



February 19, 2015

# Second Chances are Vital to Our Economy

*Position Statement Supporting Senate Bill 526  
Given before the Senate Judiciary Proceedings Committee*

Marylanders who have paid their dues for non-violent criminal misdemeanors struggle for years afterward to return to the workforce and become productive members of society because of their criminal record. Shielding these crimes from public view is critical for these men and women to get jobs, enabling them to support themselves and their families. The Second Chance Act would protect formerly incarcerated job-seekers from the stigma of a criminal record and, therefore, remove an impenetrable barrier to employment.

In Maryland, over 200,000 people were arrested in 2012.<sup>1</sup> An arrest does not mean a conviction, or even that a person will be charged with a crime, but it does mean a criminal record. Criminal records can decimate a person's chance at employment more than any other stigma, even long-term unemployment.<sup>2</sup> Yet employment is critical to reducing poverty and recidivism.<sup>3</sup> The poverty rate would have dropped by 20 percent between 1980 and 2004 if not for mass incarceration, and the subsequent criminal records barring people from employment, according to estimates.<sup>4</sup> Criminal records for non-violent crimes are costing people and Maryland too much and are a drag on our economy.

## **Criminal background checks keeping qualified people out of jobs**

Prior to arrest and conviction, more than two-thirds of inmates were employed and more than half of them were the primary source of financial support for their children.<sup>5</sup> Once they get a criminal record, their chances of future employment plummet. About 87 percent of employers utilize criminal background checks.<sup>6</sup> People with criminal records

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<sup>1</sup> Federal Bureau of Investigation, "Crime in the United States 2012", table 69, <http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2012/crime-in-the-u.s.-2012/tables/69tabledatadec.pdf>

<sup>2</sup> Vallas, R. and Dietrich, S., "One strike and you're out: How we can eliminate barriers to economic security and mobility for people with criminal records", 2014, <https://cdn.americanprogress.org/wp-content/uploads/2014/12/VallasCriminalRecordsReport.pdf>

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> The Pew Charitable Trust, "Collateral Costs: Incarceration's effect on economic mobility", 2010, [http://www.pewtrusts.org/~media/legacy/uploadedfiles/pes\\_assets/2010/CollateralCosts1pdf.pdf](http://www.pewtrusts.org/~media/legacy/uploadedfiles/pes_assets/2010/CollateralCosts1pdf.pdf)

<sup>6</sup> Vallas, R. and Dietrich, S. "One strike and you're out: How we can eliminate barriers to economic security and mobility for people with criminal records", 2014, <https://cdn.americanprogress.org/wp-content/uploads/2014/12/VallasCriminalRecordsReport.pdf>

are half as likely to receive a follow-up call about a job.<sup>7</sup> As a result, fewer are employed and those who are work fewer hours and make less money than their peers without criminal records.<sup>8</sup> The inability to find employment forces an individual to turn to other means of support, like public assistance or illegal activity. Neither of those are good options for the person or the state. Public assistance is intended to keep people from falling into poverty and support them as they get back on their feet. For those with a criminal record, we've significantly reduced their chance for financial independence. We are also reducing their contribution to our state's economy, through wages and the taxes they pay. Unsurprisingly, faced with such barriers to legal employment, they may turn to crime to support their families, resulting in a possible return to jail. Incarceration is very expensive, costing Maryland about \$30,000 per person, per year. The Maryland Second Chance Act would restore formerly incarcerated job-seekers' ability to support themselves and their families through work and boost our state's economy.

### **Stopping economic mobility for generations**

The best indicator of a child's economic mobility is his or her parents' income.<sup>9</sup> When a person is unable to find work, the legacy of joblessness can last for generations. People with criminal records also encounter barriers to higher education, which further reduces their ability to earn. This is a major problem considering that nearly one-third of American adults, mostly males, have been arrested by the time they are 23.<sup>10</sup> They are also less likely to own a home, which helps individuals and their children accumulate wealth.<sup>11</sup> Any path that may lead to greater personal success and achieving the American dream is cut off for people with criminal records, regardless of the severity of the offense. They need the chance to move beyond their past and become financially independent and stable, reducing the burden on the State and helping to move the next generation forward.

All Maryland residents deserve the chance to become financially stable and independent, even if they have made mistakes in the past. Qualified people need to have the stigma of a criminal record removed so they can support themselves and their families and become productive citizens. **The Maryland Second Chance Act does this, while still protecting public safety. For these reasons, the Maryland Center on Economic Policy respectfully requests that this committee report favorably on Senate Bill 526.**

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<sup>7</sup> American Civil Liberties Union, "Working with a record: Legal strategies to address a job seeker's criminal history", 2014, [http://wsadcp.org/site\\_media/cms\\_page\\_media/25/2013-10-18%20State%20Drug%20Court%20Conference.pptx](http://wsadcp.org/site_media/cms_page_media/25/2013-10-18%20State%20Drug%20Court%20Conference.pptx)

<sup>8</sup> Ibid.

<sup>9</sup> The Pew Charitable Trust, "Collateral Costs: Incarceration's effect on economic mobility", 2010, [http://www.pewtrusts.org/~media/legacy/uploadedfiles/pes\\_assets/2010/CollateralCosts1pdf.pdf](http://www.pewtrusts.org/~media/legacy/uploadedfiles/pes_assets/2010/CollateralCosts1pdf.pdf)

<sup>10</sup> Vallas, R. and Dietrich, S. "One strike and you're out: How we can eliminate barriers to economic security and mobility for people with criminal records", 2014, <https://cdn.americanprogress.org/wp-content/uploads/2014/12/VallasCriminalRecordsReport.pdf>

<sup>11</sup> Ibid.