



January 13, 2022

Employment Development Department
Labor and Workforce Development Agency
Office of Planning and Research
Governor's Office of Business and Economic Development

RE: CERF RFI

To Whom It May Concern:

We appreciate the opportunity to offer our feedback on the December 9, 2021 Request for Information (RFI) for the Community Economic Resilience Fund (CERF) Program.

We also greatly appreciate the \$600 million CERF Program that was established by the Legislature in the 2021-2022 budget process to "build an equitable and sustainable economic recovery from the impacts of COVID-19" across the state. The Inter-Agency Team tasked with developing the program is directed to focus on populations whose economic distress has been exacerbated by COVID-19. Furthermore, resources are to be prioritized for the development of "high road" programs that can deliver quality employment opportunities to underserved and underrepresented populations. Given these programmatic parameters, we believe it is critically important that the development of CERF reflect the unique needs and experiences of our state's Opportunity Youth population and ensure substantive funding is expended to serve these young people.

Due to their lack of work experience, youth and young adults are often the most professionally vulnerable during an economic downturn. At the same time, young workers have been overrepresented in the economic sectors hit hardest by the pandemic and subsequent shutdowns, including the retail and hospitality industries. Prior to the COVID-19 pandemic, the disconnected youth – youth not in school or employed – rate in California was estimated to be 10.3% of the total young adult population. By May 2020, that rate had nearly doubled. A recent report by Measure of America, *A Portrait of California*, notes that "the pandemic will likely erase a decade's worth of progress in bringing down the youth disconnection rate across the United States."

We also know that failing these young people at this juncture in their lives has long-term consequences. The White House Council for Community Solutions commissioned a study following the Great Recession – *The Economic Value of Disconnected Youth* – estimating that in the year 2011 alone taxpayers "shouldered more than \$93 billion to compensate for lost taxes



and direct costs to support young people disengaged from both education and work,” while the long-term societal costs were projected to be \$4.7 trillion over their lifetimes.

For these reasons we offer the following recommendations as you develop the CERF program:

- In recognition of the disproportionate economic impact of the pandemic on youth and young adults, the CERF program should explicitly identify this population for inclusion in CERF programming.
- Specific metrics within CERF, including enrollment of Opportunity Youth, expenditures for Opportunity Youth participation, and placement data should be established to track investments and outcomes for these young people across the state.
- The composition of the regional councils developed through CERF should be required to include the representation of Opportunity Youth, including both youth-serving agencies as well as youth and young adults themselves.

CERF represents a once in a lifetime chance to build the partnerships and infrastructure necessary to deliver equitable opportunities to all Californians. It is critical that the unique perspectives, needs and potential of our state’s youth and young adults be fully integrated into this process to ensure we are not leaving young people behind.

We thank you for consideration of these recommendations and we stand ready to assist and support you in this transformational work.

Sincerely,

California EDGE Coalition
California Opportunity Youth Network
New Ways to Work