

November 4, 2020

Re: Recommendations for Equitable Workforce Development in Illinois

Honorable Members of the Senate Higher Education Committee,

The outlook for working people in 2020 is dire. COVID-19 has devastated an already inequitable labor market and left many families without a lifeline. Over 2.4 million Illinoisans have filed for unemployment benefits since March, and the state unemployment rate remains high at over 10%. Families are still struggling to access work. The burdens of the pandemic and ensuing economic crisis are hitting Black, Indigenous, and People of Color (BIPOC) communities in Illinois hardest. The labor market is unpredictable, leaving working Illinoisans struggling to navigate the few jobs that are opening up - and creating greater disparities in the hardest-hit communities in the state. BIPOC workers continue to disproportionately face employment barriers, including occupational segregation, disinvestment, housing, transportation, childcare issues, and others. Added to this, the challenges of COVID-19's health and economic impacts have left many more households unsure how they will stay housed or fed, let alone how they will advance their career.

Illinois must prioritize state and federal funding to invest in education, skills training, and barrier removal to build the foundation for a widely-shared recovery and re-skill the workforce for a new landscape. Cultivating and investing in our state's diverse talent can unleash regional innovation, economic growth, and community well-being as the economy recovers. Ninety-five percent of job training dollars in Illinois comes from dwindling federal investments, which have decreased over 30% in real terms over the past two decades. Furthermore, the federal response thus far has not included nearly enough for workforce development, despite unprecedented numbers of unemployed Illinoisans in need of help getting back to work. I am writing to call on legislators to prioritize investments in helping working Illinoisans return to work by funding workforce development programs, designing policy to remove employment barriers that create disparities, and promoting more effective data transparency between state agencies serving Illinoisans, to both help the state better address this economic crisis and to allow our residents to thrive.

New Moms is dedicated supporting young moms and their children with tools to help them achieve economic mobility and family well-being. We proudly young moms (young women ages 24 and under who are pregnant or parenting) in Chicago and the near western suburbs. Covid-19 has had a devastating impact on our young families, and they faced particularly hard challenges with securing quality employment that predate the pandemic. In the first two weeks of the shutdown alone, 45 young moms lost their jobs. Many more have followed and those who are part of our workforce development program have a very hard time finding quality employment. Our state's economy will only meet its fullest potential if the most marginalized job seekers are provided with a fair opportunity to participate in the labor market.

To support the young moms we serve, we recommend the following policy priorities:

1. Use a racial equity lens to invest state funding in inclusive career pathways programming to ensure shared economic recovery for Illinoisans who face barriers to employment.





- Direct public resources to the communities most impacted by racism, disinvestment, and the harms of the COVID-19 pandemic. For example, state agencies could utilize the map of <u>Disproportionately Impacted Areas (DIAs)</u> to direct not only business and cannabis investments, but workforce and adult ed program dollars.
- Ensure that job seekers can afford to live while building their skills. This can look like:
  - Subsidized employment opportunities;
  - Earn-and-learn models such as apprenticeship;
  - Compensation for participation in education/training programs.
- Establish a flexible Barrier Reduction Fund to directly assist job seekers overcome acute barriers to employment (such as childcare, housing, technology access, and transportation.)
- Invest \$100 million in MAP grants to move towards providing need-based aid to all eligible students.
- Support job seekers on SNAP by investing state dollars in SNAP Employment & Training (since every dollar is eligible for a federal match.)
- Provide increased, permanent funding for the Illinois Youth Build Act to offer paid training and work opportunities to low-income youth.
- 2. Align policy to eliminate non-skill barriers to employment disproportionately faced by people of color, foreign-born workers, and women in Illinois.
  - Eliminate driver's license suspensions for failure to pay tickets, fines, fees, or child support, and for failure to appear in court.
  - Support policies to prevent housing insecurity and homelessness, such as enhanced eviction protections, increased rental and mortgage assistance, and rent cancellation.
- 3. Increase data sharing and transparency across state agencies that touch education and workforce training to identify and address equity gaps in our public investments.

We believe that these policy changes will allow our young moms to overcome barriers to employment, build the skills that they need for in-demand occupations and retain the jobs that can support them and their families. Investing in job seekers is a win-win scenario for both jobseekers and employers and can help Illinois make a more equitable recovery.

Sincerely,

Laura Zumdahl, Ph.D

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President & CEO New Moms

