

Written Testimony of Robert Sainz

**Board Chair** 

## National Youth Employment Coalition

Submitted to the

House Committee on Education and Workforce Subcommittee on Higher Education and Workforce Development

"Strengthening WIOA: Improving Outcomes for America's Workforce"

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Chairman Owens, Ranking Member Adams, and Members of the Subcommittee, thank you for the opportunity to testify this morning.

My name is Robert Sainz, and I am representing the National Youth Employment Coalition (NYEC) as its Board Chair. I have spent 31 years of my career in the public sector, of which the last 16 were as the Assistant General Manager for the Economic Development Department in the City of Los Angeles and as the city's WIOA administrator. I proudly serve as a partner of the California Opportunity Youth Network (COYN), Executive Director and President of New Ways to Work, and as past President of the Workforce Development Council at the U.S. Conference of Mayors.

For more than 46 years, the National Youth Employment Coalition has been a leading national organization advocating for opportunity youth, young people ages 16-24 **who are not in school and not in work**. It is estimated by a leading research organization, Measure of America, that there are currently 4.3 million young adults (nearly 10%) who are not in education or training programs and not in the labor force. These young adults will quickly be left behind in our rapidly changing economy and statistically will have very shaky future connections to the labor market over their lifetimes, should they not be reconnected.

As a membership organization with more than 160 community based, workforce development boards and education/training organizations across the country who serve tens of thousands of youth, NYEC leverages its members' expertise to identify and disseminate best practices in serving opportunity youth with federal lawmakers. Through capacity building, technical assistance, and policy and advocacy, NYEC aims to reconnect the 4.3 million opportunity youth in the United States to quality work and education opportunities.

All young people need access to supportive mentors, financial resources, and basic needs like transportation, housing, and food, in order to thrive in the workplace and school. Opportunity youth are no different, yet sometimes they lack these supports. Opportunity youth are in every community in the United States: rural and urban. In <u>Utah</u>, 8.5% of 16–24-year-olds are disconnected; in <u>North Carolina</u>, nearly 11% are disconnected.



There are <u>significant economic benefits</u> to reconnecting these young people: the federal government would gain an estimated \$11,900 for each reconnected young person *per year*. If we were to reconnect all 4.3 million opportunity youth in the United States, the federal government would gain \$51 billion *per year*. Importantly, the economic benefits of reconnecting these youth show up in long-term studies in many important areas like increased income and discretionary spending, higher levels of homeownership, employment rates, and better health overall.

Conversely, the costs of not reconnecting these young people are high: each year, <u>not reconnecting</u> opportunity youth represents a tax burden of \$13,900, and a social burden of \$37,450.

Fortunately, there are federal programs targeted towards these young people, namely those within the Workforce Innovation and Opportunity Act (WIOA), such as the WIOA Youth program, YouthBuild, and the Reentry Employment Opportunities (REO) program. These programs serve as a lifeline to more than 130,000 young people each year.

Today's hearing comes at a critical moment: young people are seeking jobs that put them on career pathways and employers are looking for workers with certain skillsets. Programs under WIOA help bridge these two interests, but the law has not been reauthorized since 2014. Members of this Subcommittee know that the world of work has changed significantly since then, and therefore our public workforce system must adapt.

Last Congress, Congressional leaders on this Subcommittee, and the full Committee, worked with their Senate counterparts to reach a bipartisan, bicameral agreement to reauthorize WIOA, also known as A Stronger Workforce for America Act (ASWA). While the agreement ultimately did not get signed into law, it took a step in the right direction to reauthorize WIOA – and major steps to help connect more young people to school and work.

We were happy to be able to work with members of the Committee, including Chairman Owens and former Congresswoman Steel, to form the Bipartisan Opportunity Youth Caucus to help support the development and passage of ASWA. We are working to re-create the Bipartisan Opportunity Youth Caucus this Congress and hope all Members will consider joining.

NYEC supported ASWA for several reasons:

First, ASWA creates a new \$65 million competitive grant program called the Youth Apprenticeship Readiness Grant program. This innovative program would increase youth participation in new or existing registered apprenticeship and pre-apprenticeship programs for in-school youth and opportunity youth.

ASWA creates a new definition of "opportunity youth", to replace "out-of-school youth", by including youth experiencing homelessness and youth in foster care in the definition regardless of school enrollment status. This change not only shifts to a better definition of the youth that need services the most based on the research but also expands the ability of our states and local workforce boards to meet their goals.

It also includes an update that NYEC and others in the opportunity youth field have recommended for years: shifting the burden of determining eligibility for services from the young person to the provider. This change would allow programs to immediately serve young people upon their arrival,



removing an issue we've observed where programs have turned away young people who did not have documentation to demonstrate eligibility.

ASWA codifies the Reentry Employment Opportunities (REO) program, which helps justiceimpacted individuals find employment. We were pleased to see that 20% of its funds would be dedicated to serving youth transitioning out of the justice system.

NYEC was encouraged to see that ASWA mandates that state and local workforce boards conduct an analysis of the opportunity youth population in their respective areas. This analysis will inform state and local plans on how to best serve the opportunity youth in the local area and state. It also encourages opportunity youth voices at local tables, promotes dual enrollment, and opens up and promotes more high-quality training opportunities for these young people.

Lastly, ASWA authorized increased funding for WIOA Youth program over FY 2024 funding levels. While we know that authorized funding does not mean appropriators will fund at that level, we were encouraged by the strong bipartisan, bicameral agreement that the WIOA Youth program needs to be funded above current levels. We know that in order for the goals of ASWA to be successful, the WIOA Youth program and the broader workforce system must be properly resourced.

I want to thank Chairman Owens, Ranking Member Adams, and the members of this Subcommittee for the opportunity to speak before you today. I encourage this Subcommittee to build off of the bipartisan work that led to ASWA and move to reauthorize WIOA with opportunity youth centered so our nation's young people can achieve their career and education aspirations. I am happy to answer any questions members of the Subcommittee may have for me. Thank you.