

A COMPREHENSIVE STRATEGY TO EXPAND EMPLOYMENT OPPORTUNITIES FOR FORMERLY INCARCERATED PERSONS

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Incarceration to Employment

A Comprehensive Strategy to Expand Employment Opportunities for Formerly Incarcerated Persons

Today, the Biden-Harris Administration is advancing a comprehensive, inclusive strategy along with concrete agency actions in support of that vision—to help formerly incarcerated persons transition from **Incarceration to Employment**, so we can break the cycle of recidivism and make our communities safer. This strategy focuses on individualized pre-release education, skill-building, reentry planning, skills-based job attainment, post-release employment, and supportive services, including housing, healthcare, transportation, and subsistence benefits—all of which enhance stability and successful reentry outcomes. It requires strong relationships and coordination among correctional agencies and facilities, community-based organizations that provide reentry services and/or workforce training, intermediary organizations that manage a network of reentry organizations, and employers to support the success of returning community members, as well as coordination among the local, state, territorial, tribal, and federal agencies that fund or oversee such efforts.

Every year <u>more than 600,000 people</u> are released from incarceration—and for many, it can be an uphill battle to return and reintegrate into communities. A <u>good job</u> and <u>supportive services</u> are not only critical to successful reentry for formerly incarcerated persons, but also to <u>promoting public safety</u> and improving economic well-being in American communities. Alongside investments in community-oriented law enforcement, and fighting gun trafficking—among other measures—steps to reduce recidivism are a key element of President Biden's plan to fight gun trafficking. Yet securing stable employment is among the most significant challenges formerly incarcerated persons face. Unnecessary barriers to opportunity also harm employers who stand to benefit from the inclusion of these skilled and dedicated community members in the labor force — an especially salient concern in light of today's heightened demand for workers.

According to a 2018 study, formerly incarcerated persons have a <u>27 percent</u> <u>unemployment rate</u>, exponentially higher than the overall United States unemployment rate. Not only does high unemployment impede successful reentry, it also increases the chances of recidivism. Further, combined with undue disparities in the criminal justice system, these barriers leave people of color, LGBTQI+, veterans, and people with disabilities disproportionately locked out of gainful employment after release.

The cost of formerly incarcerated persons' unemployment is keenly felt by their families, as the lack of earnings impact their ability to cover basic costs like childcare, transportation, and housing, and can perpetuate or exacerbate household poverty. These employment barriers are also harmful to the national economy. According to a 2016 estimate, the United States annual Gross Domestic Product was reduced \$78-87 billion due to the exclusion of people with felony convictions from the workforce. When accounting for the exclusion from entrepreneurial opportunities and the exclusion of those with misdemeanor convictions, the impact to GDP is likely to be higher.



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Currently, employment supports and services for formerly incarcerated persons consist of a patchwork of local, state, and federal government efforts, often bolstered by reentry organizations, private employers and philanthropies. While there are <u>promising state and local models across the country</u> that incorporate skill-building and reentry planning during incarceration, comprehensive and inclusive approach is necessary across the country. Providing a continuum of training and services during incarceration, followed by a smooth transition to stable employment upon release and continuing support with individualized reentry services, improves outcomes for formerly incarcerated persons, their communities, and our nation as a whole.

To date, federal efforts to "ban the box" have represented one of the most significant federal policies to encourage employment for formerly incarcerated persons. In 2015, the Obama-Biden Administration launched the Fair Chance Business Pledge, a call to action to private employers to enact ban the box policies, and directed the Office of Personnel Management (OPM) to consider modifying its rules to limit criminal background questions on federal job applications until after a conditional offer of employment has been extended (i.e., "ban the box"). OPM issued proposed "ban the box" regulations in May 2016, and final regulations in December 2016 and applied to federal agencies. The bipartisan Fair Chance to Compete for Jobs Act of 2019's made "ban the box" law across all branches of government as well as federal contractors by prohibiting inquiry into arrest and conviction history until a conditional job offer is extended. In his June 2021 Comprehensive Gun Crime Reduction Strategy, President Biden directed OPM to fully implement the Fair Chance Act's "ban the box" policy. underscoring his belief that good, stable jobs promote public safety. OPM published proposed <u>regulations</u>, that, once implemented, will delay inquiries into an applicant's criminal history until a conditional offer has been made and expand the number and types of federal jobs covered by the policy. He also directed OPM to evaluate actions the federal government could take to remove barriers to and expand opportunities in federal employment for formerly incarcerated persons, work that is underway.

While "ban the box" policies are critical, these policies alone are insufficient. Reentry requires a broader, holistic approach to fair chance and equitable hiring practices. Recognizing this, in his July 2021 Executive Order on Advancing Diversity, Equity, Inclusion, and Accessibility, President Biden made equity in federal hiring a priority, including by expanding federal employment opportunities for formerly incarcerated persons. The President has also called upon employers to leverage federal tax credits to incentivize hiring of formerly incarcerated persons. For example, the Work Opportunity Tax Credit (WOTC) allows employers to receive federal tax credits of up to \$2,400 against federal income taxes for hiring a person within one year of their conviction or release from prison for a felony offense. Similarly, the Federal Bonding Program provides employers with \$5,000 worth of coverage per employee to businesses that hire formerly incarcerated persons.



Incarceration to Employment strategy to expand hiring and advancement opportunities for formerly incarcerated persons, and calling on state and local governments, employers, philanthropies, and communities to advance this strategy. The federal government is leading by example, announcing today a first-of-its-kind collaboration between the Department of Justice and the Department of Labor that leverages the expertise of both agencies and begins by investing \$145 million in Fiscal Years 2022 and 2023 to provide job training at selected Bureau of Prisons locations and intensive individualized reentry support, along with a host of other agency administrative actions to support employment for formerly incarcerated persons.

Click here to see a fact sheet summarizing these announcements.

Supporting Incarceration to Employment requires comprehensive, personalized, and evidence-based services to help incarcerated and formerly incarcerated persons receive the training and support they need to attain stable, quality employment upon release.

Pre-Release:

Training and Education: In order to enhance and strengthen employment opportunities and outcomes for people returning from incarceration, they should have access to and be able to participate in high-quality educational, job training, and skill-building opportunities during their terms of incarceration. Individuals should have the opportunity to learn the skills required for in-demand jobs that they can fill quickly upon reentry into society. Training and education should also include fundamental skills necessary in virtually all occupations, such as literacy, numeracy, and digital literacy.

Learn more:

Second Chance Pell | Pathway Home | Growth Opportunities | National Reentry Resource Center

Reentry Planning: Successful reentry requires comprehensive, individualized planning well in advance of release to ensure that the critical needs of the individual will be properly addressed upon reentry. Designing an individualized reentry plan should begin as soon as an individual is incarcerated, but no later than 18 months prior to release for those serving longer sentences. Correctional agencies and facilities should collaborate with reentry organizations and local, state, territorial, tribal, and federal government agencies as applicable to develop these personalized reentry plans, in coordination with incarcerated persons.



These plans should address each person's reentry needs, including <a href="https://maisto.com/housing.

Post-Release:

Job Search Support: Local reentry and workforce organizations and state and <u>local</u> government agencies should assist formerly incarcerated persons with all aspects of the <u>job search</u> experience, including: writing resumes, conducting job searches, counseling on career options, completing applications, and preparing for interviews. These organizations can also assist with other work readiness components, such as digital and financial literacy, skill-based <u>training</u> opportunities, or entrepreneurship training. Local reentry and workforce organizations can also serve as a central hub for both employers seeking talent and formerly incarcerated persons seeking jobs – helping to matchmake opportunities with candidates.

Learn more: National Reentry Resource Center

Employer Demand: Formerly incarcerated persons are an underutilized talent pool despite employers <u>attesting</u> that formerly incarcerated persons are often some of their best and most dedicated employees. Employers should do their part to combat the stigma often associated with employing the formerly incarcerated by actively seeking to recruit, interview, and hire qualified people with arrest or conviction records into appropriate positions. Employers should implement <u>federal</u>, state, and local government guidance and other inclusive approaches to ensure that their recruiting, hiring, onboarding, and retention <u>policies</u> do not exclude returning community members, knowingly or unknowingly. Further, employers should ensure their policies provide formerly incarcerated persons a fair chance at quality jobs where they can bring their skills, persistence, and dedication to inclusive work environments.



Critical approaches to effectively employ for formerly incarcerated persons include:

- ✓ **Fully implementing "ban the box"** policies with other strategies, including training interviewers, supervisors, and hiring officials on how to mitigate bias in the application, interview, and hiring phases. "Ban the box" strategies alone do not guarantee that people receive a fair chance at employment.
- ✓ **Training hiring managers**, supervisors, and human resources personnel to understand the unique strengths and needs of formerly incarcerated persons to empower their on-the-job success.
- ✓ **Providing pathways** into long-term employment by establishing paid internships, temporary/seasonal employment, fellowships, and apprenticeships for formerly incarcerated persons, and opening and proactively recruiting such jobseekers into these talent pipelines.
- ✓ Establishing partnerships with and investing in local reentry and workforce organizations that can help to identify, recruit, and empower this pool of workers through the job search and hiring process.
- ✓ **Specifying openness to qualified candidates** with arrest or conviction records in job listings, and ensuring that any exclusions based on arrest or conviction records are <u>related to the position in</u> question and necessary for the business.
- ✓ **Capitalizing on the** Work Opportunity Tax Credit of up to \$2,400 for each employee hired within one year of being convicted of a felony or being released from serving a prison term for a felony.
- ✓ Leveraging the no-cost, \$0 deductible federal bonding program that provides \$5,000 worth of coverage for any employee dishonesty committed during the first six months of employment for part-time or full-time employees.

Unions and Registered Apprenticeships: Membership in a union or trade association opens doors to opportunities for high-quality employment in high-demand industries for formerly incarcerated persons. Unions and trade associations have led the way in designing training and apprenticeship programs and forging relationships with employers to ensure their trainees and apprentices attain good jobs and succeed. Unions and trade associations can and should partner with local correctional facilities to provide in-demand training, <u>pre-apprenticeships</u>, and <u>registered apprenticeships</u>. They can and should also examine their membership criteria to reduce or remove any unnecessary barriers to formerly incarcerated persons who seek to join their ranks.



Ongoing Support: A formerly incarcerated person's employment journey does not end once they secure a job. Formerly incarcerated persons benefit from remaining closely connected to support services, reentry organizations, and other intermediaries to ensure they maintain job stability and continue to have access to individualized wraparound services, especially during the first year following release. These groups provide ongoing essential supports that will help enable long-term employment and a path towards stability. Employers should also take steps to support formerly incarcerated employees maintain their employment and to give them equitable opportunities to advance within the workplace.