

Dear Members of Congress:

We call on Congress to prioritize well-being and expanded educational and economic opportunities for young people in the American Rescue Plan being considered by Congress. The undersigned organizations represent stakeholders who are committed to ensuring the economic and health security of youth and young adults, particularly youth and young adults of color and all young people who have grown up in under-resourced urban, rural, and tribal communities.

Even before the pandemic, all young people, and especially young people of color and those who live in under-resourced communities, were facing declining economic prospects and worsening mental health. For example:

- [As the national poverty rate declined in recent years, young adults consistently experienced higher poverty rates than the national average.](#)
- Even as the nation enjoyed record low unemployment rates between 2016 and early 2020, young people experienced unemployment rates twice as high as the national average.
- From 2016-2018, the [number of young people living in poverty who reported they needed, but didn't receive, mental health services](#) grew from 750,000 to more than 1.1 million.

It was in this context that the COVID-19 pandemic arrived. [The COVID-19 pandemic has caused youth disconnection rates to spike dramatically.](#) [At least 10 million young people](#) are now out of school and work, a disproportionate number of whom are young people of color. [During the pandemic, young people of color have experienced brutal unemployment rates over 45 percent.](#) And over 90 percent of unemployed young people reported not being able to access any income through stimulus checks or unemployment insurance, despite Congress' COVID relief efforts.

Congress must now step up. While there are critical provisions in the proposed American Rescue Plan, more must be done to safeguard an equitable recovery.

We are especially supportive of the following provisions in the American Rescue Plan:

- **Raising the minimum wage.** The [pre-pandemic poverty rate for youth](#) (aged 18 to 24) in 2019 was 13.3 percent, which was higher than the national rate of 10.5 percent. Many young adults work hard for low wages and need these funds to meet their own basic needs, support their families, or pay for their education. In addition, existing law allows employers to pay youth under age 20 and people with disabilities [a subminimum wage](#) of \$4.25 for the first 90 days of their employment. The rescue plan seeks to gradually phase out the subminimum wage plan, along with raising the overall minimum wage. This subminimum wage prohibits youth and people with disabilities from being active consumers in their communities, saving money, or achieving true economic stability.
- **Expanding the Earned Income Tax Credit (EITC) to both cover young workers without children and those whose children do not live with them and to provide a larger credit.** The combination of these changes would ensure that we no longer tax low-paid workers into poverty because they are either left out of the credit or their taxes exceed their tiny EITC. Expanding the (EITC) for [youth and young adults without children](#), or whose children do not live with them would give a needed boost to the earnings of several million workers between the ages of 19 and 25. These include cashiers, home health aides, delivery people, and other essential workers – who are [more likely to be youth and young adults](#). The expansion would also

support non-custodial parents who are largely left out of receiving the EITC even though they are providing support for their child.

The increased minimum wage and EITC work together to augment young people's income and give youth and young adults increased economic security.

Additionally, we are supportive of the following provisions, but if they are strengthened to meet the needs of youth and young adults:

- **Addressing the mental health crisis.** While the American Rescue plan makes a critical \$4 billion investment in supporting mental health, [it falls dramatically short in the context of a once-in-a-century cultural trauma and the associated mental health concerns that the entire country has experienced](#). Therefore, we urge Congress to prioritize young people's healing and well-being to make an additional, targeted \$7.5 billion investment in culturally responsive, trauma informed, and community based mental health supports.
- **Getting stimulus checks to those who need them.** Stimulus checks must be sent directly to young adults who are enrolled in community colleges, career and technical education programs, and colleges who can be claimed as dependents. These young adults have not received a stimulus check at any time since the pandemic began, because individuals under 24 who can be claimed as a dependent were excluded from direct payments in the previous relief packages. This population should receive the next stimulus payments – and retroactive payment for the first two stimulus checks. We also believe that young-adult students should not be denied the EITC for workers without dependent children.

Beyond the American Rescue Plan, Congress must do much more to support economic recovery for young people. This means substantial new and expanded investments in education, employment, and mental health:

- **Strengthening existing programs** through the [Relaunching America's Workforce Act](#).
- [Expanding existing authorized and proven federal programs](#) designed to reconnect youth to education, employment, service, and leadership opportunities.
- **Enacting a permanent, national subsidized-jobs program** to provide employment opportunities to workers persistently excluded from the labor force;
- **Creating a Civilian Conservation Corps.** President Biden's recent [Executive Order](#) calling for the creation of a Civilian Climate Corps (CCC) highlights the dire need for a climate response. The CCC could be a response to the record low unemployment for young people in our country and should be strengthened legislatively. It could provide them with the training and experience needed to be on a pathway to careers in the ever-expanding areas of conservation and climate resiliency. *Congress must enshrine in law the CCC with protections to ensure it is equitable and diverse, intentionally recruiting, enrolling, and supporting women, young people of color, urban and rural youth, and others from historically disenfranchised communities.*
- [Centering young people](#) in infrastructure and climate-change legislation;
- **Providing access to bridging supports** to young people who have experienced educational disruptions, with a focus on young people of color and low-income youth of all backgrounds; and
- **A whole-of-government approach to infusing trauma-informed and healing-centered practices** in federally supported grant programs, such as those [we proposed in 2020](#), to address the mental health consequences of the pandemic.

The COVID-19 pandemic has exacerbated deep-seated inequities in our nation. It has deepened the suffering of people born into poverty and it has shown the systemic underinvestment in opportunity for youth and young adults. We will be judged by how we respond in this moment. Congress must take steps to change the odds for the next generation.

Sincerely,

ORGANIZATIONS