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Congress of the United States: US House of Representatives  
Subcommittee on Human Resources Hearing  
“Missing from the Labor Force: Decline in Labor Force Participation of Men”

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Mr. Chairman, Ranking Member Davis and members of the Subcommittee on Human Resources, thank you for the opportunity to testify on the decline in labor force participation of men.

I represent the Safer Foundation, a Chicago-based non-profit that has provided employment and support services to people with arrest and conviction records for over four decades. The Safer Foundation believes that men and women who have made mistakes in the past should have the opportunity to be self-sufficient so that they can take care of their families and make our communities safer. There is dignity in work. Our clients come to us because they want to work and are willing to do everything in their power to earn their right to work.

But our society’s overemphasis on punishment at the expense of rehabilitation is affecting labor force participation rates and workforce morale. My interaction with directly-impacted individuals has taught me that hopelessness rather than choice keeps people out of work. I have seen many, very qualified people who have criminal records be denied employment, housing or a license, decades after they have served their time.

The issue of criminal justice reform is a socio-economic one. Our country cannot afford to continue to deprive returning individuals of a second chance to become contributing members of our communities. Instead of shunning them, it is imperative that we begin to view their reintegration as vital to our country’s prosperity.

- We have been good at filling prisons but sluggish in fostering reintegration and economic inclusion, an important ingredient of public safety.
  - o The National Employment Law Project estimates that 1 in 3 American adults has a criminal record<sup>1</sup> that interferes with their ability to find a job.
  - o Nearly half of US children have at least one parent with a criminal record.<sup>2</sup>
  - o As a result, our agencies and taxpayers are burdened by a preventable problem. Take the example of Illinois where, according to one estimate, 42% of working adults have an arrest or conviction records<sup>3</sup> and where almost half of the 30,000 people released from the Illinois Department of Corrections (IDOC) will return to

it within three years of release.<sup>4</sup> The Illinois Sentencing Policy Advisory Council estimates that recidivism amongst probationers and the formerly incarcerated costs Illinois \$16.7 billion over a 5 year period.<sup>5</sup>

- When IDOC is forced to function at 150% of its capacity, it cannot effectively rehabilitate inmates which contributes to their recidivism and adds to taxpayers' burden.<sup>6</sup>
- Mass incarceration and employment barriers faced by people with criminal records combined with the opioid epidemic have deflated the US labor force participation rates which are as low today as they were over 30 years ago<sup>7</sup>. This has a tremendous negative impact on the economy:
  - The Center for Economic and Policy Research estimates that in 2014, job loss and unemployment experienced by former prisoners and people with felony convictions meant a loss of \$78 billion to \$87 billion in annual GDP.<sup>8</sup>
  - Research by the Pew Charitable Trusts finds that annually, the opioid crisis leads to \$41.8 billion in lost productivity, \$7.6 billion in criminal justice costs and \$28.9 billion in health costs.<sup>9</sup>
- The US is experiencing a long period of economic expansion. But experts warn that this expansion will end prematurely if we don't relieve these structural strains on labor force participation.

The Safer Foundation has worked with people with arrest and conviction records for over four decades. Research and Safer's experience has shown that employment is the most direct link to reduced recidivism. When we allow people with records to work we do a huge service to our criminal justice system, our taxpayers, our employers and our economy.

A federal commitment to create more job opportunities and skills training will reduce the attendant strain on the criminal justice system and on taxpayers. It will increase the tax base, give employers credentialed employees, stabilize violent communities and pull families out of the cycle of intergenerational poverty and violence that we see in so many of our urban communities.

- A 2011 study found that putting 100 formerly incarcerated persons back to work would increase their lifetime earnings by \$55 million, increase their income tax contributions by \$1.9 million and increase sales tax revenue by \$770,000 all the while saving more than \$2 million annually by keeping them out of the criminal justice system.<sup>10</sup>

- An analysis by the Illinois Sentencing Policy Advisory Council found that we derived a benefit of \$20 for every dollar spent on community-based employment training or job assistance.<sup>11</sup>
- A three-year tracking study of a Johns Hopkins Hospital program that hired nearly 500 people with criminal records from the Baltimore area found zero problematic terminations amongst these employees.<sup>12</sup>
- Besides providing community-based services, Safer runs two of Illinois' four Adult Transition Centers for IDOC inmates to serve the final months of their sentences. While at the ATC, residents are able to work, gain credentials, receive a variety of services and training including responsible fatherhood training, and prepare for their release. The ATCs set them on the path to supporting their families, paying their court debt and victim restitution and becoming responsible taxpaying citizens. In 2016, over 70% of the facilities' employment-eligible residents were employed. In FY17, Safer's ATC residents :
  - earned more than \$4.8 million in gross wages;
  - paid over \$1 million in taxes; and
  - ATC residents paid \$600,700 in dependent support in FY 17

As the labor market tightens, employers are more ready than ever to give people with records a fair shot. Safer has partnered with hundreds of employers to meet their workforce needs. One of our newer initiatives, the Safer Demand Skills Collaborative came out of our clients' desire for living-wage jobs and economic mobility along with a skills and labor shortage in some high growth industries like healthcare which is projected to bring 84,000 jobs to the Chicago area by 2025. So, the Safer Demand Skills Collaborative is a partnership of employers, trainers and intermediaries like Safer where rehabilitated people with a history of justice involvement are trained for and placed in high-growth industries. In June this year, our Healthcare Collaborative surpassed its one-year goal of placing 50 clients in a range of healthcare jobs including as Certified Nursing Assistants, phlebotomists, treatment counselors, Certified Medical Assistants, Licensed Practical Nurses, and in EVS and food services. The employee retention rate of these clients is at 98%.

The prevailing socio-economic circumstances – low labor force participation fueled by mass incarceration, the opioid epidemic and high recidivism – has mobilized a diverse network of stakeholder including employers, community-based organizations and state agencies to come together and find a solution. Lawmakers and the government can support these efforts by:

- Providing incentives to business and contractors to hire people with records; and
- Pass legislation, modeled after laws in Michigan, Ohio and Texas, to provide protection for employers who hire people with records to negate the perceived versus real risk of negligent hiring liability.

Often, compulsion rather than choice leads people to make mistakes. And we rightfully punish them for their mistakes. But the debt they owe to society is finite. They should be allowed to move on once they have served their time. They want nothing more than to be able to work to support their families. It is in our own interest to acknowledge that people change and that rehabilitation is not a made up word. The sooner we do so, the sooner we'll have a thriving workforce.

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<sup>1</sup> “Research Supports Fair-Chance Policies” (March 2016), National Employment Law Project, footnote 1 on p. 7. Available at <http://www.nelp.org/publication/researchsupports-fair-chance-policies>

<sup>2</sup> Rebecca Vallas, Melissa Boteach, Rachel West, and Jackie Odum, “Removing Barriers to Opportunity for Parents and Their Children” (December 2015), Center for American Progress. Available at <https://cdn.americanprogress.org/wp-content/uploads/2015/12/09060720/CriminalRecords-report2.pdf>.

<sup>3</sup> The National Employment Law Project arrived at the estimate using the following methodology:

“A Bureau of Justice Statistics 2012 survey documents the number of people with records in each of the state criminal history databases. See Table 2, which shows there are 6,164, 800 people in Illinois. These include adults with arrest and conviction records. This is the only database that collects the state totals. Unfortunately, the state data doesn’t take into account that some people have records in multiple states and that some people have died but are still in the state systems. To account for these factors, our methodology conservatively reduces the total number by one-third. So, by our estimate, there are 4,105,757 adults in Illinois with an arrest or conviction record. And there are 9,876,476 adults in the total state according to the latest census. That means 42% of Illinois adults have an arrest or conviction records.”

Maurice Emsellem

Director, Access and Opportunity Program

NELP

March 1, 2016

“Survey of State Criminal History Information Systems, 2012” (January 2014), Bureau of Justice Statistics, US Department of Justice. Available at <https://www.ncjrs.gov/pdffiles1/bjs/grants/244563.pdf>

United States Census Bureau, “QuickFacts: Illinois.” Available at <http://www.census.gov/quickfacts/table/PST045215/17>.

<sup>4</sup> “Illinois Results First: The High Cost of Recidivism” (Summer 2015) State of Illinois, Illinois Sentencing Policy Advisory Council. Available at [http://www.icjia.state.il.us/spac/pdf/Illinois\\_Results\\_First\\_1015.pdf](http://www.icjia.state.il.us/spac/pdf/Illinois_Results_First_1015.pdf).

<sup>5</sup> “Illinois Results First: The High Cost of Recidivism,” Illinois Sentencing Policy Advisory Council.

<sup>6</sup> E. Ann Carson, Ph.D, “Prisoners in 2014” (September 2015), Bureau of Justice Statistics, US Department of Justice. Available at <https://www.bjs.gov/content/pub/pdf/p14.pdf#page=12>.

<sup>7</sup> Bureau of Labor Statistics, US Department of Labor. Available at <https://data.bls.gov/timeseries/LNS11300000>.

<sup>8</sup> Cherrie Bucknor, Alan Berber, “The Price We Pay: Economic Costs of Barriers to Employment For Former Prisoners and People Convicted of Felonies” (June 2016), Center for Economic and Policy Research. Available at <http://cepr.net/images/stories/reports/employmentprisoners-felonies-2016-06.pdf?v=2>.

<sup>9</sup> “The High Price of the Opioid Crisis: Increasing access to treatment can reduce costs” (July 26, 2017), The Pew Charitable Trusts. Available at <http://www.pewtrusts.org/en/multimedia/data-visualizations/2017/the-high-price-of-the-opioid-crisis>.

<sup>10</sup> “Economic Benefits of Employing Formerly Incarcerated Individuals in Philadelphia” (September 2011) Economy League Greater Philadelphia. Available at <http://economyleague.org/uploads/files/712279713790016867-economic-benefits-of-employing-formerly-incarcerated-full-report.pdf>. In “Research Supports Fair-Chance Policies” (March 2016), National Employment Law Project,

<sup>11</sup> “Illinois Results First: A Cost-Benefit Tool for Illinois Criminal Justice Policymakers” (Summer 2016), State of Illinois, Illinois Sentencing Policy Advisory Council. Available at [http://www.icjia.state.il.us/spac/pdf/Illinois\\_Results\\_First\\_Consumer\\_Reports\\_072016.pdf](http://www.icjia.state.il.us/spac/pdf/Illinois_Results_First_Consumer_Reports_072016.pdf).

<sup>12</sup> Pamela Paulk, V.P. of Human Resources, Johns Hopkins Hosp. & Health Sys., presentation for NELP & Cmty. Legal Servs. of Phila. webinar, titled “Understanding the EEOC’s New Criminal Records Guidance” (May 30, 2012), available at <https://www.youtube.com/watch?v=7QnMW2gIerk>.