhode Island	10,031	7.3%
South Carolina	76,115	12.1%
South Dakota	10,599	9.7%
Tennessee	95,551	11.5%
Texas	485,558	12.5%
Utah	44,100	8.5%
Vermont	6,184	7.7%
Virginia	105,005	9.9%
Washington	94,397	11.0%
West Virginia	24,341	11.9%
Wisconsin	56,774	7.9%
Wyoming	6,667	10.0%

Source: Steven Ruggles, Sarah Flood, Matthew Sobek, Danika Brockman, Grace Cooper, Stephanie Richards, and Megan Schouweiler. IPUMS USA: Version 13.0 [American Community Survey 2022 1-year sample]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V13.0>

Note: Data were not available for the U.S. insular areas. States with an * indicate its estimates are based on a small sample size. Data on opportunity youth by Congressional District can be found [here](#).