

# Strengthening Partnerships Between Employers and Youth Workforce Practitioners: Recommendations of the National Youth Employment Coalition

A Report by the National Youth Employment Coalition (NYEC) | December 2025

# **Opportunity Youth in the Workforce**

Across the United States, an estimated <u>4.3 million young people</u> ages 16-24 are neither in school nor employment systems, a population referred to as Opportunity Youth. These young individuals possess untapped potential and experience that can fill skills gaps in our nation's workforce as employers across various industry sectors face labor shortages. Opportunity Youth often face barriers to employment such as experiencing homelessness, foster care system transitions, young parenthood, or loss of support services as they transition to employment. Despite the steep climb that many opportunity youth face, they are <u>eager</u> to pursue the American Dream and build a better life for themselves, their families, and their communities.

Opportunity Youth possess resilience, adaptability, leadership and other essential skills developed through their lived experiences, which are qualities that employers consistently identify as essential for long-term success. Their problem-solving abilities strengthen workplaces and communities alike. Research from Measure of America and Schultz Family Foundation shows that the federal government would gain an estimated \$51 billion in tax revenue by re-engaging all Opportunity Youth, alongside significant savings in public systems such as the Temporary Assistance for Needy Families program (TANF), Supplemental Nutrition Assistance Program (SNAP), housing assistance, and the justice system. However, employers, providers, and public systems continue to face challenges in effectively connecting with Opportunity Youth and coordinating amongst each other. Federal policy change is urgently needed to scale what works, replicate local innovation, and bridge the gaps between employers and programs. The federal government has the power to amplify successful state and local efforts and provide the scale, sustainability, and validation that only federal action can bring.

This report outlines challenges that employers and providers face and federal policy recommendations to support their outreach and collaboration with Opportunity Youth. This report is intended for policymakers, workforce leaders, and employer partners working to strengthen youth employment and support service systems to ensure every young person can participate in and contribute to the nation's economy.



# **Challenges Providers Face**

Resource Scarcity: Providers who work with Opportunity Youth consistently identify resource scarcity as one of their most pressing challenges. Federal funding for youth workforce and education programs has not kept pace with inflation or the rates of disconnection, leaving providers unable to meet demand. In practice, this means that waitlists for training and wraparound support services grow longer each year, and organizations are forced to reprioritize cases instead of providing comprehensive services to all who could benefit. Additionally, cuts to the existing funding put the onus on providers to pick up the tab for the necessary wrap-around support needed for success of this population. The lack of stable, multi-year funding also makes it difficult to recruit and retain qualified staff, invest in long-term programming, or build sustainable community partnerships. Without predictable resources, providers are often stuck being reactive to funding streams instead of being able to focus on developing systems that work for their program long term.

**Fragmented Outreach Efforts:** Opportunity Youth and their families are often unaware of the programs and services available to them. Providers must spend considerable time and resources on outreach, often without dedicated funding streams to do so. Restricted financial and physical capacity leads to outreach campaigns that are underfunded and limited, leaving young people underinformed about the training programs, apprenticeships, or subsidized employment opportunities that could reconnect them to school or work.

A 2025 Government Accountability Office (GAO) report explains how this lack of awareness is tied to a broader system complexity. Many federally supported workforce programs, such as apprenticeships or WIOA-funded training, are burdened by intricate eligibility requirements, unclear guidance, and administrative hurdles that make it difficult for providers to communicate opportunities effectively. When program information is fragmented across agencies or uses technical language inaccessible to youth and their families, outreach efforts can go unnoticed. As a result, providers must navigate complicated systems while also trying to meet young people where they are, stretching staff capacity and resources even further.

**Rebuilding Trust in Institutions:** For young people who have experienced housing instability or contact with the child welfare or justice systems, these barriers can be coupled with skepticism and social stigmas towards institutional supports. Even when programs exist, young people may not know where to turn for support, or may not believe that available services are designed with their success in mind. Without targeted investment in coordinated outreach and simplified access, providers are forced to rely on word-of-mouth or small-scale recruitment, perpetuating inequalities in who learns about and benefits from youth workforce programs.

**Challenges Employers Face** 



Outreach and Connection to Opportunity Youth: Many employers express genuine interest in hiring young people but lack clear and consistent pathways to reach them. Businesses, especially small and mid-sized firms, often lack guidance to connect with workforce boards, community organizations, or training providers that work specifically with Opportunity Youth. In many cases employers rely on familiar recruitment channels that overlook young adults who are eager to work but may have taken nontraditional educational or career pathways. This absence of intentional outreach strategies and partnership infrastructure leaves employers disconnected from a critical talent pipeline and perpetuates hiring practices that exclude youth who could bring value to their teams.

Communication and Coordination with Workforce Programs: Even when employers successfully recruit Opportunity Youth, challenges often arise after hiring. Many lack mechanisms to maintain communication with the workforce programs, case managers, or mentors who provide ongoing support to young employees. This disconnect limits opportunities to identify challenges early, adjust supports, and uplift progress. Employers who do not have clarity about the resources available to sustain youth once hired may be hesitant to take on what they perceive as an additional risk. Strengthening two-way communication between employers and youth-serving organizations is essential for building confidence and ensuring that Opportunity Youth are set up for long-term success.

**Unclear Ideas of "Workforce Readiness":** Employers often hold differing or unclear definitions of what "workforce readiness" means. Some emphasize technical skills, while others stress essential skills such as reliability, communication, problem solving or teamwork. Without shared language and expectations, programs may lean on one skill over another, leading to mismatches between training and employer demand. Clear and holistic frameworks for readiness that include both technical and essential skills, while also recognizing barriers that impact young people's ability to perform well on the job (reliable transportation, childcare for single parents, internet access, etc.) are needed to ensure that Opportunity Youth are seen as contributing and crucial members of the workforce.

### **Policy Recommendations**

Supporting, recruiting, and retaining Opportunity Youth requires coordinated policy action at the federal, state, and local levels. Workforce and education systems have been historically underfunded over the past decade, limiting their ability to serve Opportunity Youth. Without targeted investments, the nation's workforce risks losing the skills and contributions of millions of young people. The following policy recommendations aim to strengthen the youth workforce pipeline and improve program access to young people, providers, and employers.

**Strengthen Federal Investments in Youth Employment Programs:** The federal government, through various agencies, operates a number of programs that directly support Opportunity Youth; WIOA Youth Training, Apprenticeship, YouthBuild, Job Corps, Reentry Employment Opportunities,



Adult Education State Grants, Education for Homeless Children and Youth, AmeriCorps State and National, and National Civilian Community Corps. Funding for many of these programs has remained flat, and there have been several attempts from Congress to defund or divest in these programs in recent years. Without adequate investment, these programs are unable to meet the needs of the millions of young people who are not in school or work. Funding for Opportunity Youth serving programs across the Department of Labor, Department of Health and Human Services, and Department of Education is essential to reconnecting young people to high quality education, training, and employment. Congress should increase funding levels for youth workforce programs to ensure that they can adequately function, retain young people, and interact with organizations that facilitate employer engagement.

## Reauthorize The Workforce Innovation and Opportunity Act (WIOA):

The Workforce Innovation and Opportunity Act (WIOA) serves as the nation's public workforce development system. It connects young people to education, training, and employment opportunities through a network of federal programs. For Opportunity Youth, WIOA is essential in supporting pathways to career training and supportive services. Despite its crucial importance, WIOA has not been reauthorized since 2014, leaving many of its provisions outdated and misaligned with the needs of workers and programs today. In 2022, NYEC released a comprehensive set of WIOA recommendations to strengthen and modernize WIOA. These recommendations included mandating the use of self-attestation, simplifying WIOA Youth and YouthBuild eligibility, instituting a flexible performance measure menu, reorienting the WIOA Youth formula, adopting trauma-informed practices, and building long-term supports for YouthBuild program completers.

NYEC <u>supported</u> Congress' most recent effort to reauthorize WIOA through <u>A Stronger</u> <u>Workforce for America Act (ASWA)</u>. While ASWA did not get signed into law, it marked a significant bipartisan step in modernizing the workforce system and may serve as a foundation for future reauthorization efforts.

Embed Youth Voice and Employer Input in Program Design: Under WIOA, youth engagement and employer collaboration are encouraged but not uniformly required. The law mandates that local workforce boards provide 14 key youth program elements, such as mentoring, leadership development, and work-based learning, but it stops short of requiring that young people or employers have formal, decision-making roles in program design. Some state and local workforce boards have voluntarily created youth advisory councils or youth committees to provide feedback on service delivery, coordinate community partnerships, and inform local plans, while others engage employer representatives through board membership or sector-based partnerships. The U.S. Department of Labor's Employment and Training Administration (ETA) has also issued guidance emphasizing youth voice and leadership as priorities, encouraging providers to involve young people in recruitment, planning, and evaluation. However, these practices remain inconsistent nationwide and are not backed by statutory requirements or accountability measures.



Federal and state grant programs should require participatory advisory councils that include compensated youth and employer representatives. In 2024, NYEC endorsed the **Generation Now Workforce Representation Act**, authored by Senators Laphonza Butler (D-CA) and Tim Kaine (D-VA). This legislation amends WIOA to require at least one Opportunity Youth representative on every State workforce development board, representation from youth-serving nonprofits onto State boards, and establishes youth workforce committees within each State board that would provide recommendations on youth-centered workforce investments. By institutionalizing co-design and feedback loops, policymakers can ensure that programs remain responsive, trusted, and aligned with local needs.

**Modernize and Expand the Work Opportunity Tax Credit:** Policymakers can strengthen support for Opportunity Youth by expanding and modernizing the **Work Opportunity Tax Credit (WOTC)**, which is a federal tax incentive that rewards employers for hiring individuals from groups that face barriers to employment, including veterans, justice-involved individuals, single parents with children, and youth experiencing disconnection. While WOTC has proven effective in encouraging inclusive hiring, its potential to support young workers remains underutilized due to administrative complexity, outdated eligibility criteria, and limited employer awareness.

Congress should act to modernize the program by simplifying the certification process through streamlining coordination between employers, workforce boards, and state agencies. They should also expand eligibility to include youth participants in federally funded workforce programs such as WIOA Youth, Job Corps, and YouthBuild. Lawmakers should additionally increase the value of the credit for employers who hire Opportunity Youth and dedicate funding for targeted outreach campaigns to ensure businesses understand how to access and benefit from the program.

**Expand Integrated Workforce Hubs and Interagency Partnerships:** Employers and providers alike benefit from coordinated entry points where youth can access education, employment, and support services in one place. Federal agencies should examine existing infrastructure of "one-stop" youth hubs to determine if they provide supports such as workforce training integration, mental health services, housing support, and case management. Under-resourced hubs should then be either invested in or given guidance to update their program to provide said supports. Interagency partnerships that link the Departments of Labor, Education, Health and Human Services, and Justice can streamline funding streams and reduce duplication. These hubs make collaboration practical, especially for small employers and community organizations without large administrative capacity.

**Develop Shared Workforce Readiness Frameworks and Data Dashboards:** As previously mentioned, employers, educators, and workforce boards often operate from different definitions of "workforce readiness." The Departments of Labor and Education should work together to establish shared frameworks that include both technical and essential skills, such as teamwork, adaptability, and communication. Federal investment in interoperable data dashboards can help track outcomes across systems, identify gaps, and maintain continuous improvement. Standardizing data collection



and reporting will give policymakers, providers, and employers a common language for successful programs.

# **Appendix: These Recommendations Come from the Field**

These recommendations were developed by members of NYEC's Employers and Providers Subgroup and of NYEC's Youth Advisory Council.

Name	Organization	Location
Trinh Nguyen	City of Boston	Boston, MA
Christine James McKenzie	JobsFirstNYC	New York, NY
Thomas Phillips	TL Phillips Consulting Services	Manchester, CT
Bernadette Taveras	Foster Forward	East Providence, RI
Ashanti Hamilton	Veolia North America	Milwaukee, WI
Leeland Binckley	NYEC Youth Advisory Council	Enid, OK

NYEC staff who assisted in the Employers and Providers Subgroup include Lindsey Smith, Policy Coordinator, Nathan Hora, Senior Advisor for Federal Policy, Marie Davis, Strategic Advisor, and Dr. Mary Ann (Mimi) Haley, Executive Director.

Questions on this policy brief can be directed to <u>lindsey.smith@nyec.org</u> and copy <u>nyec@nyec.org</u>