

MISSED OPPORTUNITY

School disconnection can determine a young person's future and the entire trajectory of his or her family's life. The missed opportunity of engaging all young people in school comes at a high cost of having an enduring economic and social impact on the local community and society at large. This challenge of keeping youth connected to their school communities has persisted for decades; however, the pandemic served to illuminate and exacerbate this issue, making it one that must urgently be addressed.

More than 100,000 NJ students dropped out of school in 2021.

The disruption of a young person's educational pathway, through school disconnection, has a profound economic and social impact on all New Jersey residents. More than 100,000 New Jersey students dropped out of school in 2021. The economic impact of youth disengagement creates a lifetime of financial inequity, resulting in low wages and an increased reliance on public aid provided by the State,¹ which costs taxpayers millions of dollars.² Young people who disengage from school face barriers to social mobility. They have a decreased earning potential, increased unemployment rates, increased likelihood of incarceration and are more likely to experience poverty and to suffer from adverse health outcomes.³⁴ Such social costs affect not only the individual young person, but his or her future children, the community and the social fabric of our State.

The economic and social impact are not consigned to a singular geographic region or racial/ethnic group; in New Jersey, youth disconnection rates are high across all counties and racial and ethnic groups. Disengaged youth are our community's greatest untapped resource. All young people can contribute to our society's economic and social landscape if provided with the tools and support needed to succeed. The establishment of an Office of Dropout Prevention and Reengagement of Out-of-School Youth and the Student Dropout Prevention Task Force could be an essential first step towards addressing the systemic issues resulting in student disengagement.



SHARED COST OF INACTION Economic Impact

Without action, all New Jersey residents will continue to feel the economic weight of the untapped potential of youth who disengage from school and/or work. While the reasons for disengagement vary greatly, young people between the ages of 16 and 24 who are disconnected from school and/or work are commonly referred to as opportunity youth.

Recent data illustrates the manner in which all taxpayers have been sharing the cost of failing to address youth disconnection in New Jersey. **The immediate tax burden for opportunity youth in New Jersey is \$13.9 billion a year.** Opportunity youth are 45% more likely to rely upon public housing, 42% more likely to receive unemployment or TANF benefits, and 52% more likely to rely on Medicaid and public health services, all of which are paid for by New Jersey taxpayers. There is also \$37 billion of lost revenue through wages in the State of New Jersey.

¹ Lewis, Kristen, and Rebecca Gluskin. Two Futures: The Economic Case For Keeping Youth On Track. New York: Measure of America, Social Science Research Council, 2018.

² Belfield, Clive, Levin, Henry, and Rosen, Rachel. The Economic Value of Opportunity Youth. New York: Civic Enterprises, America's Promise Alliance, 2012

³ Rumberger, Russell. Dropping Out: Why Students Drop Out of High School and What Can be Done About It. Cambridge, Massachusetts: Harvard University Press, 2011.

⁴ Lansford, Jennifer, Dodge, Kenneth, Petiti, Gregory, and Bates, John. A Public Health Perspective on School Dropout and Adult Outcomes: A Prospective Study of Risk and Protective Factors from Age 5 to 27. Juvenile and Adolescent Health, 58 (6), 2016.

⁵ Belfield, Clive, Levin, Henry, and Rosen, Rachel. The Economic Value of Opportunity Youth. New York: Civic Enterprises, America's Promise Alliance, 2012

⁶ Lewis, Kristen, and Rebecca Gluskin. Two Futures: The Economic Case For Keeping Youth On Track. New York: Measure of America, Social Science Research Council, 2018.

SHARED COST OF INACTION Challenges Across Communities

New Jerseyans will also continue to share the social cost of youth disconnection unless action is taken to prevent youth disconnection and promote re-engagement with education and employment. Opportunity youth in New Jersey, like young people across the country, are becoming disengaged at higher rates than the decade before the pandemic.

Youth disconnection is highest per capita in rural Cumberland County.

Although Latino and Black youth are disproportionately represented in the number of opportunity youth in New Jersey, **rural opportunity deserts in the state also show high youth disconnection rates across racial and ethnic group.** In New Jersey, the highest per capita rate of youth disconnection is in rural Cumberland County where 23% of 16 to 24 year olds are neither in school, nor working. Essex County has the second highest rate of disconnection at 17% of young people. In Cumberland County currently, 19.5% of the adults ages 25 and up do not have a high school diploma. In Essex County, which houses New Jersey's largest urban city, 13.5% of adults do not have a high school diploma.

CUMBERLAND COUNTY	ESSEX COUNTY
PERCENTAGE OF YOUTH DISCONNECTION	
23%	17%
PERCENTAGE OF 25+ YEAR OLDS WITHOUT DIPLOMA	
19.5%	13.5%
HEALTHCARE AND SOCIAL ASSISTANCE COSTS	
\$872,101,000	\$6,274,291,000

Young people throughout the State – regardless of zip code or race/ethnic group – are experiencing the detrimental impact of disconnection. Young people who disengage from school are more likely to experience poverty due to decreased earning potential and increased likelihood of unemployment.

Disconnected youth also have an increased likelihood of incarceration and of suffering from adverse health outcomes.^{9,10} Such experiences affect not just the young person but future generations of his or her family who are more likely to be thrust into the cycle of poverty.

The impact of this level of disengagement is not only felt by the families of the disengaged youth, but it is also felt by all residents of the State, as rising state taxes encumber all community members. Action is necessary to ensure a systematic build out of viable pathways to post-secondary success that allow all young people to realize their full potential.

⁶ Lewis, Kristen, and Rebecca Gluskin. Two Futures: The Economic Case For Keeping Youth On Track. New York: Measure of America, Social Science Research Council, 2018.

⁷ New Jersey Policy Perspective. State of Opportunity Index. 2019.

⁸ United States Census Bureau. Quick Facts: Cumberland County, New Jersey; Essex County, New Jersey. Washington, D.C: United States Department of Commerce, 2021.

⁹ Rumberger, Russell. Dropping Out: Why Students Drop Out of High School and What Can be Done About It. Cambridge, Massachusetts: Harvard University Press, 2011.

¹⁰ Lansford, Jennifer, Dodge, Kenneth, Pettit, Gregory, and Bates, John. A Public Health Perspective on School Dropout and Adult Outcomes: A Prospective Study of Risk and Protective Factors from Age 5 to 27. Juvenile and Adolescent Health, 58 (6), 2016.

RECOMMENDATIONS

We cannot afford to continue to allow young people to disengage; the cost is just too high. Current legislation (A398) that is pending in the State Assembly includes the establishment of an Office of Dropout Prevention and Reengagement of Out-of-School Youth and the Student Dropout Prevention Task Force, both of which could be part of a vital first step towards addressing youth disconnection in New Jersey.

Based on the intersectional nature of the barriers that impact opportunity youth, below are our recommendations to create and sustain long-term change for young people, and all New Jersey residents who share in the economic and social cost of youth disconnection.

The Office

Current Proposal

A398 proposes an Office of Dropout Prevention and Reengagement that will sit in the Department of Education.

This Office will collaborate with school districts in the development of a statewide strategic plan to address the challenge of preventing student disconnection.

The Task Force

Current Proposal

A398 recommends a Task Force of 17 individuals to collaborate to: (1) analyze causes of students leaving school prior to graduation, (2) recommend best practices for school districts to reduce disconnection, and (3) develop strategies to increase the reenrollment of students who have left school.

Our Recommendations

Interdisciplinary Coordination: The Office will be required to address the breadth and depth of challenges faced by young people who disconnect from school. To address these challenges, the Office should be coordinated through the Department of Education and foster collaboration across agencies, including but not limited to the:

- Department of Labor and Workforce Development
- Department of Human Services
- Department of Corrections
- Juvenile Justice Commission
- Department of Children and Families

Ensure Early Intervention: Intervene early and frequently through the provision of support and tiered intervention strategies; intervention must include accountability measures for the Department of Education and individual school districts.

<u>Institute Policy Change</u>: Empower the Office to enact vital policy changes on systemic levels that address the root causes of disengagement.

Our Recommendations

Resign Membership Plan: Expand the Task Force to include 21 members. Redesign the inclusion criteria for the Task Force to include representatives from all agencies, opportunity youth, their parents or guardians, and stakeholders from community based organizations working on dropout recovery, as follows:

- The Commissioner of Education, or designee
- The Commissioner of the Department of Labor and Workforce Development, or designee
- The Commissioner of the Department of Human Services, or designee
- The Commissioner of the Department of Corrections, or designee
- The Commissioner of the Juvenile Justice Commission, or designee
- The Commissioner of the Department of Children and Families, or designee
- Two members of the Senate
- · Two members of the General Assembly
- Eleven members appointed by the Governor:
 - Three school superintendents (urban, suburban and rural district)
 - o One President of a New Jersey County College
 - Two opportunity youth
 - One parent of opportunity youth
 - o One teacher from school with high dropout rate
 - o One guidance counselor from school with high dropout rate
 - Two staff from community-based organizations

The Strategic Plan

Current Proposal

The Office and the Task Force will work together to develop a statewide strategic plan of action to prevent students from dropping out of school, address the need for the re-enrollment of students who disengage from school, and develop strategies to increase re-enrollment.

Our Recommendations

Interdepartmental Committee: Establish an Interdepartmental Education Innovation Committee including representatives from the Department of Education, the Department of Labor and Workforce Development, the Department of Human Services, the Department of Corrections, the Juvenile Justice Commission, and the Department of Children and Families. This Committee should partner with the Office of Dropout Prevention, manage the implementation of the strategic plan, and ensure school district intervention on behalf of students.

Prioritize Prevention: Identify the risk factors for, and underlying causes of, student disengagement.