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Youth Employment in the Governor's FY 2014 Budget

INTRODUCTION

For a young adult just out of school, finding that first job has never been easy. Unfortunately, over the past ten years finding that first job has gotten harder. A workforce in which more jobs require advanced training, coupled with the lingering effects of the recent deep recession have produced even greater employment obstacles for the young.¹ In 2011, 13.8 percent or close to one in seven young adults (ages 16-24) in Massachusetts is unemployed.²

This is a dramatic increase – more than doubling – of the youth unemployment rate in 2000, which was 6.7 percent, or one in fifteen. A recent study by the Department of Education's Task Force on Integrating College and Career Readiness concluded that career readiness has not been fully integrated into the Massachusetts school curriculum and that this failure has harmed students' ability to find career and job options.³ That is why the state has created and invested in programs designed to help these youths prepare for the working world.

These programs could not be more vital as the number of young adults who are neither in school nor working (so-called "disconnected youth") is growing. This population presents a particular challenge to the state's economy, as those young adults are at greater risk for longer-term unemployment and social dislocation.⁴

Funding History

In the mid-2000s, the state invested more in programs that provide public and private sector jobs for youth, many of which include embedded academic support. Youth employment programs were cut during the Great Recession, which began in Fiscal Year 2009. For FY 2014, the Governor proposes funding these programs at higher levels as seen in the chart below.⁵ It is important to note that the ability to fund these higher levels of support is dependent, in large part, on passage of the Governor's Revenue proposal, explained [here](#).

¹ For a discussion on national employment trends for young adults, see Annie E. Casey Foundation, "Youth and Work: Restoring Teen and Young Adult Connections to Opportunity", December 3, 2012.

² All employment statistics (unless otherwise noted) are from an Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey data.

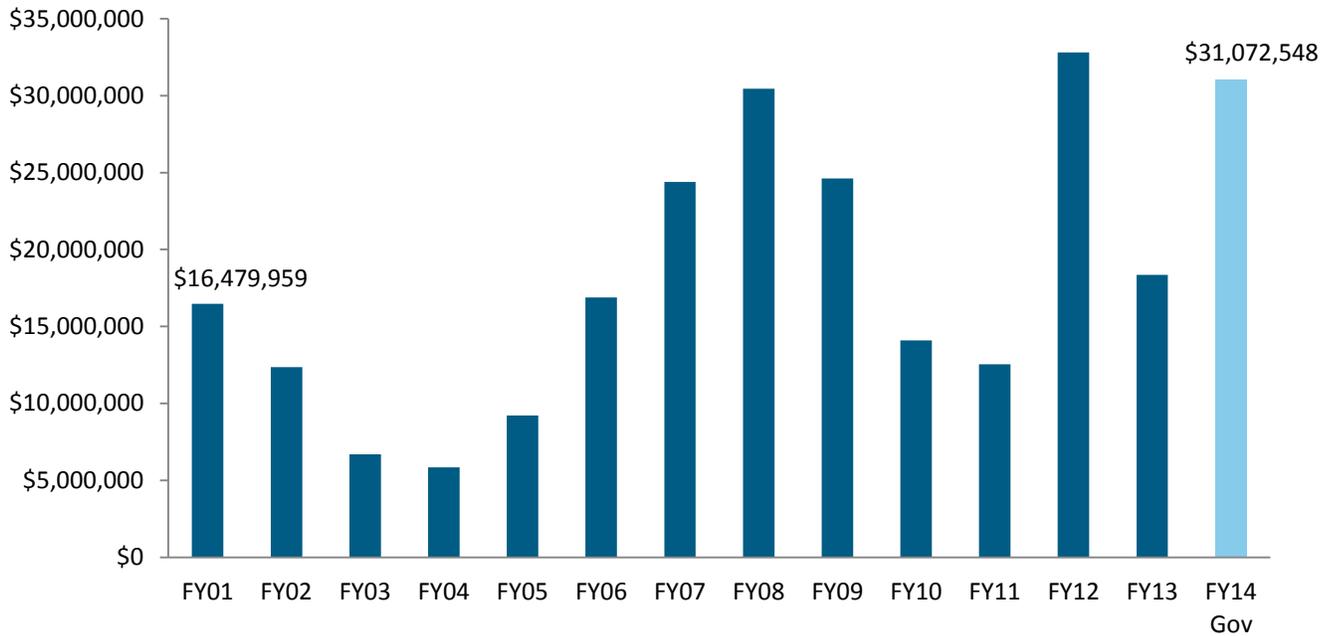
³ For more information, and conclusions drawn from this study please see "From Cradle to Career: Educating our Students for Lifelong Success": http://www.doe.mass.edu/boe/docs/2012-06/item1_report.pdf

⁴ For more information on Youth Unemployment please see "Youth and Work in Massachusetts" by the Massachusetts Budget and Policy Center: http://massbudget.org/report_window.php?loc=massbudget_youth_employment.html

⁵ See the Budget Browser from the Massachusetts Budget and Policy Center and data provided by the Commonwealth Corporation.

Youth Employment Programs Would See an Increase Under the Governor's Budget Proposal

Adjusted for inflation (FY14 \$)



As seen in the graph above, there was an increase in funding in FY 2012, mostly the result of increases to the Safe and Successful Youth Initiative and the YouthWorks program, explained in more detail below.

PROGRAMS AND FY 2014 GOVERNOR’S PROPOSAL

The Governor’s FY 2014 budget proposes an increase of \$12.7 million to youth employment programs and related services. These programs, and the Governor’s proposed spending levels, are outlined below. For a more in depth explanation on these programs, the Massachusetts Budget and Policy Center recently launched the *Children’s Budget*, a fully interactive breakdown of all state programs affecting young people. For more information please click here: <http://children.massbudget.org/>

Youth employment programs with funding increases in the Governor’s budget include:

- The Safe and Successful Youth Initiative**, an initiative to promote activities that deter youth from participating in dangerous activity. The Governor’s proposal allocates \$10.0 million to the program, up from \$4.1 million in FY 2013. In its initial year, FY 2012, the program was allocated \$10.3 million. Since this program uses a holistic violence prevention approach, funding supports a combination of violence prevention initiatives, job placement and employment training. Because it is impossible to isolate youth employment spending from other initiatives, this analysis includes the entire amount of funding for this program.
Children’s Budget Link: <http://children.massbudget.org/safe-and-successful-youth-initiative?source=commonthread>

- **Youth Works (Summer Jobs Program for At-Risk Youth)**, which funds the salaries of youth in nonprofit and government jobs. The Governor's proposal would allocate the program \$10.0 million dollars in FY 2014, an increase of about \$7.0 million from FY 2013. Tracking funding changes for this program can be challenging because this program runs over the summer, in between Massachusetts' fiscal years. The Legislature often allows funding for this program allocated in one fiscal year to actually be spent in the next.⁶

Children's Budget Link: <http://children.massbudget.org/summer-jobs-program-risk-youth>

Programs that essentially remain at the same funding levels as FY 2013 include:

- **School to Career Connecting Activities**, a program that places high school students with low MCAS scores in career training and placement. The Governor proposes funding for this program at \$2.9 million in FY 2014, about the same as in FY 2013 when adjusted for inflation but less than the \$4.6 million from FY 2008. This is down significantly from \$8.2 million allocated in FY 2007.

Children's Budget Link: <http://children.massbudget.org/connecting-activities?source=commonthread>

- **Youth-Build Grants**, which combines job training with academic programs for students working on their high school diplomas or GEDs. The Governor proposes \$2.0 million for this program in FY 2014, level funded from FY 2013.

Children's Budget Link: <http://children.massbudget.org/youth-build-grants?source=commonthread>

Youth Employment Program Funding, FY 2001 - FY 2014 (adjusted for inflation)

	FY01	FY02	FY03	FY04	FY05	FY06	FY07
Safe and Successful Youth Initiative							
Youth-At-Risk Matching Grants	4,030,171						
Youth-At-Risk Grants	1,343,390						
Youth-At-Risk Matching Grants	745,501	1,715,946	142,079		2,489,697	4,267,170	7,026,495
Youth Violence Prevention Grants							
Youth-At-Risk Matching Grants							
Transitional Employment Program (Roca)						2,364,083	2,304,486
Summer Jobs Program for At-Risk Youth (YouthWorks)					190,194	3,658,419	4,491,444
Summer Jobs Program		671,009	1,209,808				
School-To-Work	6,716,951	6,142,050					
Summer Jobs Program for At-Risk Youth	554,148	907,513					
School to Career Connecting Activities			5,334,024	5,219,848	5,067,358	4,881,462	8,215,134
Youth-Build Grants	3,089,798	2,917,474	0	631,991	1,472,467	1,713,960	2,362,099
TOTAL	16,479,959	12,353,992	6,685,912	5,851,839	9,219,716	16,885,095	24,399,658

⁶ Line item language for YouthWorks states that funding shall be made available through September 1st of the following fiscal year.

BUDGET BRIEF

	FY08	FY09	FY10	FY11	FY12	FY13	FY14 Gov.
Safe and Successful Youth Initiative					10,336,242	4,064,000	10,000,000
Youth-At-Risk Matching Grants							
Youth-At-Risk Grants							
Youth-At-Risk Matching Grants	6,338,668	3,205,140	1,627,907				
Youth Violence Prevention Grants	2,222,145	3,835,210	2,167,094	1,595,862	1,033,624	1,525,197	1,501,178
Youth-At-Risk Matching Grants				1,383,081	1,757,161	2,743,200	2,700,000
Transitional Employment Program (Roca)	2,222,145	2,191,549	2,170,543	2,127,816	2,067,248	2,032,000	2,000,000
Summer Jobs Program for At-Risk Youth (YouthWorks)	12,557,341	8,766,194	4,341,087	3,936,460	13,437,115	3,048,000	10,000,000
Summer Jobs Program							
School-To-Work							
Summer Jobs Program for At-Risk Youth							
School to Career Connecting Activities	4,588,381	4,505,481	2,170,543	2,127,816	2,842,467	2,915,920	2,871,370
Youth-Build Grants	2,522,690	2,117,107	1,627,907	1,383,081	1,343,712	2,032,000	2,000,000
TOTAL	30,451,370	24,620,680	14,105,082	12,554,116	32,817,569	18,360,317	31,072,548