

## ***Helping to Encourage Real Opportunities (HERO) for Youth Act***

Senator Dick Durbin

Too many young Americans face barriers to contributing to the workforce. The result is economic disconnection that leaves youth financially insecure, putting their future outcomes and communities at risk. In 2022, 13 percent of youth between the ages of 18-24 were neither employed nor in school, and Native American, Native Hawaiian and other Pacific Islander, and Black youth, as well as youth with disabilities, were disproportionately impacted.

If youth are not able to enter the workforce, this exacerbates challenges for employers seeking skilled workers. It is estimated that between 2022 and 2032, there will be an average of 20 skilled roles with job openings for every one new worker. For many young people, lack of job experience is a prohibitive disadvantage for potential employers, which perpetuates vicious cycles of unemployment and poverty in their communities and further limits potential for economic growth.

Barriers to employment at a young age have devastating consequences on the long-term employment prospects of opportunity youth, including lower lifetime earnings, higher rates of incarceration, and opioid addiction. There is also clear evidence of a correlation in communities where high rates of poverty, gun violence, and chronic unemployment among youth are prevalent. Providing employment to opportunity youth can have a considerable impact in lowering recidivism and violent crime among youth while improving their long-term health, economic, and educational outcomes.

Government and business leaders must join together to invest in economic policies that provide meaningful employment for opportunity youth. Ensuring that opportunity youth have access to on-the-job training will help them develop the knowledge, skills, and financial stability to live productive, healthy lives. Fostering such positive economic change on an individual level will have generational consequences for their families and communities.

**The *HERO for Youth Act*:** Recognizing that expanding economic opportunity is critical to correcting the cycle of poverty in communities, this legislation would encourage the business community to become a partner in addressing this crisis by hiring opportunity youth in vulnerable communities. Specifically, this legislation would:

- *Increase employment for opportunity youth:* Expands the Work Opportunity Tax Credit (WOTC) to include youth ages 16-24 who are both out of school and out of work, and youth ages 16-21 that are currently in foster care or have aged out of the system.
- *Encourage employers to retain youth from economically distressed areas as long-term employees:* Doubles the amount of WOTC to \$2,400 for youth and expands the summer youth program to include year-round employment. The bill limits the number of hours eligible youth can work while in school to no more than 20 hours a week.