

A Two Generation Workforce Development Pipeline:

A Dual Pathway for Breaking the Cycle of Poverty in Puerto Rico





October 28, 2016

To the Honorable Members of the Congressional Task Force on Economic Growth in Puerto Rico:

Sen. Orrin Hatch, Chair
Sen. Marco Rubio
Sen. Robert Menéndez
Sen. Clarence William Nelson
Rep. Nydia M. Velázquez
Rep. Sean Patrick Duffy
Rep. Thomas C. MacArthur
Rep. Pedro R. Pierluisi

Dear Congressmen and Congresswoman,

This letter is a follow up on the policy paper we sent on September 2nd, 2016 titled *A Two Generation Workforce Development Pipeline: A Dual Pathway for Breaking the Cycle of Poverty in Puerto Rico*. Then, we presented the Task Force with a set of policies and a Pipeline¹ as a framework for workforce development from prenatal stage to job attainment or economic success in adult life.

Our work with the Taskforce staff and members has refined our proposal even further. We stand by all the policies we included in our paper, but we recognize there is no magic bullet for guaranteeing economic security for our kids and families. Nonetheless, the Federal Government and the Private Sector have tools and resources that with the right direction and management and built into the correct framework, can work as more permanent and thorough solution for our children living under poverty.

Children throughout Puerto Rico are suffering immensely as our economic crisis worsens. Eight out of every 10 children in Puerto Rico are severely at risk with no current way to empower their situations.²

- 58% of Puerto Rican youth live below the poverty line
- 84% of Puerto Rican youth reside in areas of high poverty

Our children need help now or we will lose another generation and Puerto Rico will never climb out of the economic crisis that Congress is attempting to address.

As you know, PROMESA establishes a mandate to change "Federal law and programs that, if adopted, would serve to reduce child poverty"³. We propose the creation of a Special Joint House and Senate Congressional Working Group on Child Poverty in Puerto Rico. This Congressional Working Group will:

¹ See Appendix 1 attached

² For more relevant child poverty indicators see Appendix 2 attached

³ Congressional Task Force on Economic Growth in its Section 409 (g) (2): "(g) Report.—Not later than December 31, 2016, the Task Force shall issue a report of its findings to the House and Senate regarding— (2) recommended changes to Federal law and programs that, if adopted, would serve to ...reduce child poverty..."



1. Identify, coordinate and monitor the implementation of antipoverty programs in Puerto Rico thru the Congressional Working Groups proposed Work Plan in order to streamline programs and processes, monitor implementation and measure results,
2. Identify and engage key government, private and non-profit organizations that can play a role in improving the coordination and effectiveness of programs serving and appealing to youth and their families,
3. Propose policies and advance legislation to incentivize job participation and develop a system to reward work in the island, while protecting vulnerable populations,
4. And identify strategies, tools and resources available to help promote effective community based efforts addressing child poverty.

The Congressional Working Group would be in charge of designing and promoting policy as well as developing a Work Plan in order to implement, monitor, and measure reductions in child poverty in Puerto Rico. This Work Plan will be implemented by the Congressional Working Group and its Advisory Council. The impact and effectiveness of the Work Plan will be measured by the progress on the following indicators:

1. Increased Job Participation Rate
2. Reduce % of poverty
3. Increased # of self-employed people
4. Increased academic proficiency

The Advisory Council will be comprised of the following entities:

- A. Congressional Working Group: Representation of House and Senate Committees on: Housing and Infrastructure, Finance, Ways and Means, Agriculture, Budget, Education and the Workforce, Financial Services, Natural Resources and the Congressional Task Force on Economic Growth in Puerto Rico
- B. Executive Branch: Dept of Labor, Dept of Agriculture, Dept of Commerce, Dept of Defense, Dept of Education, Dept of Health and Human Services, Dept of Housing and Urban Development, Dept of Justice, Dept of State, Dept of the Interior, Dept of Transportation, CNS, NSF, HIDTA, EPA, SBA, SSA, NY Federal Reserve
- C. NGOs: Annie E. Casey Foundation (and other US Foundations with child poverty related missions); Youth Development Institute; Puerto Rico Non Profit Coalitions: Una Sola Voz Movement (140 NGOs) and Red de Fundaciones (Foundation Network), PR Private Sector Coalition, PR Universities.
- D. PR Government: Governor's Office on Federal Affairs, Representatives from Senate and House of Representatives.

I look forward to discussing and working on this proposal with you and your staff during our next visit to Washington DC on November 16-18.

Kind regards,

A handwritten signature in blue ink, appearing to read "E. Carrera Morales".

Eduardo Carrera Morales
President of the Boys and Girls Clubs of Puerto Rico

TWO GENERATION FRAMEWORK FOR ECONOMIC SECURITY

Families and Young people need multiple and flexible pathways to achieve credentials, employment and economic success - combining work experience, education, training and support



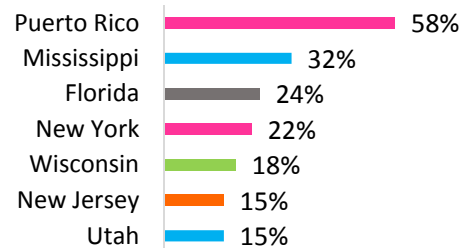
Appendix 2: Children and Youth Poverty Indicators/Trends

Every year, we disseminate data trends in child well-being in Puerto Rico from Federal and local sources, the most significant are:

POVERTY RATES

- Children under 18 years old living in high poverty areas: 84%⁴
- Children under 18 years old living below the poverty levels: 58%⁵
- Grandparents living with and responsible for the basic needs of their grandchildren (under 18 years) living below the poverty levels: 58%²
- Households with children under 18 years old that receive Supplemental Security Income (SSI), cash public assistance income, or Food Stamps/SNAP: 39%²
- Female householder with children under 18 years old below the poverty level: 69%²
- Marriages with children under 18 years old below the poverty level: 34%²

Children below poverty level 2014



MEDIAN INCOME OF FAMILIES WITH CHILDREN²

- Median income of families with children under 18 years old: \$20,500
- Median income of single female householder with children under 18 years old: \$9,000
- Median income of married couples with children under 18 years old: \$37,000
- Median income of grandparents living with and responsible for the basic needs of their grandchildren (under 18 years old): \$20,900

OTHER ECONOMIC INDICATORS⁶

- Children living in households with a high housing cost burden: 33%
- Children whose parents lack secure employment: 54%

FAMILY PROFILES

- Children living in a single parent household: 59% of which 82% are living with a female householder. • Grandparents living and responsible of their grandchildren under 18 years old basic needs: 46%
- Teen births per 1,000 (girls ages 15 to 19): 40³

⁴ Population Reference Bureau, analysis of data from the U.S. Census Bureau's Puerto Rico Community Survey, 2014 – 5 years estimates at Kids Count Data Center - Puerto Rico Estimates, <http://datacenter.kidscount.org/>

⁵ U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

³ Hamilton BE, Martin JA, Osterman MJK, et al. Births: Final data for 2014. National vital statistics reports; vol. 64 no. 12. Hyattsville, MD: National Center for Health Statistics. 2015.

EDUCATION

- 3 and 4 year olds not enrolled in an Early Childhood School Program: 43%
- Teens ages 16 to 19 years old that are not in school and don't have a high school diploma: 7%⁷
- Teens ages 16 to 19 years old that are not attending school and not working: 15%
- The Programme for International Student Assessment (PISA) scores in 2012: the average score of Puerto Rico is fifth from the bottom, with only Colombia, Qatar, Indonesia, and Peru having worse scores.⁸
- People under poverty level that don't have high school diploma: 36%
- Only 6% of people under poverty level have a bachelor's degree.
- People over the poverty level with a Bachelor's Degree diploma: 37%
- During school year 2012-13, 30% of all students (130,212) were special education students.⁹

DEMOGRAPHIC CHANGES ²

- 10% population decrease in the past 10 years.
- Population of children under 5 years of age has decreased in 37%.

CHILD MORTALITY

- Infant Mortality (per 1,000): 7 ⁷
- Deaths among children and teens (per 100,000): 27 ⁷
- Youth in grades 9-12th have tried to commit suicide: 16% ⁸

SECURITY

- Youth in grades 9 -12th that have ever tried Marijuana : 14% ⁸
- Youth in grades 9 -12th that have ever tried Alcohol: 50% ⁸
- School fights among youth in grades 9-12th: 17% ⁸
- Youth in grades 9-12th not attending school due to security issues: 12% ⁸
- Children in Public Foster Care: 688 ⁹
- Adoptions of Children with Public Child Welfare Agency Involvement: 11 ⁹
- Annual cost of incarceration per inmate: \$37,000 ¹⁰

⁷ Puerto Rico Well Being Index 2016. Youth Development Institute. An analysis of U.S. Census Bureau Data 2010-2014 5 yrs. estimate. www.juventudpr.org

⁸ The Programme for International Student Assessment (PISA)

⁹ Disdier, O.M. (2015). Anuario Estadístico del Sistema Educativo: 2012-2013. Instituto de Estadísticas de Puerto Rico. Retrieve from www.estadisticas.gobierno.pr.

⁷ Requested data to the Puerto Rico Health Department, Assistant Secretary for Planning and Development. (2013)

⁸ Centers for Disease Control and Prevention (CDC). 1991-2015 High School Youth Risk Behavior Survey Data. Available at: <http://nccd.cdc.gov/youthonline/>

⁹ Child Welfare Information Gateway. (2016). *Foster care statistics 2014*. Washington, DC: U.S. Department of Health and Human Services, Children's Bureau.

¹⁰ Chamber of Senates Project 487, March 21, 2013

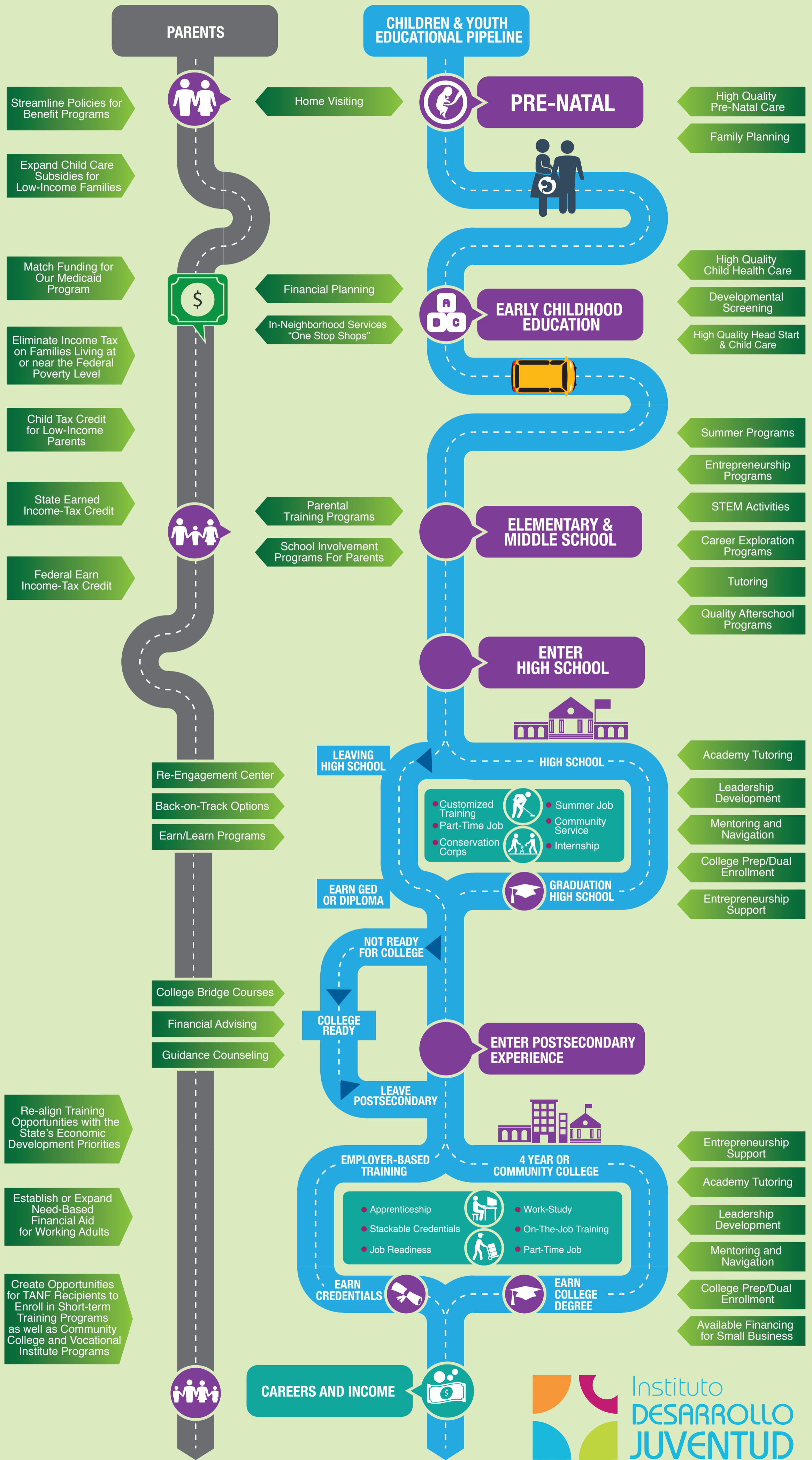
- Puerto Rico is classified as a High Intensity Drug Trafficking Areas (HIDTA). Key issues identified in the PR/USVI HIDTA region include the following¹¹:
 - Cocaine continues to pose the greatest drug threat to the region because of the continued high level of trafficking in the PR/USVI HIDTA region.
 - Murder rates in Puerto Rico are among the highest in the United States and are increasing. The DEA Caribbean Division reports that many of the murders in Puerto Rico are linked to cocaine trafficking.
 - Heroin abuse is prevalent in Puerto Rico, with high rates of bacterial and human immunodeficiency virus (HIV) infections occurring among heroin abusers, who typically inject the drug.
 - The PR/USVI HIDTA region is a major bulk cash movement center for drug traffickers operating in the region and the CONUS.
- As in July 31, 2016 there have been 82 reported murders and voluntary homicides, which represent a 74.5% increment, or 35 more murders compared with the same period in 2015.¹²

¹¹ U.S. Department of Justice, National Drug Intelligence Center, Puerto Rico/ U.S. Virgin Islands High Intensity Drug Trafficking Area, 2011.

¹² Puerto Rico Police Department, Criminal Statistics Division. Retrieved from: <http://www.gobierno.pr/PoliciaPR/Estadisticas/>

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**Based on: Youth & Work Policy Report from Annie E. Casey Foundation