

The Honorable Richard Neal
Chairman, Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Ron Wyden
Chairman, Committee on Finance
U.S. Senate
Washington, DC 20515

The Honorable Bobby Scott
Chairman, Committee on Education and Labor
U.S. House of Representatives
Washington, DC 20515

The Honorable Patty Murray
Chairwomen, Committee on Health, Education, Labor
and Pensions
U.S. Senate
Washington, DC 20515

August 26, 2021

Dear Senators Wyden and Murray and Representatives Neal and Scott:

In response to the economic devastation brought on by the COVID-19 recession and the persistent economic disparities faced by Black, Latinx, Indigenous, immigrant, and other workers facing barriers to employment, **the undersigned organizations call on Congressional leadership to ensure that the budget reconciliation bill being negotiated in Congress includes robust investments in workforce development and training, including a robust [equity-centered national subsidized employment program](#)**. We urge Congressional leaders to invest in subsidized employment proportionate to the scope and scale of joblessness that economically marginalized groups face even in good economic times and durable enough to combat widespread unemployment and underemployment quickly during recessions.

We were thrilled to see subsidized employment identified as one of President Biden's priorities within the [American Jobs Plan](#) and the [Build Back Better Agenda](#). To make these commitments a reality, now is the time for Congress to enact a large-scale and inclusive national subsidized employment program. Even in a divided nation, [93% of Americans](#) favor a national initiative that creates paid work and job training opportunities.

The United States currently has an over [5 million jobs shortfall](#). An estimated [23.6 million workers](#) have been economically harmed by the COVID-19 recession. Many of the job losses resulting from the COVID-19 pandemic [are likely permanent](#). The economic destruction wielded by COVID-19 has been particularly damaging to Black, Latinx, Indigenous, and immigrant workers, young people, and those impacted by the criminal legal system, who all face persistent economic disparities and economic marginalization caused by countless structural inequities often rooted in racism and [baked into our labor market](#).

Even when the economy is strong, however, millions of workers face persistent joblessness and economic marginalization. As the economy begins to recover, employment rates among Black and Latinx workers continue to lag relative to their white counterparts - reflecting a consistent pattern of economic marginalization for these groups going back decades. Teens, and particularly young adults of color, face staggering rates of joblessness that could have [lifelong negative consequences](#) for their earnings and housing stability. Even prior to COVID-19, the unemployment rate for formerly incarcerated individuals was over [five times the national rate](#) at 27 percent, with a disproportionately higher rate for Black men and Black women at 35.2 and 43.6 percent, respectively. And women, especially women of color, continue to bear the

brunt of the economic shock of the pandemic [due to many factors](#) embedded in our labor force and economy. Today, [female workforce participation](#) is at its lowest rate in 30 years.

Subsidized employment initiatives can have a transformational impact particularly for economically marginalized workers and communities. Research and experience demonstrate that these programs can support the employment and training needs and interests of individuals facing barriers to labor market access and success including young people who are disconnected from work and school, people impacted by the criminal legal system, people experiencing or at risk of homelessness, noncustodial parents with low incomes, and the long-term unemployed. From the Great Depression to the Great Recession, [versions of subsidized employment](#) have quickly and efficiently gotten people who were out of work into jobs, earning money, and engaging in work that employers and entire communities value. Subsidized employment is popular with workers and employers, is cost effective, can achieve high rates of employment, and is part of an overarching strategy to redress economic marginalization faced by workers who are historically and currently left out and left behind.

We know that millions of people want to work and are looking for work yet are not able to access employment and quality jobs. Achieving true economic recovery and a thriving, inclusive economy hinges on all people being able to fully participate in the workforce. In partnership with Congress and alongside the Administration and federal agencies, we are committed to working together to make the goal of an inclusive economy a reality to benefit millions of people. Achieving this goal includes investments in a robust and inclusive subsidized jobs program.

We thank you for your leadership and attention to these issues. We are happy to answer questions or provide more information.

Sincerely,

America Forward
Appetite For Change
Center for Employment Opportunities
Center for Law and Social Policy (CLASP)
Chicago Jobs Council
Chrysalis
Community Advocates Public Policy Institute
Community Change Action
Downtown Women's Center
E5 Enterprise
FareStart
Forum for Youth Investment
Georgetown Center on Poverty and Inequality
Goodwill of Silicon Valley

Heartland Alliance
Homeward Bound of Marin
Jewish Vocational & Career Counseling Service (JVS)
Juma Ventures
JVS SoCal
Keys2Work
Landforce
National Alliance to End Homelessness
National Youth Employment Coalition
New America
New Earth Organization
Per Scholas
Purpose and Destiny Family School Community Resource Network
RecycleForce
REDF
The BOOM
Uplift Northwest
Valeo Vocation