

YOUTH & YOU

Oregon Youth Development Council

YOUTH & **Community College**

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February 4, 2014

YOUTH DEVELOPMENT COUNCIL

Opportunity Youth and Community College

Who are Opportunity Youth?

- Youth who have been disconnected from the education system and labor markets:
 - Young high school dropouts (ages 16-18)
 - Older high school dropouts (ages 19-24)
 - Youth with high school diploma or GED, disconnected from postsecondary education, and unable to gain foothold in the labor market (ages 19-24)
- Chronic: never been in school or work after the age of 16
- Under-attached: despite some schooling and some work experience beyond 16, youth have not progressed through college or secured a stable job

Opportunity Youth in Oregon

- 1 in 7 youth is not in school **and** not working – or an estimated 66,500 total youth
- Rates are increased for low income youth and youth of color
 - Idleness rates for African American Youth are 2 times the general rate
 - Idleness rates for Hispanic/Latino Youth are almost 2 times the general rate

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In a report commissioned by the Corporation for National and Community Service and the White House Council for Community Solutions, researchers from Columbia University and City University of New York found:

- Each Opportunity Youth imposes – on average compared to other youth (2011 dollars, discounted to NPV):
 - An immediate tax burden of \$13,900 per year
 - An immediate social burden of \$37,450 per year
 - A future lifetime tax burden, beyond age 25, of \$170,740
 - A future lifetime social burden, beyond age 25, of \$529,030

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Economic Cost of Opportunity Youth

	Fiscal Burden	Social Burden
Gross earnings (Y)	—	\$9,760
Taxes (T)	\$1,680	—
Crime (C _F)	\$11,370	\$11,370
Crime (C _V)	—	\$16,500
Health (H _F)	\$2,380	\$2,380
Welfare (W _F)	\$360	—
Welfare (W _S)	\$430	430
Education (E _F)	-\$2,330	-\$2,330
Education (E _p)	—	-\$2,210
Marginal Excess Tax Burden (m)	—	\$1,540
Total per Opportunity Youth	\$13,900	\$37,450

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Using cost estimates from Columbia University and City University of New York:

- In a single year, Oregon experiences over a **\$924 million direct fiscal burden** as a result of their disconnection from school and work, as well as an almost **\$2.5 billion social burden** imposed upon individuals, families, and communities*

*Calculation based on applying the cost methodology (developed in Belfield, C.R., Levin, H.M., & Rosen, R. (2012). The Economic Value of Opportunity Youth. Washington D.C.: Civic Enterprises) to the number of Opportunity Youth in Oregon. The number of Opportunity Youth in Oregon based on estimates from the Measure of America methodology (Opportunity Index Data and Scoring Center. Indicator Map: <http://opportunityindex.org/#5.00/43.804/-120.554/-/Oregon>) and analysis and the 2012 Census Bureau ACE Population Estimates. Further analysis is needed to gain a more robust understanding of the gender, race/ethnicity, education, age, and socioeconomic status of Oregon Youth.

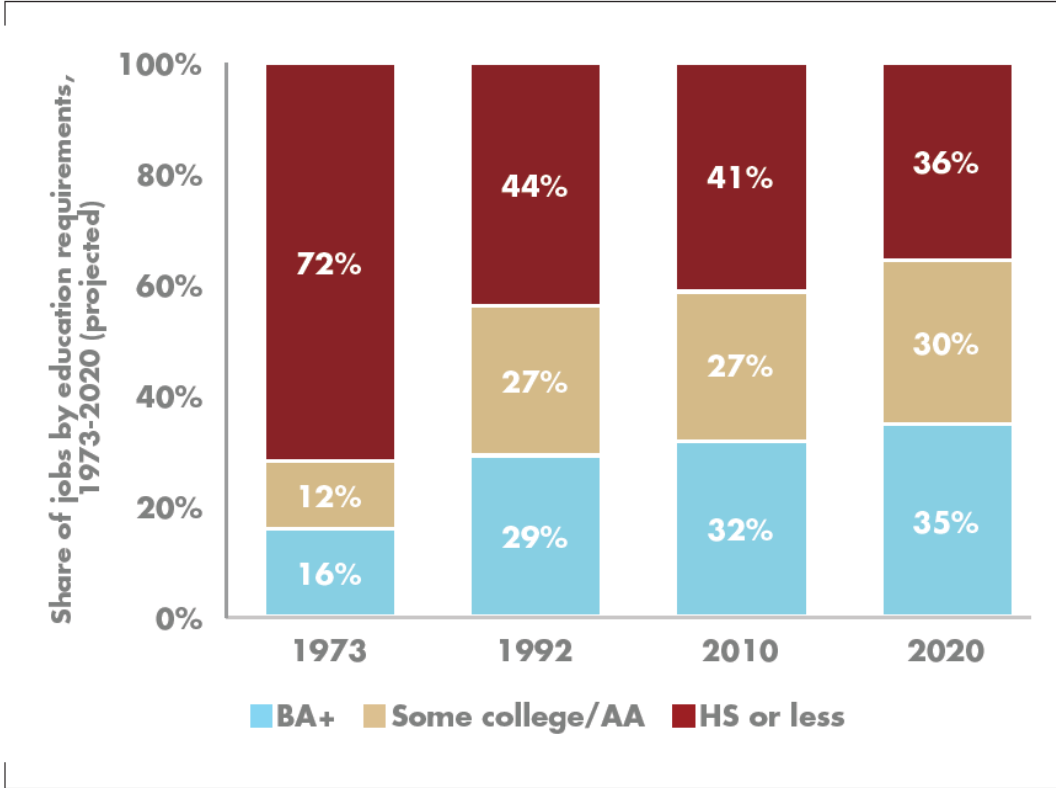
Reasons for Disconnection from School and Work

Reasons vary and include poverty, teen pregnancy, community violence, substance abuse, criminal activity, disability, caregiver responsibilities, and institutional residence.

Despite the various circumstances, one common theme is the lack of educational attainment.

Longitudinal studies demonstrate that only 1% of Opportunity Youth have achieved an Associate or Bachelor's Degree relative to 36% of the general population.

Labor Market Demand for Education



SOURCE: GEORGETOWN UNIVERSITY CENTER ON THE WORKFORCE ANALYSIS IN RECOVERY: PROJECTIONS OF JOB OPENINGS AND EDUCATION REQUIREMENTS THROUGH 2020, 2013

NOTE: DUE TO ROUNDING, COLUMNS MAY NOT SUM TO 100 PERCENT.

Oregon Labor Market Demand for Education

OREGON'S RANK IN JOBS FORECASTED FOR 2018, BY EDUCATION LEVEL.		
Education level	2018 Jobs	Rank
High school dropouts	214,000	18
High school graduates	525,000	42
Some college, no degree	523,000	5
Associate's degree	184,000	28
Bachelor's degree	394,000	28
Graduate degree	200,000	22

SOURCE: GEORGETOWN UNIVERSITY CENTER ON THE WORKFORCE ANALYSIS IN RECOVERY: PROJECTIONS OF
JOB OPENINGS AND EDUCATION REQUIREMENTS THROUGH 2020, 2013

Oregon Labor Market Demand for Education

- 2018 projections put Oregon in the top 5 of all states for jobs requiring some college
- Jobs for high school graduates and dropouts will grow by 47,000 between 2008 and 2018
- Jobs requiring postsecondary education and training will grow by 123,000 between 2008 and 2018
- By 2018, 64% of jobs in Oregon will require postsecondary education

Implications for Opportunity Youth

- Increased misalignment between the skills and credentials of youth and the demand in the labor market
- Increasing poverty and economic inequality for those who can not afford post-secondary credentials and thus experience barriers to upward economic mobility
- Increased lifetime tax and social burdens as Opportunity Youth fail to gain a secure attachment to the labor force and continue to impose economic costs for society

Implications for Opportunity Youth

- Opportunity Youth have limited resources and limited access to capital for post-secondary education
- If given the opportunity, many of these youth would pursue workforce credentials, technical certifications, and associate degrees
- Post-secondary education will allow these youth to be competitive in the labor market and fully engage in the economy
- Legislation to support community college for Opportunity Youth aligns with the Governor's 40-40-20 Education Goals

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Data and Sources

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