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Disconnected Youth: A Look at 16 to 24 Year Olds Who Are Not Working or In School

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Summary

In recent years, policymakers and youth advocates have focused greater attention on young people who are neither working nor in school. Generally characterized as "disconnected," these youth may also lack strong social networks that provide assistance in the form of employment connections and other supports such as housing and financial assistance. Without attachment to work or school, disconnected youth may be vulnerable to experiencing negative outcomes as they transition to adulthood. The purpose of the report is to provide context for Congress about the characteristics of disconnected youth, and the circumstances in which they live. These data may be useful as Congress considers policies to retain students in high school and to provide opportunities for youth to obtain job training and employment.

Since the late 1990s, social science research has introduced different definitions of the term "disconnected." Across multiple studies of disconnected youth, the ages of the youth and the length of time they are out of school or work for purposes of being considered disconnected differ. In addition, a smaller number of studies have also incorporated incarcerated youth into estimates of the population. Due to these methodological differences, the number of youth who are considered disconnected varies. According to the research, the factors that are associated with disconnection are not entirely clear, though some studies have shown that parental education and receipt of public assistance are influential.

This Congressional Research Service (CRS) analysis expands the existing research on disconnected youth. The analysis uses Current Population Survey (CPS) data to construct a definition of "disconnected." This definition includes noninstitutionalized youth ages 16 through 24 who were not working or in school at the time of the survey (February through April) and did not work or attend school any time during the previous year. The definition is narrower than those used by other studies because it captures youth who are unemployed and not in school for a longer period of time. This is intended to exclude youth who may, in fact, be connected for part or most of a year. Youth who are both married to a connected spouse *and* are parenting are also excluded from the definition. For these reasons, the number and share of youth in the analysis who are considered disconnected are smaller than in some other studies. Still, 2.4 million youth ages 16 through 24—or 6.1% of this population—met the definition of disconnected in 2014, meaning that they were not in school or working for all of 2013 and at some point between February and April of 2014. Between 1988 and 2014, the rate of disconnection fluctuated between 3.9% (1999 and 2000) and 7.5% (2010). As expected, rates of disconnection have varied over time depending on economic cycles.

Like the existing research, the CRS analysis finds that a greater share of minority youth, particularly black males, are disconnected, and that their rates of disconnection have been higher over time. The analysis evaluates some other characteristics that have not been widely studied in the existing research. For instance, compared to their peers in the general population, disconnected youth tend to have fewer years of education, and are more likely to live apart from their parents and (if they married to a disconnected spouse or are not married) to have children. Disconnected youth are also twice as likely to be poor than their connected peers. The analysis further finds that the parents of disconnected youth are more likely than their counterparts to be unemployed and to have lower educational attainment.

Given the state of the current economy, rates of disconnection may remain stable or decrease. Policymakers may consider interventions to reconnect youth to work and/or school. Interventions can target children and youth at a particular stage of their early lives. Interventions can also focus on particular institutions or systems, such as the family, community, and schools.

Contents

Introduction 1
Background 3
Overview of Research on Disconnected Youth 5
Methodology and Number of Disconnected Youth 5
Other Characteristics 7
Reasons Associated with Disconnection 7
CRS Analysis of Disconnected Youth 8
Overview 8
Limitations 9
Summary of Findings 9
Poverty, Family Living Arrangements, and Parental Characteristics 10
Detailed Findings 12
Reasons Reported For Youth Not Being in School or Working 12
Characteristics of Disconnected Youth 13
Characteristics of Parents Living with Disconnected Youth 26
Trends Over Time 28
Implications for Policy 34

Figures

Figure 1. Disconnected Youth Ages 16-24, by Disability Status, Presence of Children, and Family Caretaking Responsibility, 2014 13
Figure 2. Disconnected Rates Among Youth Ages 16-24, by Age Group, Sex, and Parental Status, 2014 17
Figure 3. Disconnected Rates Among Youth Ages 16-24, by Race, Ethnicity, Sex, and Parental Status, 2014 18
Figure 4. Educational Attainment of Connected and Disconnected Youth Ages 19-24, by Age Group, 2014 20
Figure 5. Poverty Status of Disconnected and Connected Youth Ages 16-24, by Age Group 2014 22
Figure 6. Poverty Status of Disconnected and Connected Youth Ages 19-24, by Level of Educational Attainment, 2014 23
Figure 7. Living Arrangements of Disconnected and Connected Youth Ages 16-24, by Age Group, 2014 25
Figure 8. Poverty Status of Disconnected and Connected Youth Ages 16 to 24, by Living Arrangement, 2014 26
Figure 9. Educational Attainment of Disconnected and Connected Youths' Parents, for Youth Ages 16-24 Living with One or Both Parents, 2014 27
Figure 10. Employment Status of Disconnected and Connected Youths' Parents, for Youth Ages 16-24 Living with One or Both Parents, 2014 28
Figure 11. Rates of Disconnected Youth Ages 16-24, by Sex, 1988-2014 30
Figure 12. Rates of Disconnected Males Ages 16-24, by Age Group, 1988-2014 31
Figure 13. Rates of Disconnected Females Ages 16-24, by Age Group, 2014 32

Figure 14. Rates of Disconnected Males Ages 16-24, by Race and Ethnicity, 1998-2014 33
Figure 15. Rates of Disconnected Females Ages 16-24, by Race and Ethnicity, 1998-2014..... 34

Tables

Table 1. Summary Characteristics of Connected and Disconnected Youth Ages 16-24, 2014..... 14

Contacts

Author Information..... 37
Acknowledgments 37

Introduction

A young person's detachment from both the labor market and school is an indicator that he or she may not be adequately making the transition to adulthood. Referred to as "disconnected" in the social science literature, youth who are neither working nor in school may have difficulty gaining the skills and knowledge needed to attain self-sufficiency. Without adequate employment, these youth may also lack access to health insurance and disability benefits, and forego the opportunity to build a work history that will contribute to future higher wages and employability. Disconnected youth may also lack strong social networks that provide assistance in the form of employment connections and other supports such as housing and financial assistance. The federal government may have a vested interest in connecting youth to school and work because of the potential costs incurred in their adulthood in the form of higher transfer payments and social support expenses, as well as lost tax revenue.[1]

The purpose of the report is to provide context for Congress about the characteristics of youth who are neither working nor in school, and the circumstances in which they live. A demographic profile of disconnected youth may be useful for discussions of efforts to improve the outcomes of at-risk high school students, such as through programs authorized by the Elementary and Secondary Education Act (ESEA) of 1965 and Higher Education Act (HEA) of 1965.[2]

Research since the late 1990s has sought to identify and characterize disconnected youth. Based on varying definitions of the term "disconnected" and the methodology used among multiple studies, estimates of the disconnected youth population range. The Congressional Research Service (CRS) conducted an analysis of the U.S. Census Bureau's Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS) to more fully understand the characteristics of disconnected youth, and to provide recent data on the population. Based on select questions in the CPS, the analysis constructs a definition of disconnection that includes noninstitutionalized youth ages 16 through 24 who were not working or in school at the time of the survey (February through April 2014) and did not work or attend school any time during the previous year (2013).[3] The CPS surveys individuals in households, and not those in institutional settings, such as college dorms, military quarters, and mental health institutions. (The number and share of disconnected individuals would likely increase significantly if the CRS analysis incorporated data from surveys of prisons and jails.[4] On the other hand, figures of disconnected youth would likely be offset to some degree if youth in colleges and the military were counted.)

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[1] A study from 2012 examined the taxpayer and societal costs of lost earnings, lower economic growth, lower tax revenues, and higher government spending associated with youth who are not working or in school (or are otherwise not fully connected to either work or school). Collectively, these youth are described as "opportunity youth." The study attributed the immediate taxpayer costs for an "opportunity youth" at $13,900 and societal costs at $37,450; and the future lifetime costs for opportunity youth at age 25 and older at $170,740 in taxpayer costs and $529,030 in societal costs. These estimates are in 2011 dollars. Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*, Queens College, City University of New York and Teachers College, Columbia University in association with Civic Enterprises, January 2012, http://www.serve.gov/sites/default/files/ctools/econ_value_opportunity_youth.pdf. (Hereinafter Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*.)

[2] For additional information about ESEA, see CRS Report RL33960, *The Elementary and Secondary Education Act, as Amended by the No Child Left Behind Act: A Primer*. For additional information about HEA, see CRS Report RL34654, *The Higher Education Opportunity Act: Reauthorization of the Higher Education Act*.

[3] The CPS/ASEC is administered in February through April, though the majority of respondents are surveyed in March.

[4] In 2010, the most recent year for which data are available, 79,165 youth (including those over age 18) were placed in residential juvenile justice facilities. Department of Justice, Office of Justice Programs, Office of Juvenile Justice and

The CRS definition is narrower than those used by other studies because it captures youth who are unemployed and not in school for a longer period of time. The definition is intended to exclude youth who may, in fact, be connected for part or most of a year, and may be between jobs or taking an extended break after school. Youth who are married to a connected spouse *and* are parenting[5] are also excluded from the definition, because they are working in the home and can presumably rely on the income of their spouses. For these reasons, the number and share of youth in the analysis who are considered disconnected are smaller than in some other studies. Still, 2.4 million youth ages 16 through 24—or 6.1% of this population—met the definition of disconnected in 2014 (disconnected for all of 2013 and between February and April of 2014).

Like many other studies, the CRS analysis finds that a greater share of female and minority youth tend to be disconnected, although in some recent years rates of disconnection among females and males have been similar or converged. The CRS analysis also evaluates other characteristics that have not been widely studied in the existing research. For instance, compared to their peers in the general population, disconnected youth tend to have fewer years of education, and are more likely to live apart from their parents (except for youth ages 22-24) and be poor. Further, the CRS analysis expands upon the existing research by exploring the characteristics of the parents of disconnected and connected youth who reside with their parents. The analysis finds that the parents of disconnected youth are more likely than their counterparts to be unemployed and to have a lower level of educational attainment. Finally, the analysis also examines trends in disconnectedness over time, from 1988 through 2014.

- Rates of disconnection have ranged from about 3.9% (in 1999 and 2000) to just over 7.5% (in 2010).
- Trends in disconnection rates for males and females for the most part run parallel to each other, with disconnection rates for females being consistently higher than those for males over the period, except in 2010, when these rates converged.
- Disconnected rates were also highest over the period for black (non-Hispanic) males in the study. In most years, rates of disconnection were highest among 19 to 21 year olds or 22 to 24 year olds.

The first section of this report discusses Congress' growing interest in issues around youth who are not working or in school. The second section presents a brief overview of research on the population, including the number of disconnected youth, characteristics of the population, as well as the factors that have been associated with disconnection. The purpose of this section is to show the variation in the research on the population and to suggest that the definition of "disconnected" is fluid. (The report does not evaluate the methodology or validity of these studies, or discuss in great detail the federal programs or policies that may be available to assist disconnected youth.)[6] The third section presents the CRS analysis of disconnected youth ages 16 through 24. The final section discusses implications for future research and federal policy.

Delinquency Prevention, *Census of Juveniles in Residential Placement*, 2010, National Report Series. On one day in 2009, the most recent year for which data are available, 747,800 youth ages 18 through 24 were held in state or federal prisons or local jails. Department of Justice, Bureau of Justice Statistics, *Prison Inmates at Midyear 2009*, Table 17.

[5] On the other hand, youth who are married to a disconnected spouse *and* have children or are unmarried with children are included in the definition.

[6] For information about existing federal policies and programs targeting vulnerable youth, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*. For background on youth unemployment and educational attainment, and factors contributing to youth joblessness, see CRS Report R42519, *Youth and the Labor Force: Background and Trends*.

Background

Congress has taken interest in, and enacted, policies that can assist youth who are not working or in school. Legislation was first introduced in the 110th Congress that specifically mentioned disconnected youth.[7] Since that time, notable legislation in this area has included the following:

- Performance Partnership Pilots (P3): The FY2014 appropriations law (P.L. 113-76) and FY2015 appropriations law (P.L. 113-235)[8] provided authority for the Departments of Education, Labor, and Health and Human Services (along with the Corporation for National and Community Service and related agencies) to carry out up to 10 Performance Partnership Pilot projects. Such projects must include services to assist youth ages 14 to 24 (who are homeless, in foster care, involved in the juvenile justice system, or are neither employed nor enrolled in an educational institution) in achieving educational, employment, and other goals. Federal agencies may use discretionary funding to carry out pilots that involve federal education, training, employment, or related social services programs targeted to disconnected youth, or are designed to prevent youth from becoming disconnected
- The law enables the applicable federal agencies to enter into agreements with states, regions, localities, or tribal communities that give them flexibility in using discretionary funds across these programs. The pilots must identify the populations to be served, outcomes to be achieved, and methodology for measuring outcomes, among other items. Federal agencies that participate must ensure that their participation does not result in restricting eligibility of any individual for any of the services funded by the agency or will not otherwise adversely affect vulnerable populations that receive such services under the pilot. The law also specifies that federal agencies that use discretionary funds may seek to waive certain program requirements necessary for achieving the outcomes of the pilots, provided that the agencies provide written notice to Congress (and with limitations on waivers related to non-discrimination, wage and labor standards, and allocation of funds to states or other jurisdictions).[9]

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[7] In addition to enacting legislation, Congress has taken other steps to learn about disconnected youth. The 110th Congress conducted a hearing on disconnected youth and considered legislation that was intended to assist this population. The hearing was conducted by the House Ways and Means Subcommittee on Income Security and Family Support, U.S. Congress, House Ways and Means Committee, Income Security and Family Support Subcommittee, "Hearing on Disconnected and Disadvantaged Youth," June 19, 2007, available at http://waysandmeans.house.gov/hearings.asp?formmode=detail&hearing=569. Also in the 110th Congress, the House Education and Labor Committee examined how the federal government can help to re-engage disconnected youth. At the request of the committee, the Government Accountability Office (GAO) issued a report in February 2008 that reviewed the characteristics and elements that make local programs funded with federal dollars successful in re-engaging youth, as well as the challenges in operating such programs. U.S. Government Accountability Office, *Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth Education and Employment*, GAO-08-313, February 2008.

[8] House of Representatives, *Congressional Record*. "Explanatory Statement on Appropriations Regarding the House Amendment to the Senate Amendment on H.R. 83," *Congressional Record*, daily edition, vol. 160, part I (December 11, 2014), p. H9187. Section 4 of H.R. 83 provides that the Explanatory statement, when published in the Congressional Record, is to have the same effect as a conference agreement.

[9] In November 2014, the Department of Education invited eligible entities to apply for FY2014 P3 funding. U.S. Department of Education, "Applications for New Awards; Performance Partnership Pilots," 79 *Federal Register* 70033-70051, November 24, 2014. Eligible applicants can include partnerships that involve public and private (non-profit, business, industry, and labor organizations organizations), with a lead entity being a state, local, or tribal

- The Workforce Innovation and Opportunity Act (WIOA, P.L. 113-128) was enacted in July 2014, and superseded the Workforce Investment Act (WIA) in July 2015 as the primary federal workforce law. WIOA enables the Secretary of Labor, in coordination with the Secretary of Education, to conduct a study examining the characteristics of eligible youth that result in such youth being significantly disconnected from education and workforce participation; the ways in which such youth could have greater opportunities for education attainment and obtaining employment; and the resources available to assist such youth in obtaining the skills, credentials, and work experience needed to become economically self-sufficient.
- The American Recovery and Reinvestment Act of 2009 (P.L. 111-5), the omnibus law that provided federal funding for programs to encourage economic recovery, included provisions that pertained to disconnected youth.[10] Of the $1.2 billion appropriated for programs in the Workforce Investment Act, Congress extended the age through which youth were eligible for year-round activities (from age 21 to age 24) so that job training programs would be available for "young adults who have become disconnected from both education and the labor market." In addition, the law made businesses that employ youth defined as "disconnected" eligible for the Work Opportunity Tax Credit (WOTC).[11]
- The College Opportunity and Affordability Act of 2008 (P.L. 110-315), which reauthorized multiple programs under the Higher Education Act, did not include a definition of disconnected youth, but identified "disconnected students" as those who are limited English proficient, from groups that are traditionally underrepresented in postsecondary education, students with disabilities, students who are homeless children and youths, and students who are in or aging out of foster care. The law made these students and "other disconnected students" (also not defined) eligible for programs authorized by HEA, including the TRIO programs, which provide college preparation and other services for low-income high school students who are the first in their families to attend college.[12]

The next section provides an overview of the existing research of disconnected youth, and it is followed by the CRS analysis. Research on disconnected youth can provide context for Congress regarding the magnitude of the population and the challenges they face.

government entity. Per the FY2014 authorizing law, each pilot may not extend beyond September 30, 2018. The FY2015 authorizing law enables the P3 pilots to extend through September 30, 2019, and for agencies to use FY2015 funds for pilots that are funded with FY2014 appropriations.

[10] U.S. Congress, House Committee on Rules, *Conference Report to Accompany H.R. 1 - The American Recovery and Reinvestment Act of 2009*, 110th Cong., 1st sess., February 8, 2009, Joint Explanatory Statement Division A and Division B.

[11] According to the law, a disconnected youth, for purposes of WOTC, is an individual certified as being between the ages 16 and 25 on the hiring date; not regularly attending any secondary, technical, or post-secondary school during the six-month period preceding the hiring date; not regularly employed during the six-month period preceding the hiring date; and not readily employable by reason of lacking a sufficient number of skills. Youth with low levels of formal education "may satisfy the requirement that an individual is not readily employable by reason of lacking a sufficient number of skills."

[12] For further information about the TRIO programs, see CRS Report R42724, *The TRIO Programs: A Primer*.

Overview of Research on Disconnected Youth

CRS surveyed the social science literature from 1999 through 2014 on disconnected youth, and found 10 relevant studies. These studies were identified by searching social science periodicals, consulting the GAO team involved in the disconnected youth study, and reviewing works' cited pages in a few of the studies. The ten studies were carried out by federal agencies or non-governmental organizations. Below is a brief overview of the studies' methodologies, definitions of the population, as well as findings.[13] This review does not evaluate the methodology or validity of studies on disconnected youth.

Methodology and Number of Disconnected Youth

Across the studies, estimates of the number of disconnected youth vary because of their methodology, the age range of youth, and the period of time examined.[14] Most of the studies were cross-sectional, meaning that they considered youth to be disconnected at a particular point in time—usually on a given day survey data were collected—or over a period of time, such as anytime during a previous year or the entire previous year. Some, however, were longitudinal, and tracked a youth's connection to work and school over multiple years. The studies also used varying data sets, including the Current Population Survey, Decennial Census, National Longitudinal Survey of Youth (NLSY, which includes a 1979 cohort and a 1997 cohort), American Community Survey (ACS), and the National Longitudinal Study of Adolescent to Adult Health (Add Health), among others. Most of the studies did not provide actual numbers of disconnected youth, and instead reported percentages. Percentages ranged from 7% to 20% of the youth population, depending on the ages of the youth and methodology. Among the few studies that provided estimates of the actual number, they found that about 1.4 million to nearly 7 million youth were disconnected. One oft-cited study found that on average, 5.2 million youth ages 16 to 24, or 16.4% of that age group, were not working or in school at a given point in time.[15]

The studies counted youth as young as age 16 and as old as age 24, with ages in between (e.g., 16 to 19, 18 to 24).[16] Youth were considered disconnected for most of the studies if they met the

[13] The studies are as follows: (1) Annie E. Casey Foundation, *Kids Count*, 2013; (2) Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*, Corporation for National and Community Service and White House Council for Community Solutions, 2012; (3) U.S. Department of Education, National Center for Education Statistics, *Condition of Education*, 2007; (4) Thomas MaCurdy, Bryan Keating, and Sriniketh Suryasesha Nagavarapu; *Profiling the Plight of Disconnected Youth in America* Stanford University, for the William and Flora Hewlett Foundation, March 2006; (5) Peter Edelman, Harry J. Holzer, and Paul Offner; *Reconnecting Disadvantaged Young Men* (Washington, DC: Urban Institute, 2006); (6) Congressional Budget Office, *What is Happening to Youth Employment Rates?*, 2004; (7) Susan Jekielek and Brett Brown, *The Transition to Adulthood: Characteristics of Young Adults Ages 18 to 24 in America*, Annie E. Casey Foundation, Population Reference Bureau, and Child Trends, 2003; (8) Andrew Sum et al., *Left Behind in the Labor Market: Labor Market Problems of the Nation's Out-of-School, Young Adult Populations*, Northeastern University, Center for Labor Market Studies, 2003; (9) Michael Wald and Tia Martinez, *Connected by 25: Improving the Life Chances of the Country's Most Vulnerable 14-24 Year Olds*, Stanford University, for the William and Flora Hewlett Foundation, 2003; and (10) Brett V. Brown and Carol Emig, "Prevalence, Patterns, and Outcomes," in *America's Disconnected Youth, Toward a Preventative Strategy*, ed. Douglas J. Beharov (Washington, DC: AEI Press, 1999.

[14] Some of the studies do not provide detailed information about the methodology used.

[15] Andrew Sum et al., *Left Behind in the Labor Market: Labor Market Problems of the Nation's Out-of-School, Young Adult Populations*, Northeastern University, Center for Labor Market Studies, 2003. (Hereinafter, Andrew Sum et al., *Left Behind in the Labor Market: Labor Market Problems of the Nation's Out-of-School, Young Adult Populations*.)

[16] A few studies, such as *The Condition of Education* (2007), by the Department of Education, and *What is Happening to Youth Employment Rates?* (2004), by the Congressional Budget Office, do not use the term "disconnected" but

definition at a particular point in time, though for one study, youth were considered disconnected if they met the criteria in the first month they were surveyed and in at least eight of the eleven following months.[17] Another used a definition of disconnected to include youth who were not working or in school for at least the previous year before the youth were surveyed, in 1999.[18] Some of the studies' definitions incorporated other characteristics, such as marital status and educational attainment. For example, an analysis of NLSY97 data used a definition of disconnected youth that counts only those youth who were not in school or working, and not married.[19] Two other studies used a definition for 18 to 24 year olds who were not enrolled in school, not working, and who had obtained, at most, a high school diploma.[20] Another study used several datasets and derived varying estimates (based on length of disconnection) that accounted for youth who also may be (at most) partially attached to school and/or the labor force.[21] Further, nearly all of the studies used definitions that included only non-institutionalized youth. This means that the studies did not count youth in prisons, juvenile justice facilities, mental health facilities, college dorms, military facilities, and other institutions. However, two studies incorporated incarcerated youth and/or youth in the Armed Forces.[22] Inclusion of youth living in institutional settings could affect the number and share of youth considered as disconnected. Adding youth who are in prison or juvenile justice facilities would increase the number of disconnected youth, whereas adding youth who are living in school dorms or in the Armed Forces would increase the number of connected youth.

As mentioned previously, the College Cost Reduction Act (P.L. 110-315) did not define "disconnected youth" but identified certain vulnerable youth—such as runaway and homeless youth and English language learners—as being "disconnected students," and therefore eligible for certain educational support services. One of the studies classified disconnected youth in the same vein. The study defined groups of disadvantaged youth ages 14 to 17, including those involved with the juvenile justice system and youth in foster care, as vulnerable to becoming disconnected (or having long-term spells of unemployment) because of the negative outcomes these groups tend to face as a whole.[23]

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evaluate the number and characteristics of youth who are not working or in school.

[17] Thomas MaCurdy, Bryan Keating, and Sriniketh Suryasesha, *Profiling the Plight of Disconnected Youth in America*, Stanford University, for the William and Hewlett Foundation, March 2006. (Hereinafter Thomas MaCurdy, Bryan Keating, and Sriniketh Suryasesha, *Profiling the Plight of Disconnected Youth in America*.)

[18] Peter Edelman, Harry J. Holzer, and Paul Offner, *Reconnecting Disadvantaged Young Men* (Washington, DC: Urban Institute, 2006). (Hereinafter, Peter Edelman, Harry J. Holzer, and Paul Offner, *Reconnecting Disadvantaged Young Men*.)

[19] Thomas MaCurdy, Bryan Keating, and Sriniketh Suryasesha, *Profiling the Plight of Disconnected Youth in America*.

[20] Annie E. Casey Foundation, *Kids Count*, 2013; and Susan Jekielek and Brett Brown, *The Transition to Adulthood: Characteristics of Young Adults Ages 18 to 24 in America*, Annie E. Casey Foundation, Population Reference Bureau, and Child Trends, November 2005.

[21] Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*, Corporation for National and Community Service and White House Council for Community Solutions, 2012. (Hereinafter Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*.)

[22] Peter Edelman, Harry J. Holzer, and Paul Offner, *Reconnecting Disadvantaged Young Men*; and Congressional Budget Office, *What is Happening to Youth Employment Rates?*, November 2004 (hereinafter Congressional Budget Office, *What is Happening to Youth Employment Rates?*.)

[23] Michael Wald and Tia Martinez, *Connected by 25: Improving the Life Chances of the Country's Most Vulnerable 14-24 Year Olds*, Stanford University, for the William and Flora Hewlett Foundation, November 2003.

Other Characteristics

In all studies that examined sex, an equal or greater share of females were disconnected. According to one analysis of CPS data, disconnected youth included individuals age 16 through 19, and not in school or working (at what appears to be a particular point in time).[24] The study found that during select years from 1986 through 2006, approximately 7% to 10% of youth met this definition annually. Females were slightly more likely to be disconnected than males in 2006—8.1% compared to 7.1%. Another analysis of CPS data calculated the number and share of disconnected youth based on data collected from monthly CPS surveys for 2001.[25] The study found that 18% of females and 11% of males were disconnected. About 44% of youth defined as disconnected had dropped out of high school.

Of the studies that examined race and ethnicity, white and Asian youth were less likely to be disconnected than their counterparts of other racial and ethnic groups. According to an analysis of 2011 CPS data, the rates of disconnection among youth ages 16 to 19 by racial category were as follows: 5% of non-Hispanic Asian and Pacific Islanders; 7% of non-Hispanic whites; 12% of Hispanics; and 13% of non-Hispanic blacks.[26] Further, in a 2012 study using NLSY97 data, black and Hispanic youth were overrepresented among the disconnected (or "opportunity") youth population."[27]

Reasons Associated with Disconnection

The factors that contribute to disconnection are not entirely clear, though some research has shown that parental education and receipt of public assistance, as well as race and ethnicity, play a role. An analysis of NLSY97 data found that disconnection was associated with being black and parental receipt of government aid from the time the parent was 18 (or their first child was born).[28] A separate analysis of NLSY79 data found that long-term disconnected youth—who were not working or in school for at least 26 weeks in three or more years, and not married—tended to have certain personal and family background factors, including family poverty, family welfare receipt, and low parent education.[29] For example, among young men who met the long-term definition of disconnected, 35% were from poor families, compared to 10% of connected men; 26% were from families receiving welfare (versus 6% of connected men); 28% were from single-parent families (versus 13%); and 45% had a parent who lacked a high school degree (versus 16%). (Corresponding data for females are not available.) The study also found that nearly 90% of those who were disconnected at age 20 to 23 were first disconnected as teenagers. Finally, another study found that teens from low-income families were more likely to be neither enrolled in school nor employed than those from higher-income families, and that teens whose parents did

[24] U.S. Department of Education, National Center for Education Statistics, *The Condition of Education*, 2007.

[25] Andrew Sum et al., *Left Behind in the Labor Market: Labor Market Problems of the Nation's Out-of-School, Young Adult Populations*.

[26] Annie E. Casey Foundation, *Youth and Work: Restoring Teen and Young Adult Connections to Opportunity*, March 1, 2012.

[27] Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*.

[28] Thomas MaCurdy, Bryan Keating, and Sriniketh Suryasesha, *Profiling the Plight of Disconnected Youth in America*.

[29] Brett V. Brown and Carol Emig, "Prevalence, Patterns, and Outcomes," in *America's Disconnected Youth: Toward a Preventative Strategy*, ed. Douglas J. Besharov (Washington, DC: AEI Press, 1999). (Hereinafter, Brett V. Brown and Carol Emig, "Prevalence, Patterns, and Outcomes").

not finish high school were twice as likely to be disengaged than those whose parents have at least some education (actual figures were not provided).[30]

CRS Analysis of Disconnected Youth

Overview

The CRS analysis expands upon the existing research of disconnected youth. As discussed further below, the CRS definition of disconnected youth is more narrow than most definitions employed by other studies because it captures those who are not working and not in school for a longer period of time (versus at a point in time, or for instance, over a six-month period). This definition is intended to exclude youth who may, in fact, be connected for part or most of a year, and may be between jobs or taking an extended break after school. Unlike all of the other studies, youth who are married to a connected spouse *and* are parenting are also excluded from the definition, based on the assumption that these young people work in the home by caring for their children and rely on financial and social support from their spouses.[31] For these reasons, the number and share of youth in the analysis who are considered disconnected are smaller than in some other studies. Still, as discussed below, 2.4 million youth ages 16 through 24—or 6.1% of this population—meet the definition of disconnected. Further, in contrast to most other studies, the CRS analysis examines the characteristics of the parents of disconnected youth. The analysis finds that they are more likely than the parents of connected youth to be unemployed and have a lower level of educational attainment.

The CRS analysis constructs a definition of disconnected youth based on questions asked in the U.S. Census Bureau's Current Population Survey about workforce participation, school attendance, marital, and parental status. The definition includes young people ages 16 through 24 who did not work anytime during a previous year (2013) due primarily to a reason other than school and who also were neither working nor in school at the time of the survey (February through April of 2014). (Reasons given as to why youth were not working could include that they were either out of the workforce because they were ill or disabled, taking care of home or family, could not find work, or some other unspecified reason.) This means that youth would be disconnected for a minimum of 12 months (all of 2013), and some or all of a possible additional three months (February through April of 2014).

The analysis includes youth as young as 16 because at this age they may begin working and starting to prepare for post-secondary education. The study also includes older youth, up to age 24, since they are in the process of transitioning to adulthood. Many young people in their mid-20s attend school or begin to work, and some live with their parents or other relatives. According to social science research, multiple factors—including delayed age of first marriage, the high cost of living independently, and additional educational opportunities—have extended the period of transition from adolescence to adulthood.[32]

[30] Congressional Budget Office, *What is Happening to Youth Employment Rates*?

[31] On the other hand, youth who are married to a disconnected spouse *and* have children or are unmarried with children are included in the definition.

[32] For additional information about the transition to adulthood, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*.

Limitations

One limitation of this analysis is that the CPS surveys individuals in households, and not those in institutional settings, such as prisons, jails, college dorms, military quarters, and mental health institutions. Based on incarceration data from other studies, the number and share of disconnected individuals would likely increase significantly if the study incorporated data from surveys of prisons and jails. Further, the CPS does not count persons who are homeless. While the precise number of homeless youth ages 16 through 24 is unknown, a significant share of these youth may meet the definition of disconnected.[33] On the other hand, the share of disconnected youth in the population might be offset by including members of the Armed Forces and college students in dorms who are ages 18 through 24, and are by definition, working or going to school.

Another limitation of the analysis is that it does not account for the strong possibility that while some disconnected youth are not formally employed, they are likely finding ways to make ends meet through informal markets and social networks. These networks can provide cash assistance, temporary housing and employment, and child care, among other supports. Nonetheless, informal networks are likely unstable, and may not necessarily lead to longer-term employment or attachment to school.[34] As discussed in the section below, nearly half of all disconnected youth live in poverty. Finally, the CRS definition of disconnected youth does not identify those youth who are disconnected for periods that exceed 16 months. As a longitudinal study of disconnected youth shows, youth who are disconnected for three years or more are more likely to face negative outcomes than their counterparts who are disconnected for part of one to two years.[35]

Summary of Findings

This section provides a summary of the CRS analysis, which is followed by detailed discussion of each of the themes raised. The discussion is accompanied by relevant figures and table.

The CRS analysis shows that disconnected youth are more likely to be female, black or Hispanic, and in their early- to mid-twenties. It also demonstrates that disconnected youth are a diverse group. Disability appears to be at least part of the reason some youth are not working or in school (**Figure 1**). About one-third (34%) of all youth reported they were not working because they were disabled, of whom over two-fifths (44%) had a disability severe enough that they received Supplemental Security Income (SSI) or Medicare (federal programs that support this population). About another 26% reported having childrearing and homemaking responsibilities that kept them from work, while the remaining youth did not have disabilities or child and home-related responsibilities. These home-related responsibilities could include caring for siblings or managing a household because their parents have a disability or some other reason. Among females, those who were parenting were well represented among the disconnected youth population, although rates of disconnected female parents has declined over time.

It is unclear to what extent having a disability, caring for a child, or having responsibilities in the home actually keeps youth from engaging in school or work. Some may respond to CPS

[33] The limited research on runaway and homeless youth has found that these youth face challenges remaining in school and working. See Paul A. Toro, Amy Dworsky, and Patrick J. Fowler, *Homeless Youth in the United States: Recent Research Findings and Intervention Approaches,* U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, The National Symposium on Homeless Research, 2007.

[34] For a discussion of social networks in low-income communities, see Katherine S. Newman, *No Shame In My Game: The Working Poor in the Inner City*, (New York: Vintage Books and Russell Sage Foundation, 1999), pp. 72-84.

[35] Brett V. Brown and Carol Emig, "Prevalence, Patterns, and Outcomes," See also, Douglas J. Besharov and Karen N Gardiner, "Introduction" in Douglas J. Besharov, ed. *America's Disconnected Youth: Toward a Preventative Strategy*.

questions in what they believe to be a socially appropriate manner, and they may recognize that being idle is not widely acceptable. Still, over one-third of youth (or their parents) reported that they (the youth) did not have any limitations that would keep them from work. These youth could be considered the "hard core" of the disconnected. Yet even they may have "legitimate" limitations that are keeping them idle, such as an undiagnosed disability. Future research is needed to better understand the reasons youth are disconnected, and whether these reasons are legitimately keeping youth from attending school or working.

Disconnected youth will likely face numerous challenges as they transition to adulthood. In terms of education, these youth are foregoing an opportunity to attain a high school diploma or GED, or additional years of schooling that can assist them in securing employment and gaining experience that will contribute to future employability. About 3 out of 10 disconnected youth ages 19 through 24 lack a high school diploma or its equivalent (**Figure 4**). For these youth in particular, securing stable, well-paying employment may be unlikely.

Being out of the labor force—especially for an extended period—can mean forfeiting current wages and future higher wages that are commensurate with work experience. Somewhat less than half of all disconnected youth were poor (**Figure 5**, and discussed in further detail below), and even having additional education beyond high school did not mitigate their relatively high levels of poverty when compared to their connected peers (**Figure 6**).

Additional research is needed to better understand how poor disconnected youth are making ends meet. Surely some of them receive assistance through informal networks in the form of providing child care, work in the informal economy, and temporary housing. And many are likely eligible for federal cash and non-cash assistance programs, including public housing. Yet because the CPS is limited to surveying individuals in households, the analysis in this report does not capture those who are homeless or are in jails, prisons, or residential treatment facilities. If these groups were surveyed, rates of disconnection would likely be higher. The CPS similarly does not include youth who might offset rates of disconnection, such as those youth residing in college dorms and on military bases. At least a few studies have attempted to factor in imprisoned and active military populations, but additional work would be needed to incorporate other groups of youth.

The CRS analysis expands the current research by examining the characteristics of disconnected youths' parents. Because the CPS is a cross-sectional data set, CRS could not evaluate antecedent conditions or events affecting youth or their parents that may contribute to later youth disconnection. However, the analysis in this report hints that disconnection may be intergenerational, meaning that the parents of youth who are currently disconnected could have experienced periods in which they were not working or in school. In fact, a significant share of parents of disconnected youth were not working at the time of the 2014 survey (**Figure 10**). Among disconnected youth living in single-parent households, over 40% had parents who were not employed. Additionally, disconnected youths' co-residing parents were more likely to lack a high school diploma or its equivalent compared to connected youths' co-residing parents (**Figure 9**). The next section further examines the role of family characteristics and other related factors that likely influence disconnectedness.

Poverty, Family Living Arrangements, and Parental Characteristics

Given CRS's findings and the discussion that follows, the connections between poverty, family background, living arrangements and youth disconnectedness are interrelated. In some cases, disconnectedness may be a cause for high poverty rates among such youth, especially among those who are living apart from family or other relatives. Among youth living apart from parents, the poverty rate of disconnected youth (65.3%) was twice that of connected youth (29%) (**Figure**

8). In other cases, poverty may contribute to youth becoming disconnected. Here the connection is more complex. CRS found that disconnected youth, even when living with both parents, were almost three times more likely to be poor than connected youth, 15.7% compared to 5.8%, and when living with only one parent, twice as likely to be poor than their connected counterparts, 46.6% compared to 22.8%. When living with a parent, disconnected youth were slightly more likely to live with only one parent (33.7%) than with both parents (30.1%), whereas connected youth were more likely to live with both parents (46.6%) than just one (22.8%) (**Figure 7**).

When parents' characteristics are examined, disconnected youth were about twice as likely to have parents who had not completed high school (**Figure 9**); for disconnected youth in single-parent families, 25.6% had a parent who had not completed high school, compared to 13.7% of connected youth; for disconnected youth living in families with both parents, 25.4% had either one or both parents not having attained a high school diploma or its equivalent, compared to 16.9% of connected youth. Furthermore, disconnected youth were more likely to have a parent who was not working at the time of the survey (**Figure 10**). Among disconnected youth living with only one parent, the share with a nonworking parent (49.7%) was greater than that of connected youth (25.6%); among disconnected youth living with both parents, the share with neither parent working (16.1%) was almost three times that of connected youth (5.3%).

Research evidence indicates that living in poverty has negative effects on children's life outcomes that may range well into adulthood. By almost any indicator, poor children fare worse than their non-poor counterparts. Poor children tend to score lower on standardized tests of IQ, verbal ability, and achievement, and are less likely to advance in grade and complete high school. Poor teen adolescent girls are more likely to become teenage mothers than their non-poor counterparts, contributing to a cycle of poverty from one generation to the next. While income poverty is associated with poor child outcomes, lack of income in itself may account for only part of the reason why poor children face poor future prospects. Other factors, such as a safe and nurturing home environment, and parental characteristics associated with their income, are arguably as important, if not more so, than income, per se, in affecting children's life chances.[36] The research evidence indicates that poverty's lasting effects are most dramatic for children who experience persistent and/or deep poverty when they are younger. Among adolescents, the evidence of poverty's negative effects on outcomes is much less clear. For example, poverty among adolescents is negatively related to high school graduation, college attendance, and years of schooling. The U.S. Department of Education reports the high school dropout rate in 2009 for students living in low-income families (7.4%) was more than double that of middle income students (3.4%) and five times greater than their peers from high-income families (1.4%).[37] Other researchers using NLSY79 data found that children who spent one to three years of their adolescence in poverty were 60% less likely to graduate from high school than those who were not poor, and those who spent four years of adolescence in poverty were 75% less likely. Respectively, children who spent part or all of their adolescence in poverty were 40% and 60% less likely to attend college than other children, and on average attained between 1.0 and 1.75 fewer years of education.[38]

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[36] See, for example: Susan E. Mayer, *What Money Can't Buy: Family Income and Children's Life Chances* (Cambridge, Massachusetts: Harvard University Press, 1997) and Greg J. Duncan and Jeanne Brooks-Gunn (eds.), *Consequences of Growing Up Poor* (New York: Russell Sage Foundation, 1997).

[37] Chris Chapman et al., *Trends in High School Dropout and Completion Rates in the United States: 1972-2009*, Department of Education, National Center for Education Statistics, October 2011, Table 1, p. 28.

[38] See, Jay D. Teachman et al., "Poverty During Adolescence and Subsequent Educational Attainment," in *Consequences of Growing Up Poor*, ibid, pp. 382-418.

While the evidence presented above suggests a strong relationship between adolescent poverty and educational attainment, the NLSY researchers most importantly found that the relationship withers when other control variables, such as parental education, family structure, and IQ are taken into account. The researchers found that *"after the control variables were taken into account, the number of years spent below the poverty line during adolescence were not related to any of the educational outcomes considered" (emphasis added).*[39]

Yet when viewed over a longer period of time than just adolescence, growing up in poverty does appear to affect educational attainment, even after controlling for other background factors. Researchers using 21 years of Panel Study of Income Dynamics (PSID) data found that all other things being equal, the number of years that children spend in poverty while growing up is an important factor in predicting whether they will graduate from high school.[40] These researchers found that growing up with a single parent further reduces the probability of high school completion.

Detailed Findings

This section begins with an overview of the reasons disconnected youth said they were not working or in school at any time in 2014. Following this discussion is an overview of the basic demographics of disconnected youth and their characteristics across several domains—educational attainment, living arrangements, parenting status, and poverty status. These data, drawn from the 2014 CPS, are compared to data for connected youth. The section ends with a presentation of trend data on disconnection from 1988 through 2014, with a focus on sex, age, and race and ethnicity.

Reasons Reported For Youth Not Being in School or Working

Figure 1 displays the reasons given for out-of-school youth not working in the first quarter of 2014. Major reasons include taking care of family or home, illness or disability, or they could not find work. About one-quarter of disconnected youth (26.4%, 623,000) were reported to be taking care of home or family and were not disabled. Of those, over half (319,000) were reported as having a child. The CPS does not prompt respondents to elaborate on the type of care provided in the home or to family, and therefore, it is unclear the extent to which this care would interfere with their ability to work or attend school.

Illness or disability was reported as the major reason why about 34% (about 811,000) of disconnected youth did not work in 2014, with most designated as having a severe disability.[41] One indication that a person is severely disabled is their receipt of Supplemental Security Income

[39] Jay D. Teachman et al., "Poverty During Adolescence and Subsequent Educational Attainment," in *Consequences of Growing Up Poor*., p. 413.

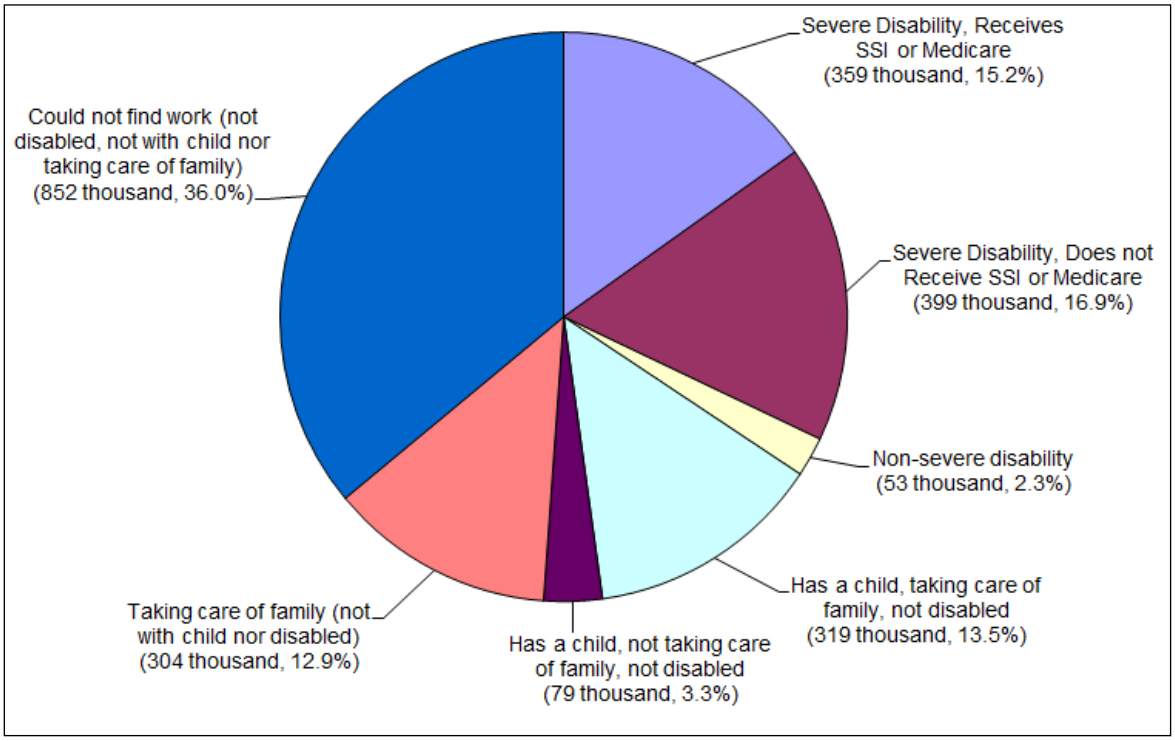
[40] Robert Haveman and Barbara Wolfe, "Schooling and Fertility Outcomes: Reduced-Form and Structural Estimates," in *Childhood Poverty and Adolescent Consequences of Growing Up Poor*, op cit., p. 442.

[41] The CPS asks several questions to determine whether individuals are considered to have a work disability. Persons are identified as having a work disability if they: (1) reported having a health problem or disability which prevents them from working or which limits the kind or amount of work they can do; or (2) ever retired or left a job for health reasons; or (3) did not work in the survey week because of long-term physical or mental illness or disability which prevents the performance of any kind of work; or (4) did not work at all in the previous year because they were ill or disabled; or (5) are under 65 years of age and covered by Medicare; or (6) are under age 65 years of age and a recipient of Supplemental Security Income (SSI); or (7) received veteran's disability compensation. Persons are considered to have a severe work disability if they meet any of the criteria in 3 through 6, above. See http://www.census.gov/hhes/www/disability/disabcps.html.

(SSI) or Medicare.[42] Over two-fifths of disconnected individuals with disabilities (359,000) received one of these two benefits, accounting for about one in seven (15.2%) of all disconnected youth.

An estimated 36.0% of disconnected youth (852,000) could not find work and did not have a disability or responsibilities in the home of caring for a child or other family member.

Figure 1. Disconnected Youth Ages 16-24, by Disability Status, Presence of Children, and Family Caretaking Responsibility, 2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Characteristics of Disconnected Youth

Table 1 compares demographic characteristics of disconnected and connected peers ages 16 through 24 in 2014 (which meant that youth were disconnected in all of 2013 and at the time of the survey in 2014). The table shows that 2.4 million of these youth, or 6.1% of the population, met the definition of disconnected. Further, females were slightly more likely than their counterparts to be disconnected. The likelihood of minority youth being disconnected ranged from slightly to much more likely than white youth. The rate of disconnection among black (non-Hispanic) youth was highest—at 10.8%. This is compared to 5.0% to 6.1% of their white and

[42] Individuals who receive Social Security disability are eligible to receive Medicare two years after entitlement to SSDI, and in some cases earlier. Disabled children may receive Social Security Disability Insurance (SSDI) benefits indefinitely as long as the disability was incurred before reaching age 22. For information about SSDI, see CRS Report RL32279, *Primer on Disability Benefits: Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI)*.

Hispanic peers, and peers who identified with other racial categories. Among youth ages 16 through 18, 19 through 21, and 22 through 24, the younger youth were more likely than their older peers to be connected. Finally, relative to connected youth, disconnected youth were more likely to have lower education attainment, live apart from their parents, and be poor. These findings are discussed in greater detail below.

Table 1. Summary Characteristics of Connected and Disconnected Youth Ages 16-24, 2014

(Numbers in 1,000s)

		Disconnected			Connected	
	Total Number	Number	Percentage	Share of Total Youth	Number	Percentage
AGE AND SEX						
Age						
Total	38,950	2,366	100.0%	6.1%	36,585	100.0%
Age 16 – 18	13,012	326	13.8%	2.5%	12,686	34.7%
Age 19 – 21	12,221	896	37.9%	7.3%	11,325	31.0%
Age 22 – 24	13,717	1,143	48.3%	8.3%	12,574	34.4%
Males						
Total	19,719	1,150	100.0%	5.8%	18,569	100.0%
Age 16 – 18	6,543	190	16.5%	2.9%	6,353	34.2%
Age 19 – 21	6,231	449	39.1%	7.2%	5,782	31.1%
Age 22 – 24	6,945	510	44.4%	7.4%	6,435	34.7%
Females						
Total	19,231	1,216	100.0%	6.3%	18,015	100.0%
Age 16 – 18	6,469	136	11.2%	2.1%	6,333	35.2%
Age 19 – 21	5,990	447	36.8%	7.5%	5,543	30.8%
Age 22 – 24	6,772	633	52.0%	9.3%	6,139	34.1%
RACE AND ETHNICITY BY SEX						
Males and Females						
Total	38,950	2,366	100.0%	6.1%	36,585	100.0%
White non-Hispanic	21,642	1,087	46.0%	5.0%	20,554	56.2%
Black non-Hispanic	5,507	595	25.1%	10.8%	4,913	13.4%
Hispanic	8,309	506	21.4%	6.1%	7,803	21.3%
Other, non-Hispanic	3,492	178	7.5%	5.1%	3,315	9.1%
Males						
Total	19,719	1,150	100.0%	5.8%	18,569	100.0%
White non-Hispanic	11,002	509	44.2%	4.6%	10,494	56.5%
Black non-Hispanic	2,683	350	30.5%	13.1%	2,333	12.6%

		Disconnected			Connected	
	Total Number	Number	Percentage	Share of Total Youth	Number	Percentage
Hispanic	4,283	226	19.6%	5.3%	4,058	21.9%
Other, non-Hispanic	1,751	65	5.7%	3.7%	1,686	9.1%
Females						
Total	19,231	1,216	100.0%	6.3%	18,015	100.0%
White non-Hispanic	10,639	579	47.6%	5.4%	10,061	55.8%
Black non-Hispanic	2,824	244	20.1%	8.6%	2,580	14.3%
Hispanic	4,025	280	23.1%	7.0%	3,745	20.8%
Other, non-Hispanic	1,742	113	9.3%	6.5%	1,629	9.0%
EDUCATION AMONG YOUTH OVER AGE 18						
All Levels of Education						
Total	25,938	2,040	100.0%	7.9%	23,899	100.0%
Age 19 – 21	12,221	896	100.0%	7.3%	11,325	100.0%
Age 22 – 24	13,717	1,143	100.0%	8.3%	12,574	100.0%
Lacks High School Diploma or GED						
Total	2,489	526	25.8%	21.1%	1,964	8.2%
Age 19 – 21	1,455	245	27.3%	16.8%	1,210	10.7%
Age 22 – 24	1,035	281	24.5%	27.1%	754	6.0%
High School Diploma or GED Only						
Total	7,857	1,121	55.0%	14.3%	6,735	28.2%
Age 19 – 21	3,841	503	56.1%	13.1%	3,338	29.5%
Age 22 – 24	4,015	618	54.1%	15.4%	3,397	27.0%
High School Diploma or GED and Additional Schooling						
Total	15,593	393	19.2%	2.5%	15,200	63.6%
Age 19 – 21	6,925	148	16.5%	2.1%	6,777	59.8%
Age 22 – 24	8,667	244	21.4%	2.8%	8,423	67.0%
LIVING ARRANGEMENTS BY AGE						
All Arrangements						
Total	38,950	2,366	100.0%	6.1%	36,585	100.0%
16 – 18	13,012	326	100.0%	2.5%	12,686	100.0%
19 – 21	12,221	896	100.0%	7.3%	11,325	100.0%
22 – 24	13,717	1,143	100.0%	8.3%	12,574	100.0%
Lives with one or both parents						
Total	26,880	1,510	63.8%	5.6%	25,370	69.3%
16 – 18	12,103	269	82.5%	2.2%	11,834	93.3%

		Disconnected			Connected	
	Total Number	Number	Percentage	Share of Total Youth	Number	Percentage
19 – 21	8,732	647	72.1%	7.4%	8,085	71.4%
22 – 24	6,045	595	52.0%	9.8%	5,451	43.3%
Lives apart from parents						
Total	12,070	855	36.2%	7.1%	11,215	30.7%
16 –18	909	57	17.5%	6.3%	852	6.7%
19 – 21	3,489	250	27.9%	7.2%	3,240	28.6%
22 – 24	7,672	548	48.0%	7.1%	7,124	56.7%
POVERTY STATUS						
Total	38,950	2,366	100.0%	6.1%	36,585	100.0%
Poor	7,170	1,042	44.0%	14.5%	6,128	16.8%
Nonpoor	31,780	1,324	56.0%	4.2%	30,456	83.2%

Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Sex and Age

It might be expected that a higher percentage of males than females are disconnected, given that a greater share of males ages 16 through 24 have dropped out of high school[43] and that males appear to be more vulnerable to losing jobs.[44] However, consistent with other studies of disconnected youth, the CRS analysis shows that females are more likely than males to be disconnected. The difference in the rates between males and females ages 16 through 24 is relatively small—6.3% of females and 5.8% of males, as depicted in **Figure 2**.

The higher rates for females appears to be explained by the fact they were more likely to be parenting.[45] Overall, 2.2% of females and 0.3% of males were disconnected and parenting. It is possible that their parenting responsibilities kept them from working or attending school. (As

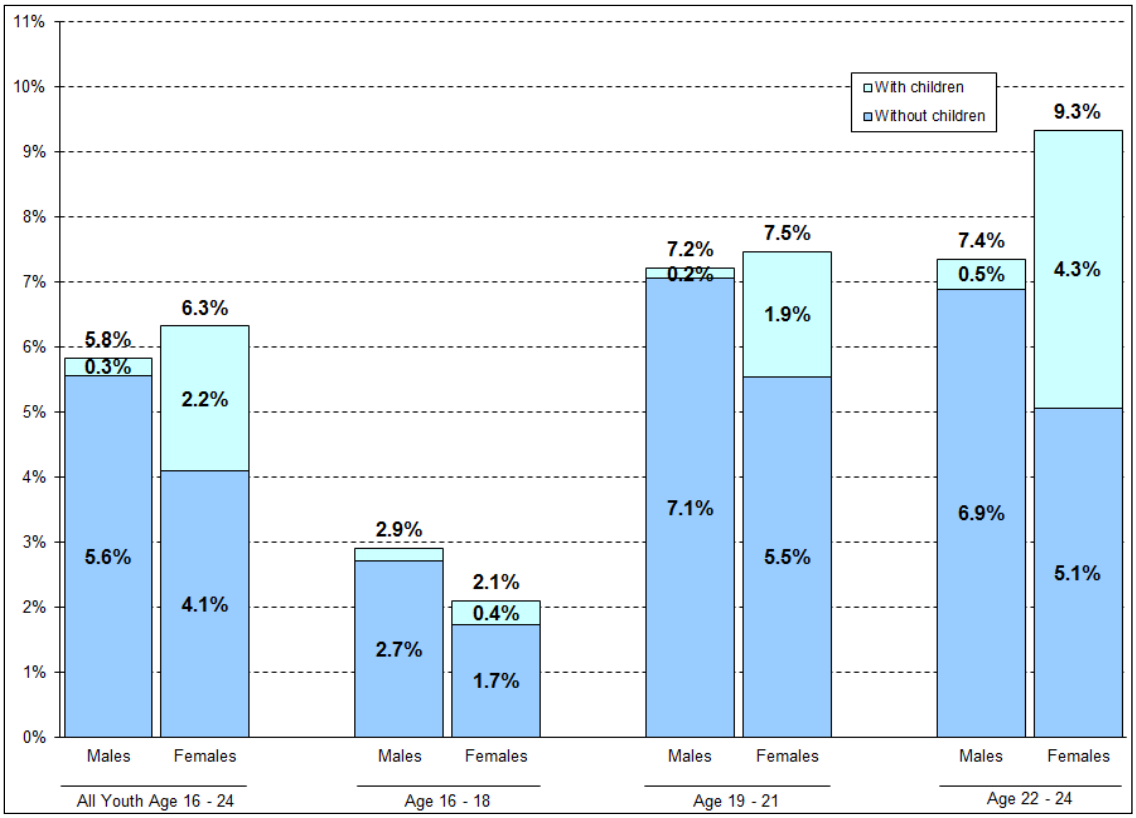
[43] This is based on the status dropout rate, or the dropout rate regardless of when an individual dropped out. Separately, the event dropout rate refers to the share of youth who dropped out within a given school year. The event dropout rate for males and females is similar. U.S. Department of Education, National Center for Education Statistics, "Percentage of high school dropouts among persons 16 through 24 years old (status dropout rate), by sex and race/ethnicity: Selected years, 1960 through 2012," May 2013.

[44] The social science literature has discussed the challenges that males, particularly men of color in urban communities, face in staying connected to work. See for example, Peter Edelman, Harry J. Holzer, and Paul Offner, *Reconnecting Disadvantaged Young Men* (Washington, DC: Urban Institute Press, 2006) and William Julius Wilson, *When Work Disappears: The World of the New Urban Poor* (New York: Vintage Books, 1996). See also, CRS Report R41431, *Child Well-Being and Noncustodial Fathers*.

[45] In this analysis, disconnected youth with children are unmarried or are married to a disconnected partner. Children include biological children, adoptive children, or step-children who live in the same home as the disconnected individual.

shown in **Figure 1**, an estimated 13.5% of youth reported they were not connected in 2014 because they were taking care of home or family, and had children.) If the share of females with children is removed from each of the age categories, females are *less likely* to be disconnected as their male counterparts without children (which is nearly all the males). For example, among 19 to 21 year olds, 5.5% of females were disconnected and without a child, compared to 7.1% of males; among 22 to 24 year olds, 5.1% of females were disconnected and without children, compared to 6.9% of males.

Figure 2. Disconnected Rates Among Youth Ages 16-24, by Age Group, Sex, and Parental Status, 2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school. Details may not sum to totals due to rounding.

Race and Ethnicity

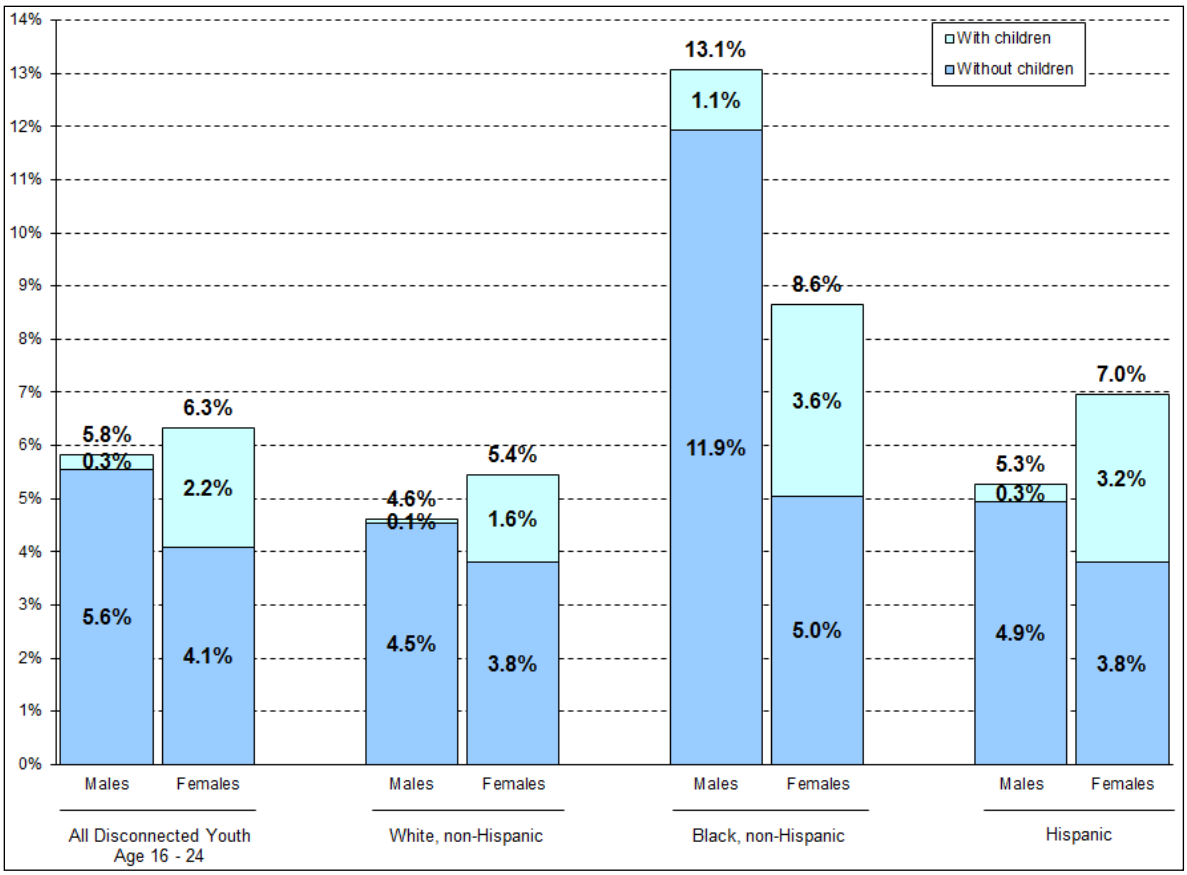
Minority youth are generally more likely than their white peers to not be working or in school.[46] **Figure 3** shows rates of disconnection by race and ethnicity, sex, and parental status for 2014. Black males had a substantially higher rate of disconnection than their white non-Hispanic or Hispanic male counterparts. The black male disconnection rate (13.1%) was nearly three times that of their white non-Hispanic counterparts (4.6%), and more than twice that of Hispanic males

[46] Asian or Pacific Islander and Native Americans and Alaskan Natives are not included in this analysis; however, these groups are included in the "other" category of **Table 1**.

(5.3%). Similarly, black females also had a higher rate of disconnection than their white and Hispanic counterparts (8.6% compared to 5.4% and 7.0%).

Being a parent is associated with disconnectedness among females, relative to males. Overall 2% of disconnected females and 0.3% of disconnected males were parenting in 2014. A greater share of disconnected black females and Hispanic females (3.6% and 3.2%, respectively) were parents, compared to 1.6% of white females. Females in general would have a lower rate of disconnection (4.1%) than males (5.6%) if parenting status did not play a role. By racial and ethnic group, this holds true for white females (3.8% compared to 4.5% of white males) and Hispanic females (3.8% compared to 4.9% of Hispanic males); however, even if parenting status is ignored, black disconnected black males were more likely to be disconnected than black females (11.9% versus 5.0%).

Figure 3. Disconnected Rates Among Youth Ages 16-24, by Race, Ethnicity, Sex, and Parental Status, 2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school. Details may not sum to totals due to rounding.

Educational Attainment

CRS evaluated the educational attainment of disconnected youth who were old enough to have completed high school relative to their connected peers, based on questions in the CPS about

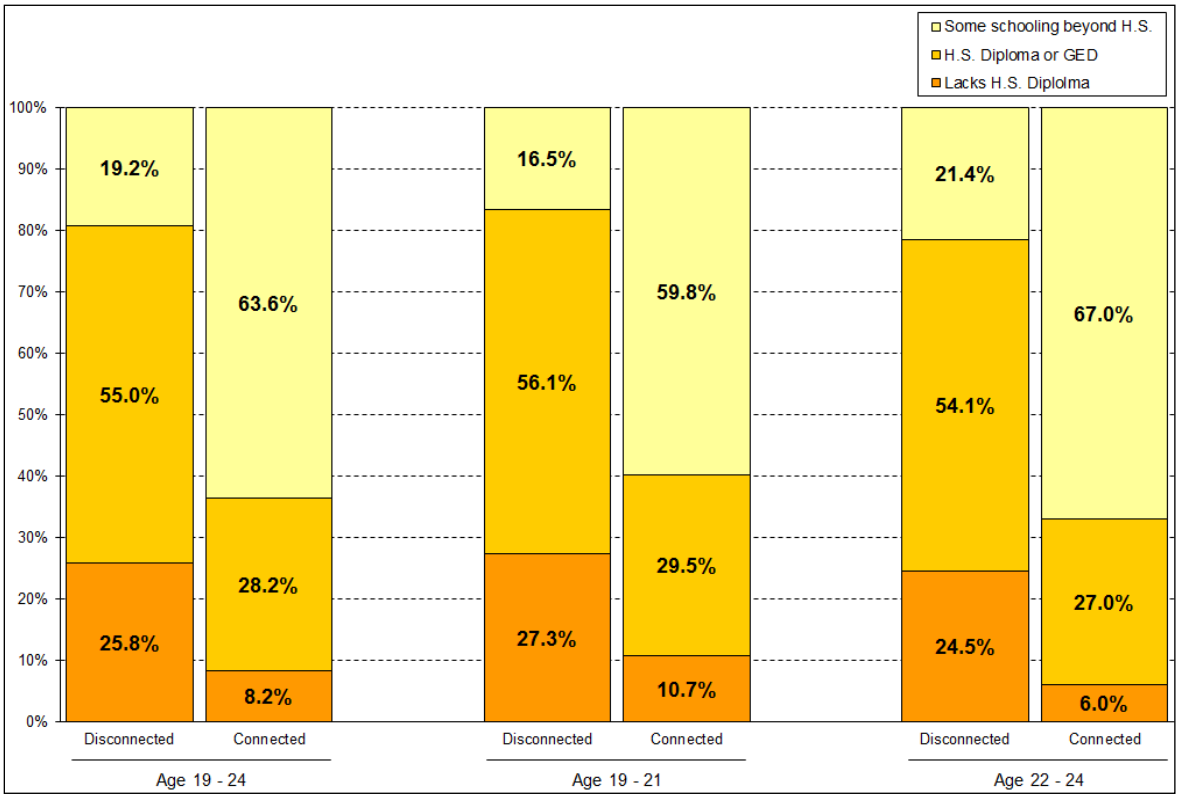
highest level of education completed. Youth ages 19 through 24 were grouped according to whether they (1) lacked a high school diploma or general education development (GED) certificate; (2) had a high school diploma or GED; or (3) graduated from high school and had additional schooling beyond high school. Higher educational attainment is associated with higher earnings, and earnings differences have grown over time among workers with different levels of educational attainment. In 2013, higher earnings and lower unemployment rates were associated with higher educational attainment among persons 25 and older.[47] For example, the median weekly earnings for those with less than a high school diploma were $488 and their unemployment rate was 9.0%. The corresponding figures for high school graduates was $668 and 6.0%, respectively. Among those with a bachelor's degree, the corresponding figures were $1,101 and 3.5%, respectively.[48]

As a group, disconnected youth appear to be at a disadvantage in competing for jobs that pay higher wages because of their comparatively low levels of education. **Figure 4** displays the share of disconnected and connected youth by age (19-24, 19-21, and 22-24) within the three categories of educational attainment. Disconnected youth tend to have fewer years of schooling than their connected counterparts. In 2014, among 19 through 21year olds, over one-quarter (27.3%) of disconnected youth lacked a diploma or GED, compared to about one out of ten (10.7%) connected youth. Among older youth, this difference persisted, with 24.5% of disconnected youth and 6.0% of connected youth lacking a diploma or GED.

[47] U.S. Department of Labor, Bureau of Labor Statistics, "Earnings and unemployment rates by educational attainment," April 2, 2015, http://www.bls.gov/emp/ep_chart_001.htm.

[48] Data are 2013 annual averages for persons age 25 and over. Earnings are for full-time wage and salary workers.

Figure 4. Educational Attainment of Connected and Disconnected Youth Ages 19-24, by Age Group, 2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Poverty

Poverty may be both a cause and consequence of youth disconnectedness. Growing up poor may contribute to the likelihood that a child will be disconnected in making the transition from adolescence to adulthood. In turn, being disconnected may contribute to youth being poor, especially among youth who are no longer living at home with parents or other family members to contribute to their support.

The analysis of poverty in this section is based on 2013 income of related family members in a household as reported as part of the CPS for 2013. Income includes pre-tax money income from all sources, including wages, salaries, and benefits, such as unemployment compensation and Supplemental Security Income (SSI). Youth were considered poor if their annual family pre-tax money income in 2013 fell below Census Bureau poverty income thresholds. Poverty thresholds vary by family size and composition. A youth living alone, with no other family members, would be considered poor in the previous year if his/her pre-tax money income was under $12,119; for a youth under age 18 living with a single parent and no other related family members, the youth and his/her parent would be considered poor if their family income was below $15,679; and, for a youth over age 18 living with both parents and a younger sibling (under age 18), and no other related family members, they would be considered poor if their family income was below

$23,624.[49] **Figure 5** shows that in 2013, 44.0% of all disconnected youth were poor, compared to 16.8% of their connected peers. While rates of poverty for connected youth were stable across age groups, poverty increased with age for disconnected youth. Just over half (51.3%) of youth age 22 through 24 were in poor households, compared to 37.4% of youth ages 16 through 18 and 37.3% of youth ages 19 through 21. The rates of household poverty among connected youth ranged from 15.5% for youth ages 16 through 18 and 18.0% for those ages 19 through 21.

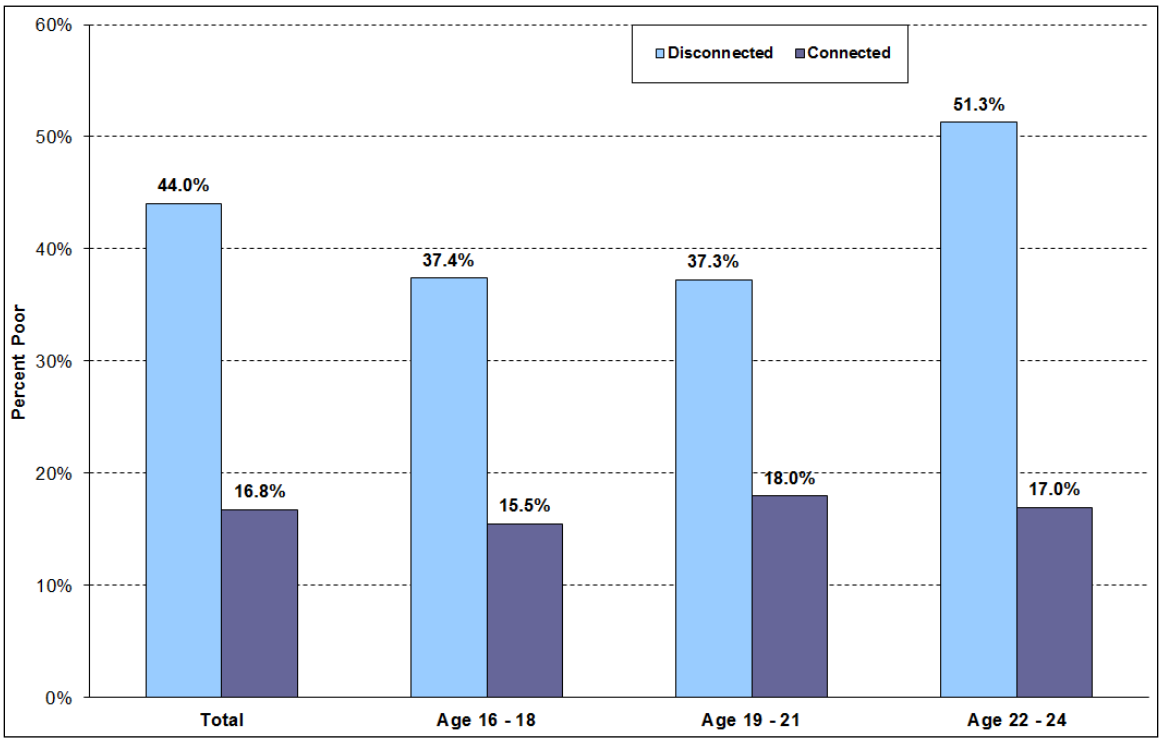
Poverty status appears to be strongly correlated with educational attainment. This is not surprising, given that higher rates of educational attainment are associated with greater job attachment and higher wages. By the definition of disconnected youth used in this analysis, none were working in 2013, so none had earnings (though some were living with family members with earnings). Connected youth were working or in school, and presumably drawing income from their jobs, or financial aid. Parental or other income may also contribute to their support, even when youth are no longer living at home. **Figure 6** shows the percentage of poor disconnected and connected youth ages 19 through 24 by educational attainment. Disconnected youth in each grouping of educational attainment—lacks high school diploma, high school diploma or GED, or some schooling beyond high school—were about two to three times more likely to be poor than connected youth.

Still, higher educational attainment appears to have provided disconnected youth with more of a buffer from poverty. **Figure 6** shows that the rate of poverty was higher among disconnected youth without a high school diploma (56.7%) than among their disconnected counterparts with more education (37.0% to 42.5%). Yet even disconnected youth with some schooling beyond high school were more likely than connected youth lacking a high school diploma to live in poor households, 37.0% and 29.6% respectively.

[49] Census Bureau, "Poverty Thresholds," http://www.census.gov/hhes/www/poverty/data/threshld/.

Figure 5. Poverty Status of Disconnected and Connected Youth Ages 16-24, by Age Group 2014

(Povery Status Based on Family Income in 2013)

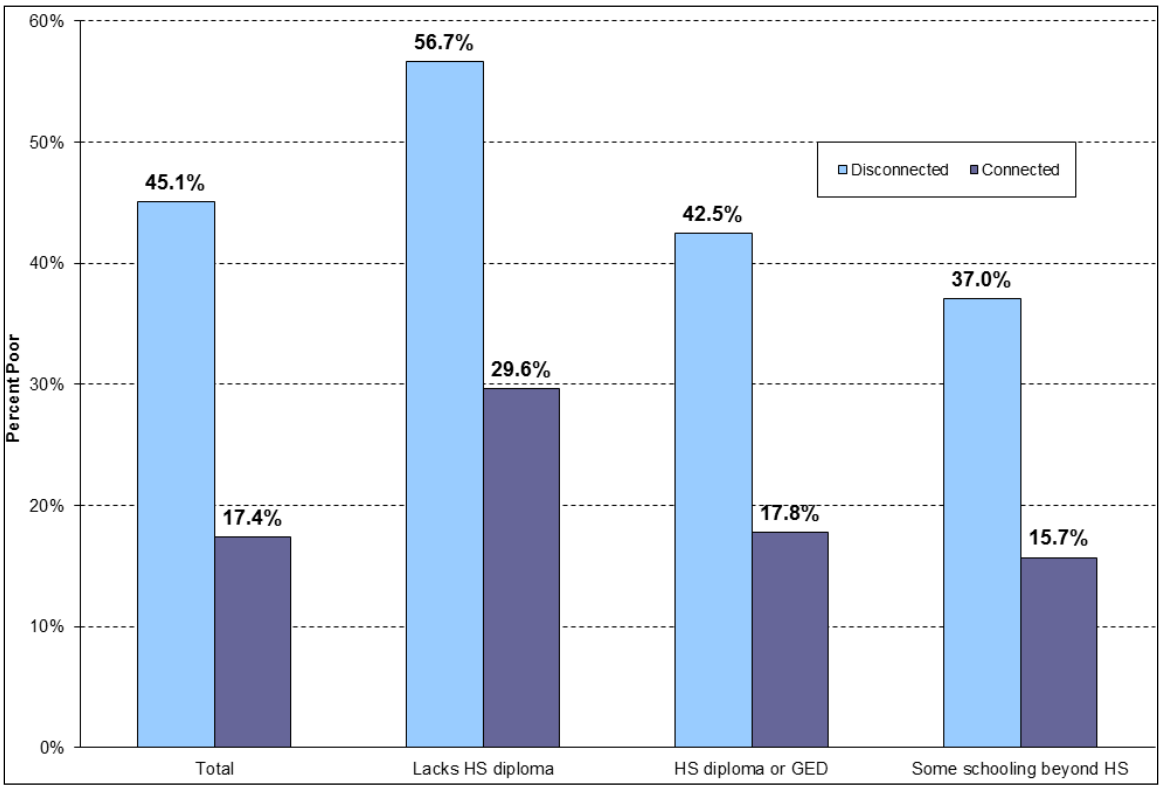


Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Figure 6. Poverty Status of Disconnected and Connected Youth Ages 19-24, by Level of Educational Attainment, 2014

(Poverty Status Based on Family Income in 2013)



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Living Arrangements

A growing body of social science research suggests that the transition to adulthood for young people today is becoming longer and more complex.[50] During this period, youth rely heavily on their families for financial support, and many continue to live with their parents beyond the traditional age of high school. Disconnected youth, however, may be less likely than their peers to rely on supports from their parents. A 2008 study by the Government Accountability Office would suggest this. GAO included in its definition of the disconnected population those youth "who lack family or other social supports."[51]

The CRS analysis evaluated whether disconnected youth were more or less likely to live with one or both parents. This analysis is based on responses to CPS questions about living alone or with parent(s), another family member, spouse, and/or non-relative. The family structure of

[50] CRS Report RL33975, *Vulnerable Youth: Background and Policies*.

[51] U.S. Government Accountability Office, *Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth Education and Employment*, GAO-08-313, February 2008, p. 1.

disconnected youth tends to differ from that of their peers.[52] **Figure 7** shows that disconnected youth, overall, were more likely to live with only one parent or no parent at all, than connected youth, who were more likely than their disconnected counterparts to live with both parents. Among youth ages 16 through 18, disconnected youth are about equally likely to be living with one parent (40.7%) than with two parents (41.8%), whereas connected youth are twice as likely to be living with both parents (62.5%) than with just one (30.8%). Social science research indicates that children who grow up in mother-only families (or with their mother and step-father) are more likely than children raised with both biological parents to have certain negative outcomes, including poverty-level incomes.[53] Moreover, within the 16-to-18 age group, nearly one in five disconnected youth (17.5%) were living apart from parents all together, compared to about one in fifteen connected youth (6.7%), reflecting a home environment absent direct parental support and supervision.

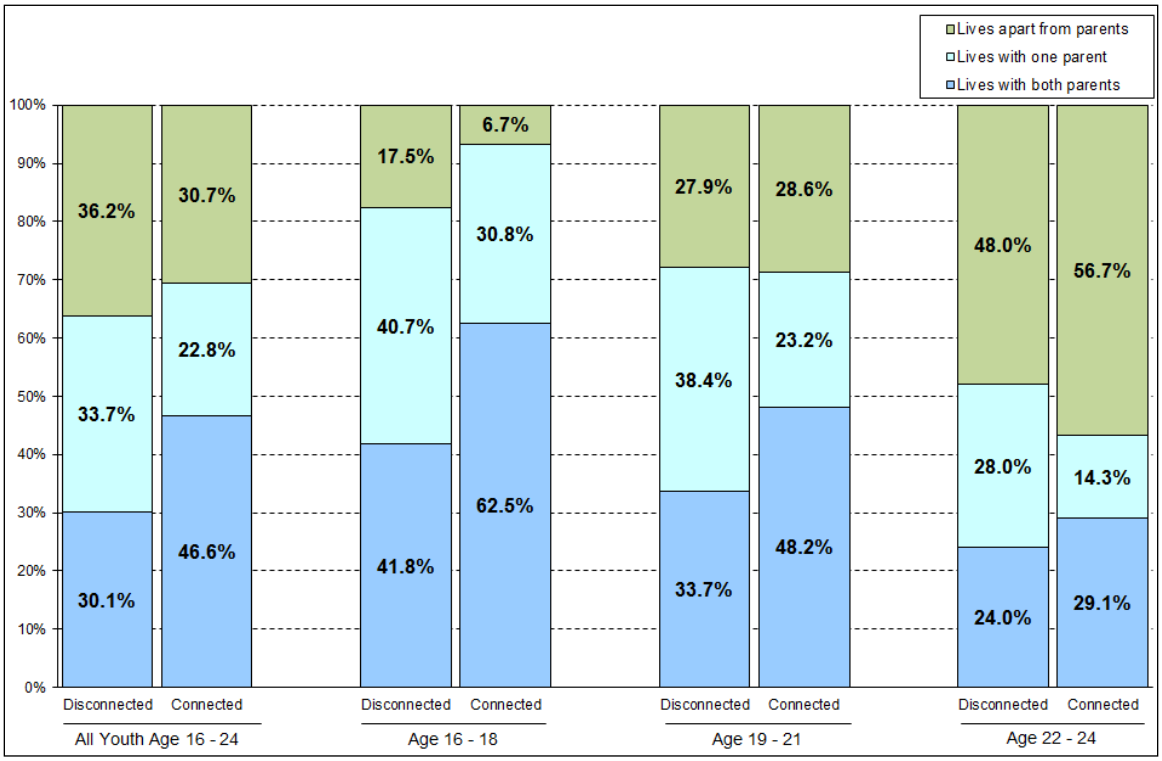
Among the oldest youth, ages 22 through 24, a larger share of connected youth (56.7%) lived apart from their parents in 2014 than disconnected youth (48.0%). Given that many disconnected youth are not earning income and may not have strong social networks, they may have no other choice but to live at home. Reciprocally, it appears that their connected, older peers are "fledging," and beginning to become financially independent from their families.

Figure 8 depicts youth poverty status by living arrangement. The figure shows that disconnected youth are more likely to be poor than are their connected counterparts, even when accounting for living arrangement. Among youth living with both parents, disconnected youth were almost three times more likely than connected youth to be poor (15.7% versus 5.8%, respectively). Poverty rates were higher for youth living in single-parent families than in dual-parent families, but the poverty rate of disconnected youth in single-parent families (46.6%) was twice that of connected youth living in such families (22.8%). Poverty rates were highest among youth living apart from their parents; among disconnected youth 65.3% were poor, a rate over twice that of connected youth (29.0%).

[52] For further discussion of the influence of family structure on socioeconomic outcomes and financial well-being in adulthood, see CRS Report RL34756, *Nonmarital Childbearing: Trends, Reasons, and Public Policy Interventions*.

[53] For further information, see CRS Report R41431, *Child Well-Being and Noncustodial Fathers*.

Figure 7. Living Arrangements of Disconnected and Connected Youth Ages 16-24, by Age Group, 2014

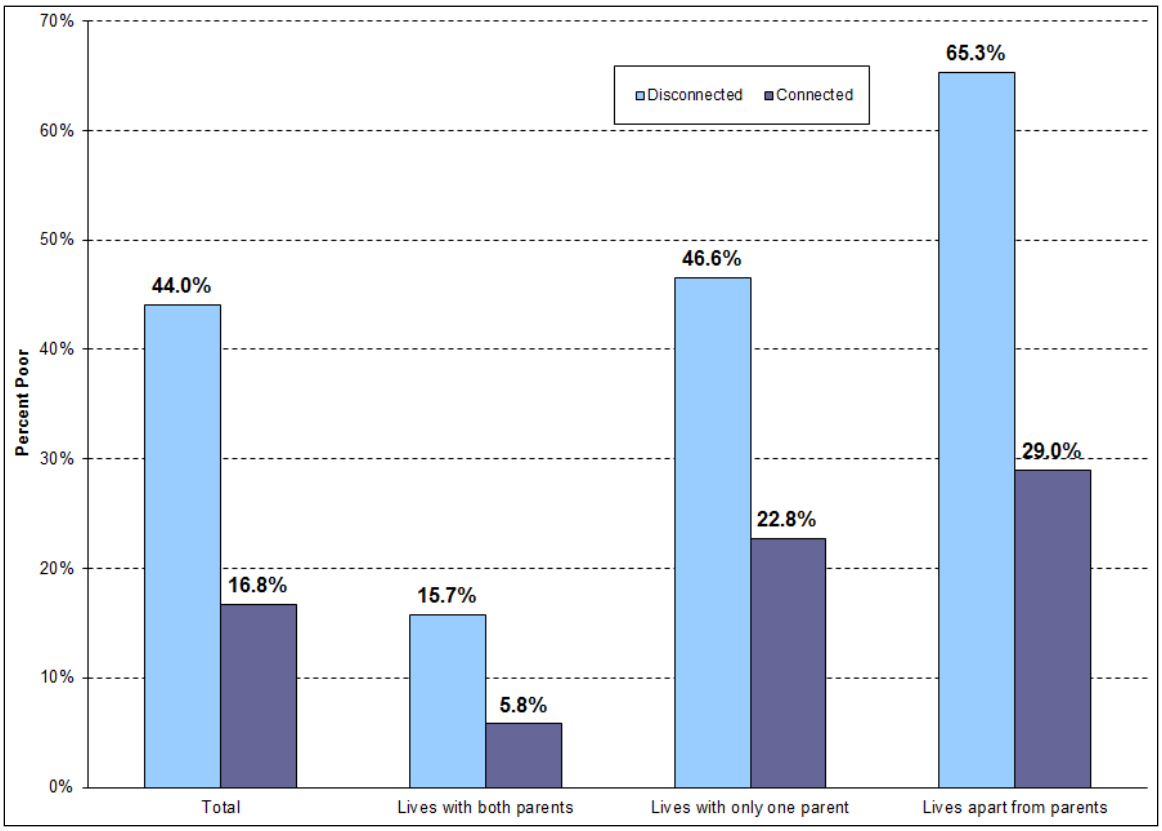


Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Figure 8. Poverty Status of Disconnected and Connected Youth Ages 16 to 24, by Living Arrangement, 2014

(Poverty Status Based on Family Income in 2013)



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Characteristics of Parents Living with Disconnected Youth

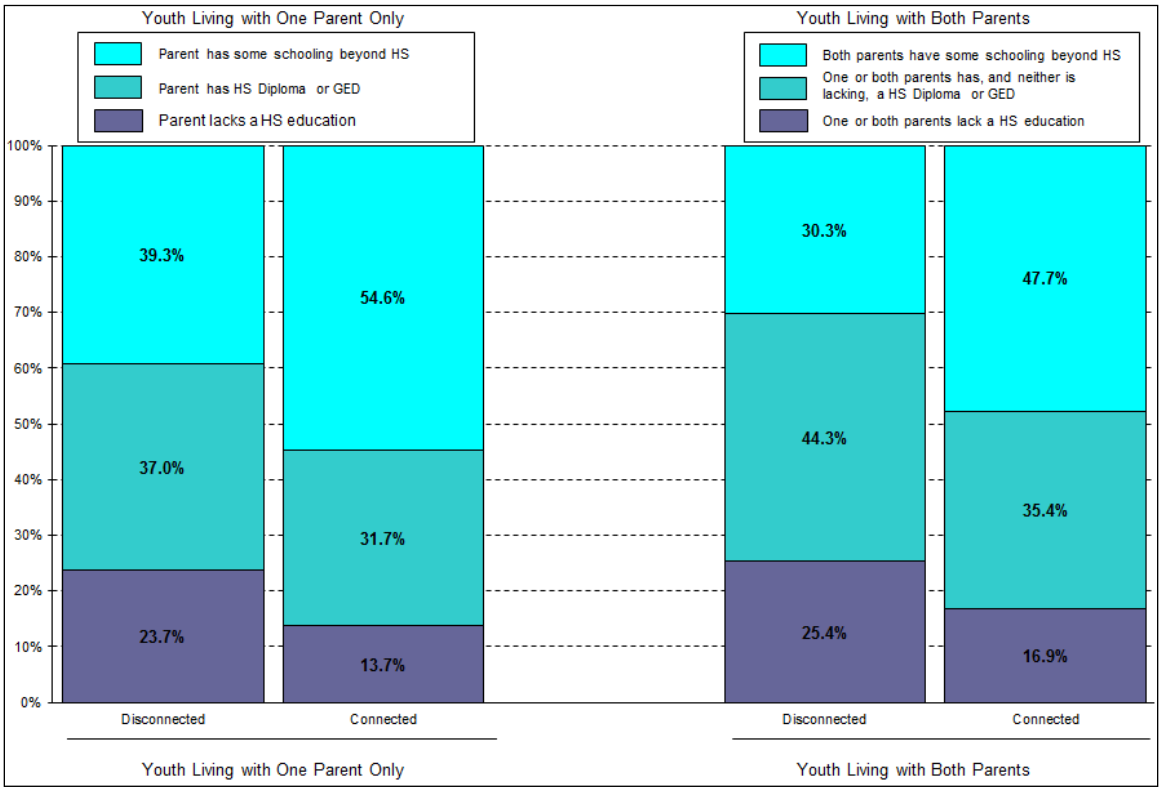
The CPS asks only about those individuals who reside in the same household. Therefore, the CRS analysis was able to evaluate only the characteristics of the parents of connected and disconnected youth if they resided together. Approximately 1.5 million disconnected youth, or 58.4% of the disconnected population, lived with their parents (compared to 69.0% of connected youth).

The CRS analysis evaluated the education and employment status of parents at a point in time in 2014. The analysis examined this status among parents of youth in single-parent and dual-parent households. **Figure 9** presents information about the educational attainment of parents of disconnected and connected youth. Parents were categorized based on whether they (1) lacked a high school diploma or its equivalent; (2) had a high school diploma or its equivalent; or (3) graduated high school and had additional schooling. Among both youth living with one parent only *and* youth living with both parents, the parents of disconnected youth were much more likely than parents of connected youth to lack a high school diploma or its equivalent.

Further, among single-parent households, 39.3% of disconnected youth had parents who had some schooling beyond high school, compared to more than half (54.6%) of the parents of their

connected counterparts. Among dual-parent households, about 30% of disconnected youth had both parents with some education beyond high school, compared to about 48% of their connected counterparts.

Figure 9. Educational Attainment of Disconnected and Connected Youths' Parents, for Youth Ages 16-24 Living with One or Both Parents, 2014

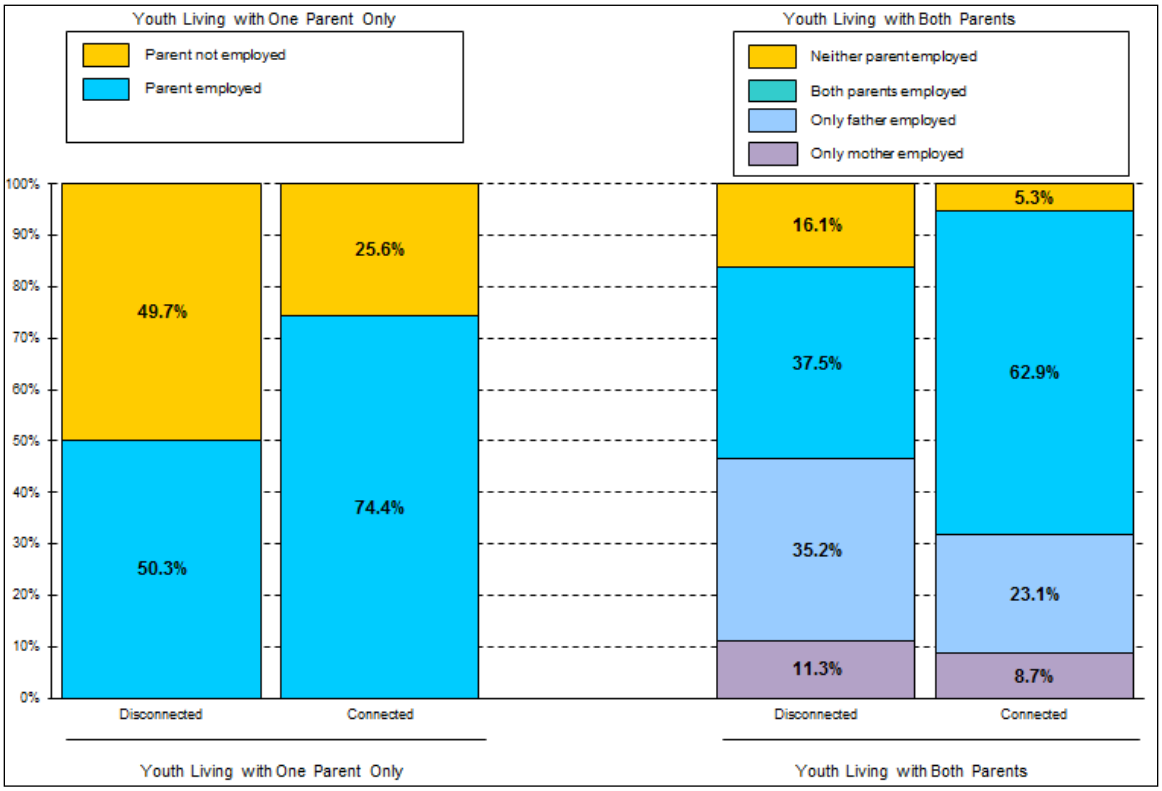


Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

The employment status of parents was also evaluated. **Figure 10** shows employment status among parents of disconnected and connected youth by household type. Among youth living in single-parent households, disconnected youth were more likely to have parents who were not employed (49.7%) at the time of the survey than connected youth (25.6%). Among youth living in dual-parent households, the divide was even greater: for 16.1% of disconnected youth, both parents were not employed at the time of the survey, compared to 5.3% of connected youth.

Figure 10. Employment Status of Disconnected and Connected Youths' Parents, for Youth Ages 16-24 Living with One or Both Parents, 2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Differences in parents' characteristics may account in part for disconnected youths' higher poverty rates when compared to their connected counterparts, as seen earlier in **Figure 5.** As mentioned, disconnected youth are more likely than their connected peers to live in single-parent families, who tend to have higher poverty rates than dual-parent families. Further, in each family type their parents are less likely to have completed high school, or to have continued their education beyond high school (**Figure 9**), and their parents are less likely to be employed (**Figure 10**). Youths' family living arrangements, parental characteristics, and poverty status may all contribute to whether a youth becomes disconnected, or stays connected, in making the transition from adolescence to adulthood. These issues in the context of other research are discussed further in this report's conclusion.

Trends Over Time

Trends over time are seen in rates of disconnection among youth ages 16 through 24 over the past 27 years (1988 through 2014). The overall rate of disconnection, 6.1% in 2014, was higher than the 4.1% rate of 1988, the first year depicted in **Figure 11**, below. In the intervening years there was considerable variation in the overall rate, ranging from a high of 7.5% in 2010 to a low of 3.9% in both 1999 and 2000.

The figure shows that trends in rates of disconnection follow economic cycles, which should be expected, as disconnection is tied, by definition, to not being employed. Unemployment tends to

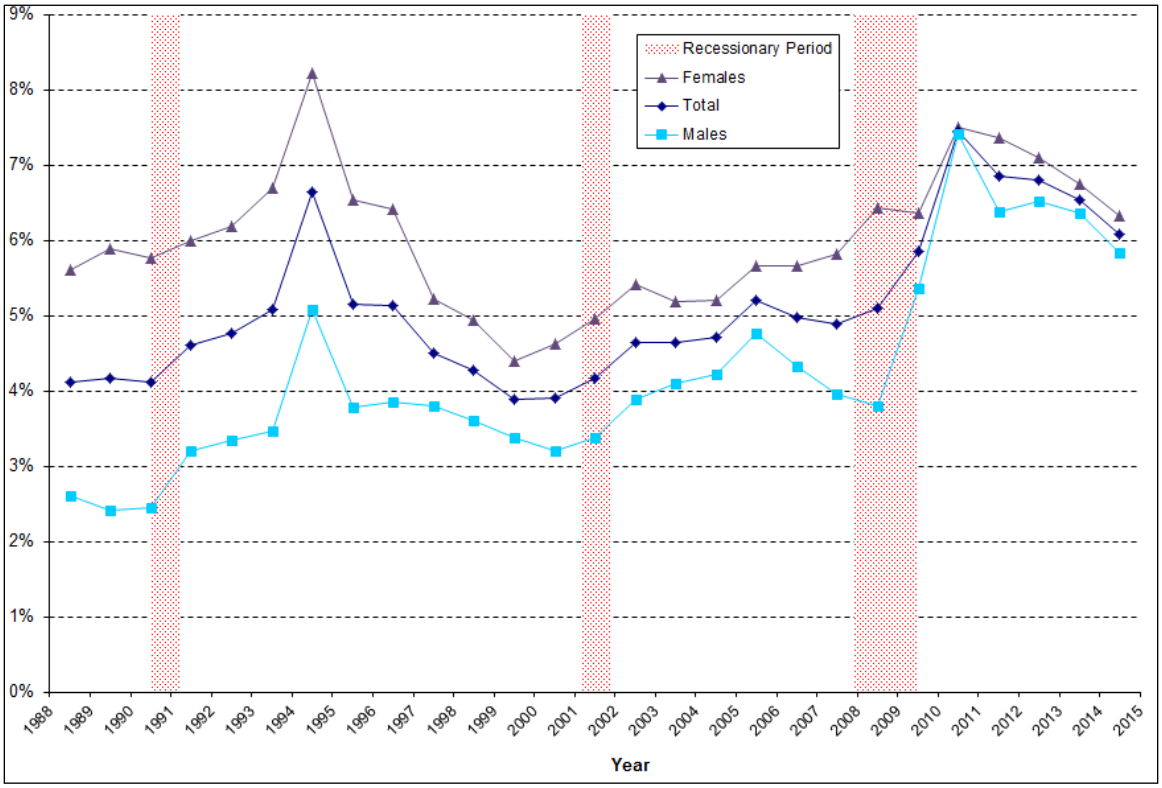
be a lagging economic indicator, usually peaking for the population as a whole well past the end of economic recessions. Three economic recessions occurred over the 27-year period depicted in **Figure 11** and subsequent figures (marked as red-shaded bars: July 1990 to March 1991, March 2001 to November 2001, and December 2007 to March 2009). In each case, disconnection rates rose with the onset of economic recession, and continued to rise beyond the recession's end, before falling. Most recently, the overall disconnection rate for 16 to 24 year olds rose from 4.9% in 2007, just prior to recession, to 7.5% in 2010, and fell in each subsequent year, to 6.1% in 2014.

Sex

Figure 11 shows that disconnection rates for females are consistently higher than those for males over the period. The differences are larger in earlier years (as much as 3.5 percentage points in 1989) than in later years (as little as 0.1 percentage points in 2010). Disconnection rates for females peaked in 1994, at 8.2%, and for males, at 7.4% in 2010. As noted earlier, single parenthood is a contributing factor to higher rates of disconnection among females than males. The presence of a child could make connections to work or school for these young women tenuous.

Figure 11 shows that the trends in disconnection rates for males and females have for the most part paralleled each other over the 1988 to 2014 period. An apparent exception shows a divergence in male and female disconnection rates over the 2005 to 2008 period, during which the male disconnection rate dropped and the female rate rose. CRS does not have an explanation for this divergence in rates by sex over this period, but reductions in childbearing may play a role.

Figure 11. Rates of Disconnected Youth Ages 16-24, by Sex, 1988-2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 1988 through 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

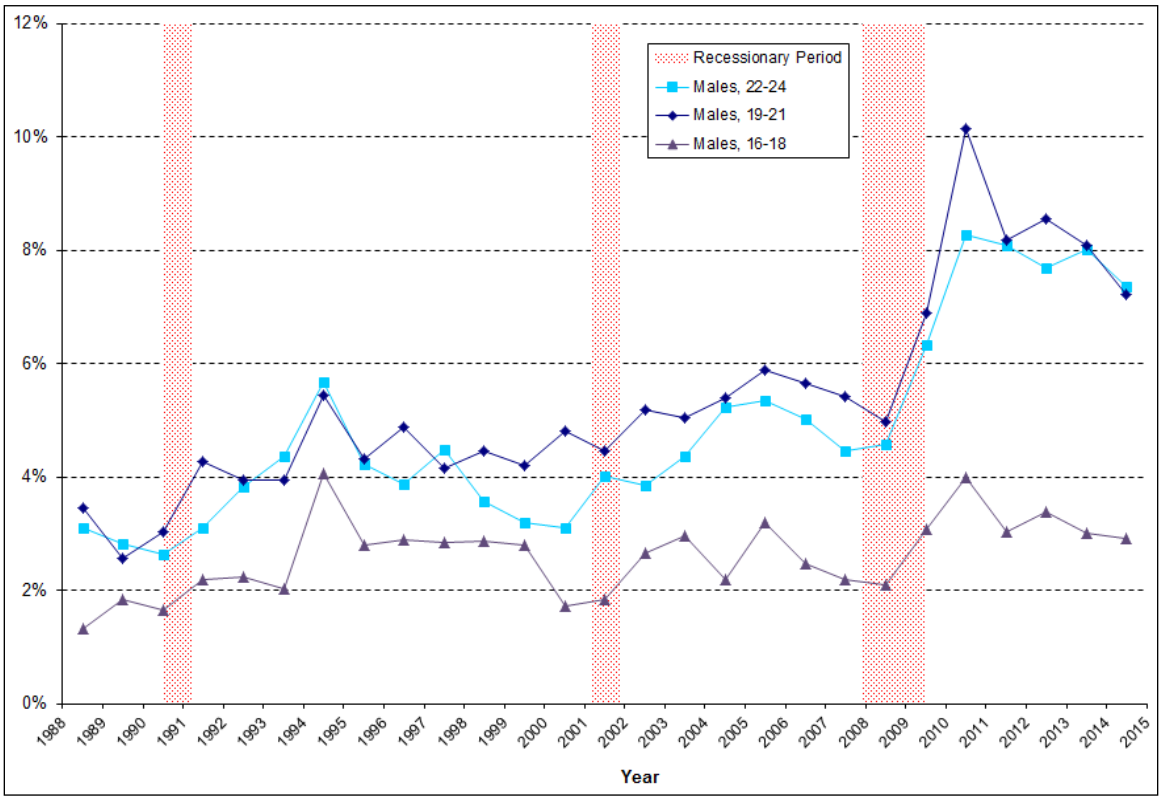
Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Age and Sex

CRS examined disconnection over time by sex across age groups—16 through 18, 19 through 21, and 22 through 24. **Figure 12** and **Figure 13** display these data for males and females, respectively. The figures show that disconnection rates were consistently lower for male and female youth ages 16 through 18 than among their older counterparts. For males (**Figure 12**) disconnection rates for 19 to 21 year olds tended to be slightly above those of 22 to 24 year olds in each year since 1998, though rates of disconnection were nearly identical in some recent years (2011, 2013, and 2014). For females (**Figure 13**), there was no distinct difference between the two oldest age groups from 1998 through 2002; however, beginning with 2003, rates of disconnection trended somewhat above their slightly younger counterparts. Disconnection rates for both males and females in each age group depict some of the cyclical patterns that were associated in the earlier discussion with general economic conditions. The trend in the youngest age group shows less cyclical variation than the older groups, as school tends to harbor the youngest group even in hard economic times, whereas older youth are subject more to labor market conditions. Females in the oldest group, ages 22 through 24, showed marked increases in their disconnection rates from 1999 to 2011, with disconnection rates more than doubling over the period, from 4.6% to 10.1%, respectively (**Figure 13**). Females ages 19 through 21 saw their disconnection rate increase by almost four full percentage points from a historic low of 5.7% in 2004, to 9.7% in 2010 (**Figure 13**). Rates of disconnectedness among all three age groups

fluctuated from 2011 through 2014, ranging from 2.1% to 3.5% for 16 through 19 year olds; 7.5% to 8.6% for 19 through 21 year olds; and 8.9% to 10.1% for 22 through 24 year olds.

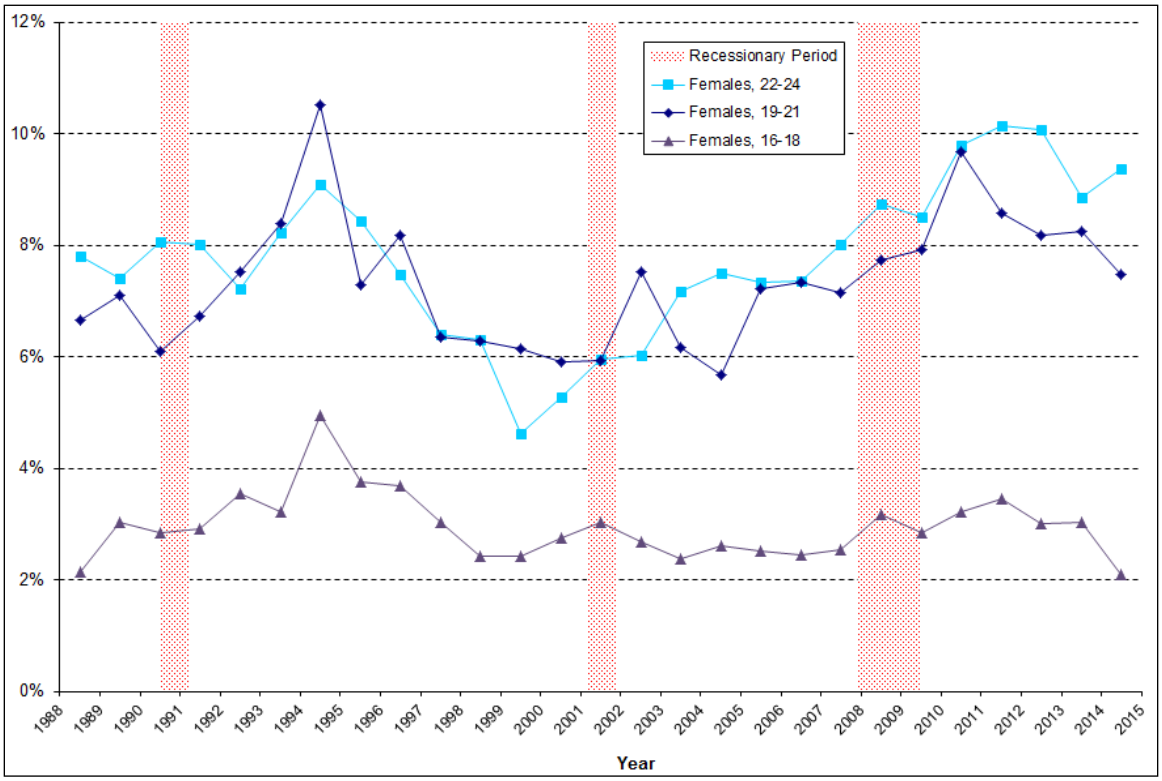
Figure 12. Rates of Disconnected Males Ages 16-24, by Age Group, 1988-2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 1988 through 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Figure 13. Rates of Disconnected Females Ages 16-24, by Age Group, 2014



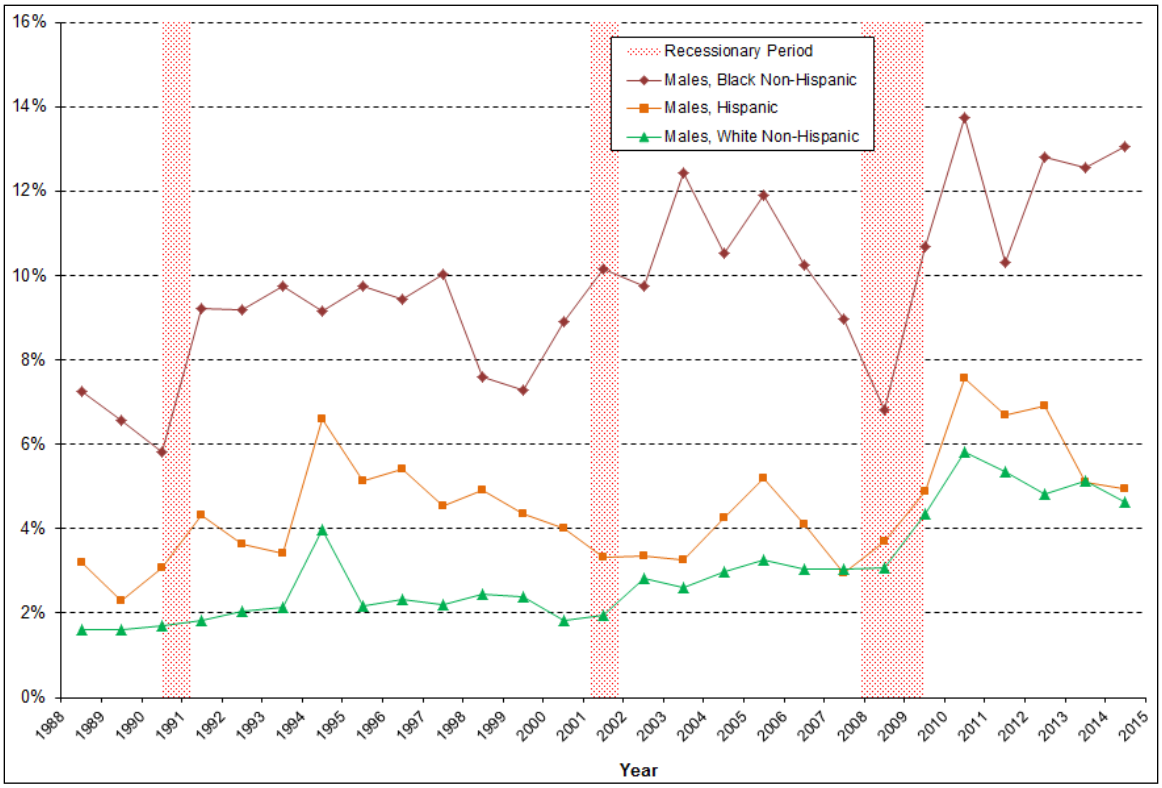
Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 1988 through 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Race, Ethnicity, and Sex

As shown in **Table 1**, earlier, minorities are overrepresented among the disconnected youth population. Perhaps most striking is the percentage of black (non-Hispanic) males who are disconnected relative to their white (non-Hispanic) and Hispanic counterparts (see **Figure 14**). Over the period depicted, the disconnected rate for black males averaged 6.6 percentage points above that of their white non-Hispanic counterparts, and 4.7 percentage points above that of Hispanic males. The gap was largest in 2003 when the disconnection rate of black males reached a historic high of 12.4%, which was 9.8 percentage points above their white counterparts (2.6%), and 8.9 percentage points above that of male Hispanic youth (3.5%). In that year, black males were nearly five times more likely to be disconnected than white males, and three and one-half times more likely than Hispanic males. Black male youth experienced a drop in their disconnection rate, with the rate being nearly cut in half, from 12.4% in 2003 to 6.8% in 2008. The rate of disconnection increased again in 2009 and 2010—and then generally increased over the period from 2011 through 2014, when the rate of disconnection for black males was 13.1%. This is in contrast to Hispanic and white males whose rates of disconnection decreased in most years over the 2010 through 2014 period. Notably, Hispanic and white males had nearly identical rates of disconnection at about 5.0% in both 2013 and 2014.

Figure 14. Rates of Disconnected Males Ages 16-24, by Race and Ethnicity, 1998-2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 1988 through 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

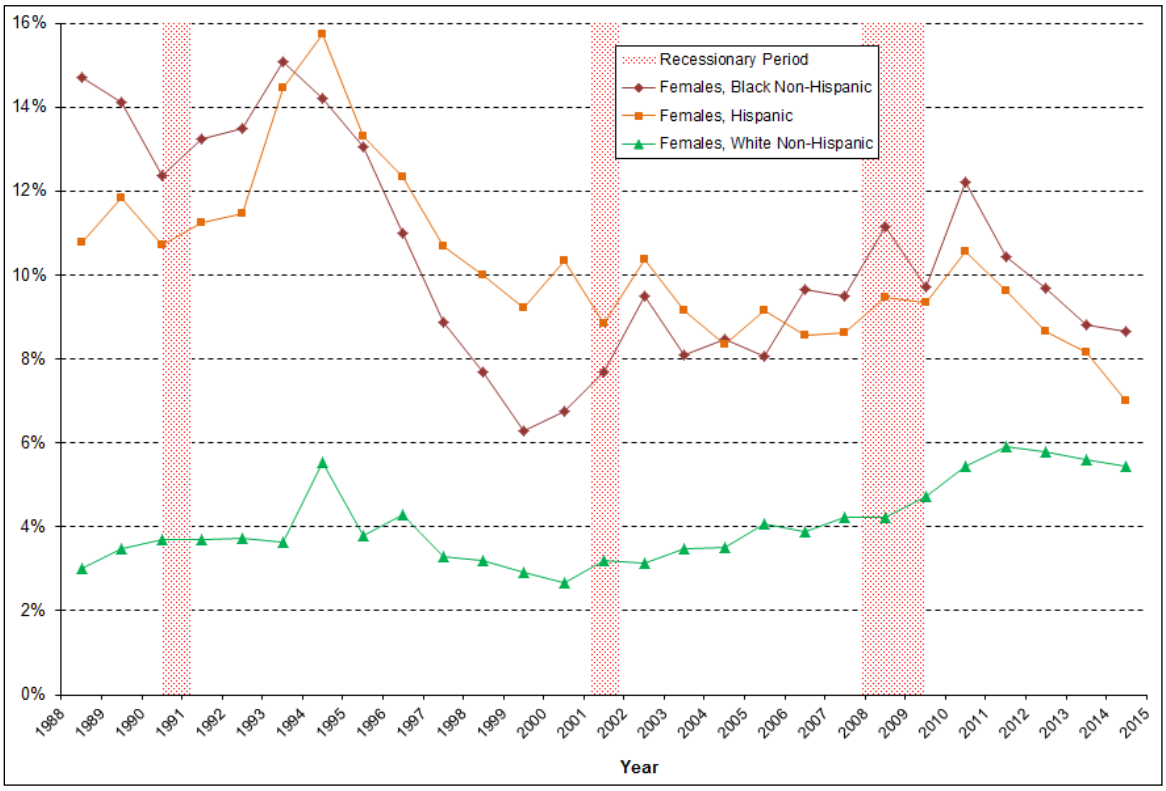
Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Turning to females, **Figure 15** shows marked differences in the level and trend in disconnection rates among white (non-Hispanic), black (non-Hispanic), and Hispanic females over the 1988 through 2014 period. Disconnection rates for black (non-Hispanic) and Hispanic females were consistently higher than those of their white (non-Hispanic) counterparts. However, while black and Hispanic females experienced substantial reductions in their rates of disconnection from their peak rates, the rate of disconnection among white females steadily increased since 2000. **Figure 15** shows that among black females, their disconnection rate fell from a high of 15.1% in 1993 to a low of 6.3% in 1999—a near 60% reduction. The rates increased in subsequent years, ranging from 6.7% (in 2001) to 12.2% (in 2010). The 2014 rate of disconnection for black females of 8.6% was the lowest in the period since 2005. For Hispanic females, their rate fell from a high of 15.7% in 1994 to a low of 7% in 2014—a 55% reduction. The rate for Hispanic females reached a record low in 2014. The white females' disconnection rate fell from a high of 5.6% in 1994 to a low of 2.7% in 2000, but increased in each succeeding year through 2011. That year, the rate of disconnection among white females was at its highest point—5.9%. The rate for white females declined in each subsequent year through 2014.

Black female youth in particular experienced remarkable reductions in disconnection, due likely to reductions in childbearing. For example, in 1993, the peak year of black female disconnection, a total of 15.1% were disconnected; having a child appears to have contributed to attaining that status for 11.3% of the population, and other factors contributed for the remaining 3.8%. By 1999, the year with the lowest proportion of disconnected black female youth, 6.3% were

disconnected. The rate for those having a child was just 2.9%, or about one-quarter of what it was in 1993.

Figure 15. Rates of Disconnected Females Ages 16-24, by Race and Ethnicity, 1998-2014



Source: Congressional Research Service based on analysis of data from the U.S. Census Bureau 1988 through 2014 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC).

Notes: Disconnected youth are youth who were not working or in school at the time of the survey and were reported as having not worked during the previous year for reasons other than going to school.

Implications for Policy

The time trend data presented show an increase in the overall rate of disconnection among youth in 2014 compared to 27 years earlier, in 1988. However, there was considerable variation in the overall rate and in disconnection rates among and between racial and ethnic groups, by sex. Notably disconnection among all single parenting females declined since the mid-1990s, particularly for young black women. The trend data show that youth disconnection follows economic cycles, as expected. During recessions, when jobs in the economy become scarce, rates of youth disconnection increase; during periods of economic expansion, rates of youth disconnection decrease. The data presented in this report end during 2013 and the first part of 2014 (i.e., February through April), four years after the end of the most recent recession.

In addition to overall economic conditions, a number of other factors may contribute to changes in the rates of disconnection. For example, the following factors may have lent to the decreasing rates of disconnection, particularly among black single mothers, since the mid-1990s: an expansion of the Earned Income Tax Credit (EITC), phased in between 1994 and 1996; welfare reform in 1996, which introduced time limits and work requirements for families receiving

benefits and services under the newly enacted Temporary Assistance for Needy Families (TANF) block grant; and declining teen birth rates, beginning in approximately 1992.

Given the state of the current economy, youth disconnection rates would be expected to stabilize. For females, their overall disconnection rate will depend not only on the *base rate*, depicted as the rate of disconnection among females without children as a percent of all females, and the additional rate of disconnection tied to having a child and not being married to a connected husband. The rate of disconnection among females who are not parents has been on the rise in recent years. Given the large declines in the rate of disconnection among females since the early 1990s relating to childbearing, their overall rate of disconnection in near-future years may not reach the levels seen in the early 1990s and preceding years. Overall, young single mothers are more likely to be connected to school or work than to be disconnected from both. Moreover, from the early- to mid-1990s to around 2000, the likelihood of younger single mothers being connected to work or school increased, and their rate of disconnection decreased. Since then their rate of disconnection has increased, but not yet to the levels seen in the late 1980s and early 1990s.

Being connected to work or school is widely seen as important for both youth and greater society. As discussed above, the individual costs of disconnection are great. While out of school or work, youth forego gaining experience that can lead to better employment opportunities. They are also more likely to live in poverty. Further, the young children of disconnected youth are at risk of growing up in poverty, which as discussed above, can have far reaching consequences in adulthood. The costs to society may also be great, though little research has been done in this area.[54] Youth who are disconnected may pose a financial burden if they rely on cash and non-cash assistance programs, or if they become homeless. In an increasingly global economy and with retirement underway for Baby Boomers, society is seen as having a strong interest in ensuring that all young people have the educational attainment and employment experience to become skilled workers, contributing taxpayers, and participants in civic life.

Interventions to connect youth to school and work depend on a number of factors. The research literature has devoted attention to the *timing* of interventions. The timing can target early childhood, the elementary and middle school years, or the high school years and just beyond. During each of these phases, developmental outcomes are influenced by numerous environmental and social factors, including family structure, stability, and functioning; economic circumstances; education; health care; and schooling.[55] They are also influenced by innate and inherited characteristics. These factors can influence how well youth ultimately make the transition to adulthood. The research literature has identified certain markers of risk and problem behaviors in the middle and older youth years that are associated with later negative outcomes.[56] Markers of risk suggest that youth will likely experience poor outcomes in adolescence and beyond. These markers are tangible indicators that can be measured or documented, and include low school performance and involvement in the child welfare system. Problem behaviors are activities that have the potential to hurt youth, the community, or both. Behaviors include early sexual experimentation; truancy; use of tobacco, alcohol, or other drugs; running away from home or foster care; and association with delinquent peers.

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[54] See, Clive R. Belfield, Henry M. Levin, and Rachel Rosen, *The Economic Value of Opportunity Youth*.

[55] For further information about the role of these factors in childhood development, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*.

[56] Heather Koball et al., *Synthesis of Research and Resources to Support at-Risk Youth*, Mathematica Policy Research, Inc., ACF Youth Demonstration Development Project, June 21, 2011. (Hereinafter, Heather Koball et al., *Synthesis of Research and Resources to Support at-Risk Youth.)*

James Heckman and others assert that investments in early childhood can, in part, serve as a protective factor against poor outcomes, especially when coupled with investments during the elementary school years.[57] Other research has focused on the benefits of intervening at an older age when young people are at risk of or are already experiencing negative outcomes.[58] And still other research has begun to examine the effects of a system of interventions that targets youth throughout their early life, from the infant years to young adulthood.[59] Youth might benefit from interventions during all stages of their early life, particularly if they begin to exhibit markers of risk such as low school performance.

Interventions can also focus on particular *institutions or systems*, such as the family, community, schools, and job training programs. These interventions may help to address some of the reasons why youth are not working or in school. First, interventions in the family at all stages could benefit disconnected youth.[60] Many of the disconnected youth in the analysis are parenting. Adequate child care may be one way in which to assist these youth in becoming connected to school or work and remain connected. Further, given the possibility that disconnection is intergenerational, early parenting classes or home-based interventions could provide a buffer for the children of disconnected youth from experiencing negative outcomes later in their lives. In the community, interventions could focus on assisting youth with disabilities since they make up a large share of the disconnected youth population. Such supportive services might include mental health care. Young disconnected single mothers could benefit from the involvement of their children's fathers. Responsible fatherhood programs seek to engage fathers in assisting with childrearing and child support, which may in turn enable mothers to secure child care and other assistance so they can work or attend school. Other community interventions could involve programs that encourage young women to delay childbearing, as parenting appears to be strongly associated with disconnection among females.

Finally, school and job training programs that provide wraparound services—counseling, child care, transportation, assistance with attaining a high school diploma, and preparation for the workforce—may help to reengage youth. A number of interventions have been designed in recent years that seek to address multiple aspects of a youth's circumstances.[61] In addition, sexual education in schools may help to encourage sexual avoidance and teen pregnancy.[62] However, as shown in this report, disconnected youth make up a diverse group and no one intervention is likely to be a panacea.

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[57] James J. Heckman and Dimitriy V. Masterov, *The Productivity of Investing in Young Children*, 2007.

[58] See, Rhonda Tsoi-A-Fatt, *A Collective Responsibility, A Collective Work: Supporting the Path to Positive Life Outcomes for Youth in Economically Distressed Communities*, Center for Law and Social Policy, May 2008; and Heather Koball et al., *Synthesis of Research and Resources to Support at-Risk Youth.*

[59] The Harlem Children's Zone in New York is one such model that provides wrap-around services for children of all ages. Services include parenting courses, community services, educational programs at HCZ charters schools, and foster care prevention services, among other services.

[60] For an overview of federal programs and policies to assist vulnerable youth across several domains, including workforce development, education, juvenile justice and delinquency prevention, social services, public health, and national and community service, see CRS Report RL33975, *Vulnerable Youth: Background and Policies*.

[61] See for example, John Bridgeland and Tess Mason-Elder, *National Roadmap for Opportunity Youth*, Civic Enterprises, September 2012; Nancy Martin and Samuel Halperin, "Whatever It Takes: How Twelve Communities Are Reconnecting Out-of-School Youth," American Youth Policy Forum, 2006; National League of Cities, "Beyond City Limits: Cross-System Collaboration to Reengage Disconnected Youth," 2007; and U.S. Government Accountability Office, *Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth Education and Employment*, GAO-08-313, February 2008.

[62] For further discussion, see CRS Report RL34756, *Nonmarital Childbearing: Trends, Reasons, and Public Policy Interventions*, by Carmen Solomon-Fears.

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