



Hope for Success

A Look at
Employment
Opportunities
for the Reentry
Community



A majority (63%) agree that a person with a criminal record who has been drug-free and crime-free for at least three years should be eligible for hire without regard for their past criminal history.

- Connecticut Employer Survey, December 2016

Letter of Transmittal

January, 2018

Members of the Joint Standing Committee on Labor and Public Employees:

In accordance with the provisions of Special Act 17-15, An Act Concerning Community Reentry by Persons Who Were Incarcerated, the Commission on Equity and Opportunity hereby transmits this report in compliance with the directive that the Commission "study and recommend ways to provide:

- (1) persons recently released from correctional facilities with enhanced employment opportunities, and
- (2) tax incentives to employers who provide employment opportunities to persons recently released from correctional facilities.

This report is consistent with the mission of the Commission on Equity and Opportunity, to inform and engage all policymakers about constituent needs for the African American, Asian Pacific American, and Latino and Puerto Rican populations in Connecticut.

The Commission is a nonpartisan agency with a data driven, cross-cultural approach to policy innovation. We work to eliminate disparities by creating opportunities, building connections and promoting change.

In developing this report, the Commission reviewed research, analysis and data at the state and federal levels, conducted interviews and developed findings and recommendations proposing state actions consistent with the statutory mandate of this study.

The Commission on Equity and Opportunity stands ready to provide additional information in pursuit of effective state policy in this important area.

Sincerely,



Subira Gordon, M.P.P.
Executive Director
Commission on Equity and Opportunity
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Overview

The purpose of this study is to provide recommendations to the Connecticut Legislature on how the state can use the tools of Justice reinvestment to help identify specific tools to lower recidivism rates by engaging the formerly incarcerated in meaningful employment.

As many states look to deal with the spiraling costs of the corrections system that has proven to be punitive in nature the idea of justice reinvestment has been introduced as a way to find effective ways to reduce spending and increase public safety. Justice reinvestment brings together stakeholder ideas to develop public policy solutions. The money that is saved from a decreasing prison population is then reinvested in best practice solutions that work and keep people out of prison.

Connecticut has led the nation with its “second chance society”¹ that has seen great results and the prison population is lower than it has been in many years. The next step is to use these dollars saved to create systems that help those who are being released.

In the United States over 600,000 men and women are released from prison every year. As of December 1, 2017 there are 13,941 individuals in prison in this state. That number is down from 14,565 in January of 2017.

The formerly incarcerated are faced with significant challenges upon release such as re-establishing or establishing ties with their families, finding housing, reliable transportation, addressing substance abuse, mental health or other health issues, and most importantly the ability to secure employment. The transition from prison to freedom is one that is difficult for many and a significant number of formerly incarcerated individuals end up re-incarcerated within a few years of release. Nationally, the recidivism stands at approximately 67% over a three-year period, and here in Connecticut it is approximately 55%.

This study looks at employment opportunities for the formerly incarcerated. This has been a collaborative research project led by the Commission on Equity and Opportunity, with the assistance of State Representative Brandon McGee and informed by conversations with organizations including the Hartford Foundation for Public Giving, Greater Hartford Reentry Council, and Community Partners in Action. The study has drawn data from interviews with persons who are formerly incarcerated, policy experts in the field of criminal justice along with data collection from scholarly reports.



“There are few systems in the United States that are more broken than the post-prison environment that ex-offenders face.”

- Simmons College, School of Social Work

The goals of this study are:

- To demonstrate the need for comprehensive wrap around services for the formerly incarcerated which will assist in long term success for this population.
- To examine the current reentry process and determine where changes can be made to assist with reintegration.
- To provide recommendations to policy makers that will help this population access gainful employment.

Interviews focused on employment and the challenges that are being faced in finding and securing a job. The study's key objectives are to gather information on how the criminal justice system rehabilitates individuals and prepares them for the workforce upon release, and community partnerships necessary to support that work. It also examines ways that employers can be incentivized to employ the formerly incarcerated.

Ensuring that returning citizens have the job readiness training and access to gainful employment are the primary challenges for the formerly incarcerated. In 2016 the White House launched a fair chance business pledge that represents a call to action for private employers to remove barriers to employment for those with a criminal record.

In that same year the Connecticut legislature passed AAC Fair Chance Employment which removes the criminal history question from all employment applications. It is important to note that a lot of progress has been made in recent years. The prison population in Connecticut is at an all-time low and there are many diversionary programs that keep people, especially youth, out of prison.

Employment is a strong contribution to a reduction in recidivism efforts. It enables individuals to contribute to their families and keeps them occupied so they will be less likely to engage in risky behavior. There are also the societal effects such a reduction on a strain on social services, creation of a larger tax base and creation of more stable communities. Many former offenders express a desire to change their lives. They need a job to make a successful transition and to regain their self-respect and self-confidence, as well as to support themselves and their families.

¹https://www.cga.ct.gov/asp/cgabillstatus/cgabillstatus.asp?selBillType=Bill&which_year=2015&bill_num=7104

“Doesn’t it simply make the most sense – common sense – to do all we can to bring these people back into the fold? Shouldn’t we do everything possible to help them return to their communities as responsible, productive parts of our social fabric?”

- Toni N. Harp, Mayor of New Haven, March 3, 2016





Background

The National Reentry Resource Center points out that nationwide “there are more than 20,000 job-related statutes and regulations that create barriers to work for people with criminal records, even when they are qualified for the job or have been crime free for an extended period of time.” The Center explains that “blanket job restrictions are particularly problematic for minority groups, who have disproportionately high rates of contact with the criminal justice system.”

In 2016 Connecticut became the 13th state to ‘ban the box’ which limits private employers from asking about criminal background checks on an initial application. In 2017 the legislature removed the felony conviction restriction for barber and hair dressers licensure.

Encouragingly, there are major employers at the national level that “are identifying people with criminal records as an untapped part of the labor market,” and are eliminating certain hiring barriers for people with criminal records. A Malta Justice Initiative survey of Connecticut employers suggests overwhelming support (97%) on the part of the business community for the notion that persons with a non-violent or victimless criminal background deserve a second chance.

This sentiment is driven, in part, by the desire to turn a “ward of the State” into a productive member of the community (95%). However, there is a critical need to intensify work with employers in Connecticut who have not yet hired formerly-incarcerated applicants to support them in understanding the critical role they can play in supporting reentry, and in taking steps to begin to hire returning citizens.

The Center notes that when companies do not consider people with criminal records for employment, they are “missing out on a huge amount of talent that could contribute to productivity and their bottom line. It means that a huge amount of talent in our country struggles to find employment for reasons not even related to their skills or to the job at hand.”

The costs are quantifiable. “When people can’t work,” the Center points out, “unemployment goes up, tax revenue goes down, families and communities suffer, and it leaves society with all sorts of social costs to absorb.” According to data compiled by the Center, the estimated reduction to the nation’s gross domestic product for not employing people with criminal records is \$78 to \$87 billion.

Using data from the Bureau of Justice Statistics (BJS), the Center for Economic and Policy Research (CEPR) estimated in 2014 that there were between 14 and 15.8 million working-age people with felony convictions, of whom between 6.1 and 6.9 million were former prisoners.²



“Many employers that have taken a chance on the returning citizens in our employment program tell us they are the hardest working and most committed employees they have.”

- Justine Couvares, Chief Program Officer, Chrysalis Center Inc.

A CEPR report in June 2016 stated that a “large body of evidence demonstrates that prison time and felony convictions can have a lasting and profound effect on future prospects for employment.” The report found that in addition to the “stigma” attached to a criminal record, “impacts can include the erosion of basic job skills, disruption of formal education, and the loss of social networks that can improve job-finding prospects. Those with felony convictions also face legal restrictions that lock them out of many government jobs and licensed professions.”

Alan Barber, a co-author of the report, said on its release that, “Barring meaningful policy change, the number of people convicted of a felony and former prisoners will only continue to grow, as will the magnitude of losses in employment and output.” The report also notes that “Often it is not just the former prisoner or person with felony convictions impacted; the well-being of their families is often threatened.”

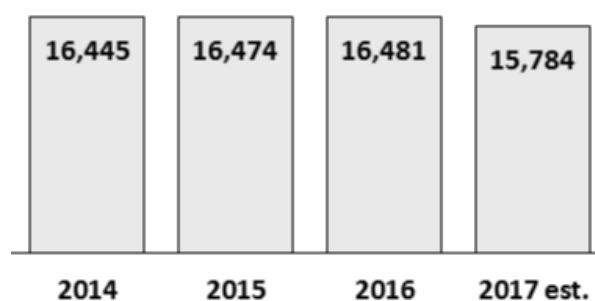
In Connecticut, a convicted offender who is not incarcerated may apply to the Board of Pardons and Paroles for a certificate of employability to relieve an eligible offender of certain barriers to gaining employment or obtaining a credential, such as an occupational license, resulting from a criminal conviction.

These certificates are not a means of having a conviction erased. According to the board, it accepts and processes applications for individuals who (1) have successfully been under the supervision of the Department of Correction’s Parole and Community Services Division for 90 days or (2) have successfully completed their sentence, have no new arrest, and have been in the community for at least 90 days.

The board reviews and investigates these applications and then submits the application for an administrative review before a panel, which the applicant does not attend. Following the review, the panel either denies or grants the certificate. We do not yet have data on whether employers are positively influenced by the certificates and to what extent people with certificates are hired.

There is also a state initiative that addresses the housing needs of ex-offenders: the Connecticut Collaborative on Re-entry’s (CCR) supportive housing program. CCR is a partnership between several state agencies and community providers that focuses on helping individuals who cycle between prison and homeless shelters by making supportive housing available to ex-offenders as well as supervised offenders. It receives support from the state’s Second Chance Society Initiative, which seeks to help individuals avoid incarceration and if incarcerated, successfully re-enter society.

Total Releases and Discharges, Connecticut



² Many people with felony convictions are sentenced to a period of supervised release and do not serve time in prison.

“Basic needs such as housing and employment are vital for anyone to be successful. You can’t think beyond today when you don’t know where you’ll be laying your head tonight.”

- Mary Loftus, Easter Seals Goodwill Industries Re-Entry Services Program





Navigating Reentry

Raymond Wallace

"As a young man in my early 20's, I found myself making a lot of bad decisions. During a football game, as a fight had broken up, I picked up the football and started walking away. Police officers shortly pulled up and charged me with robbery. In a separate incident, I was in a truck with 6 of my friends and a gun was found under the driver's seat. The cops charged all 6 of us for possession. I ultimately did 3.5 years in a Connecticut penitentiary for these misdeeds.

I was around 30 when I was finally released, and it's been a struggle ever since. I think everybody needs a second chance. I know there are a lot of good people who have made mistakes that could really contribute to society if they are given another opportunity. I am an exception. Even though I spent most of my adult life without consistent work, I was lucky that some people believed in me and gave me the opportunity to succeed. I was eventually offered a position to run after school mentoring programs in New Haven schools from my work with Guns Down, Books Up. Most people will never be that fortunate. Still to this day I am struggling. The work I do manages to pay the bills but an anxiety and uncertainty about my future still exists."

Sandy Lomonico

"At the age of 19 I became pregnant with my daughter. At the same time, my mother was diagnosed with terminal metastatic cancer. After telling my elderly father that I was pregnant, he kicked me out of his house. Without a support system, I found myself homeless, needing to provide for myself and my daughter alone. My desperate and impulsive choices led me to a felony conviction that would change my life forever. I was not prepared for the unfair treatment that would impact my self-esteem, dignity and integrity that still haunts me today.

I completed my sentence, began attending college in pursuit of a dual degree in Nursing and Social Work. During my time in college, I had a hard time finding full time employment, even after graduation. By this time, I was turned down by hundreds of employers. I quickly realized that this would be a stigma that I would live with for the remainder of my life. There are many that come to this same very harsh reality."



"when you get in trouble ... whatever your vice is in life, you know, you've actually lost that self-control that you had. So, that's the actual goal for me ... to take back control of my life."

- Focus group participant, Greater Hartford Reentry Center Plan, 2017



Key Findings

The Commission on Equity and Opportunity's review has resulted in the following key findings:

- **Recent budget cuts have caused the Department of Corrections, the Department of Mental Health and Addiction services and other state agencies that service this community to cut back on services.** While they strive to prepare those who are getting ready for release, employment services have become fewer and fewer as the state struggles with its finances.
- **Employment posed a serious challenge for respondents especially immediately after release.** One respondent is doing home renovations. Not his first choice, but it's a way to eat a living to take care of himself and his family. Another struggled to find employment despite having a masters degree.
- **For those who served long sentences, the world upon release was very different from the world that they left.** They all cited a lack of resources to prepare them for release. Or the resources come too close to release while they had been indoctrinated to think a certain way for a long period of time.
- **There are no mental health resources available upon release.** The shift from having every decision made for you while incarcerated to being in control of your own decisions was one of the biggest transitions for respondents. There are some services available for those who may be diagnosed with a mental illness however those who are not but may need support are left on their own to figure everything out.
- **Lack of access to housing.** For several individuals, upon release they are unable to find a place to live. Many rely on family and friends. There are some restrictions that are put on state and federally funded housing that does not allow a person with a criminal record to access some kinds of subsidized housing. Many end up living in shelters.
- **Access to transportation also poses a challenge** for those who are returning from incarceration. Being released without and money or a transportation pass limits opportunities for employment.
- **It is almost impossible to shake the stigma** that is associated with having a felony conviction. Employers, land lords, policy makers and service providers alike have a preconceived notion of what a person who has been incarcerated is and it is *very* difficult to overcome this hurdle. Those who are able to find jobs say that it is impossible to find career pathways that are available for someone who was formerly incarcerated. When positions do come up they say the felony conviction creates a barrier for advancement.
- **There is little data available on the effectiveness of most of the existing programs** described in this review. Better data informs decision-making, particularly linking data on employment opportunities, tax incentives and returning citizens across agencies. Given the fiscal and economic constraints in Connecticut, we are likely to continue seeing cuts to programs and services. If we don't have the right data, we'll make cuts in the wrong places – people and programs will suffer.



Recommendations

Tax Credits for Business

Currently, the State of Connecticut offers businesses a number of tax credits, although this report does not include data on their utilization or economic impact. It is recommended that the State either create a new tax credit, or extend an existing tax credit, to include and thereby encourage the hiring of ex-offenders. One example is the new jobs creation tax credit (Conn.Gen.Stat. §12-217ii). The tax credit is available to taxpayers that create at least ten new jobs in Connecticut, and is administered by the Department of Economic and Community Development (DECD).

The tax credit allowed, according to the Department of Revenue Services website, is an amount up to 60% of the income tax deducted and withheld from the wages of new employees and paid over to the state according. No later than 30 days after the close of the taxpayer's income year, the taxpayer shall provide DECD with information regarding the number of new jobs created for the year and the income tax deducted and withheld from the wages of such new employees and paid over to the state for such year. DECD shall issue an eligibility certificate which includes the amount of the tax credit certified for the year. For each new employee, the tax credit may be granted to a taxpayer for not more than five successive income years. DECD shall determine whether the taxpayer making the application is eligible for the tax credit and whether the proposed job growth: 1) is economically viable only with the use of the tax credit; 2) would provide a net benefit to the economic development and employment opportunities in the state; and 3) conforms to the state plan of conservation and development.

Other States Tax Credits for Business

A half-dozen states have established tax credits for businesses that choose to employ individuals who have completed their sentences. Details of their laws vary.

Illinois, for example, provides a tax credit "in an amount equal to 5% of qualified wages paid by the taxpayer during the taxable year to one or more Illinois residents who are qualified ex-offenders. The total credit allowed to a taxpayer with respect to each qualified ex-offender may not exceed \$1,500 for all taxable years."

In Iowa, a small business corporation may "subtract an amount equal to 65 percent of the wages paid to individuals, but not to exceed \$20,000 per individual ... who were hired for the first time ... for work done in this state... who meets any of the following conditions: (a) has been convicted of a felony in this or any other state or the District of Columbia, (b) is on parole ... (c) is on probation...for an offense other than a simple misdemeanor, (or) (d) is in a work release program.



When ex-convicts land a job, it anchors them and their families and cements their place in their communities. Plus, finding employment soon after getting out of prison reduces recidivism, or a person's relapse into criminal behavior.

Business Insider, July 2017

The state of Louisiana provides for a tax credit “for each taxpayer who provides full-time employment to an individual who has been convicted of a first-time nonviolent offense.” Through June 30, 2018 the credit is “\$144 per taxable year per eligible employee.” Effective July 1, 2018, “the credit shall be \$200 per taxable year per eligible employee.” Only one credit is allowed per taxable year per employee, for a maximum of two years per employee.

In California, tax credits are provided to businesses employing qualified employees in enterprise zones. An individual is qualified if immediately preceding the employee’s commencement of employment with the taxpayer, (the individual) was an ex-offender. California law also states that “an individual shall be treated as convicted if he or she was placed on probation by a state court without a finding of guilt.” The tax credit for employers is 50% of qualified wages the first year of employment, 40% in the second year, 30% in the third year, 20% in the fourth year and 10% in the fifth year of employment.

Indiana law states that “a business firm or a person” is eligible for a tax credit if they participate in an approved program providing services that may include “community services, education, or job training services to individuals who are ex-offenders who have completed the individuals’ criminal sentences or are serving a term of probation or parole.”

In Georgia, as of January 1, 2017 and continuing through January 1, 2020, “an employer that employs a qualified parolee in a full-time job for at least 40 weeks during a 12 month period shall be eligible for an income tax credit in the amount of \$2,500.00 for each qualified parolee so employed.” Individuals first employed in a full-time job are not qualified.

Work Opportunity Tax Credit

One approach Connecticut could consider would be expanding the existing federal Work Opportunity Tax Credit to include ex-offenders [for a Connecticut employer state tax credit]. A recent report by the legislature’s Office of Legislative Research (2017-R-0182) discusses the Work Opportunity Tax Credit (WOTC), including how the credit is calculated for employers of Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) recipients.

A survey by the Malta Justice Initiative found that 73% of Connecticut employers “indicated a strong willingness to hire a person with a criminal record if tax credits were given or healthcare coverage was provided or subsidized for up to two years.”

The WOTC is a federal tax credit that employers can claim for hiring certain individuals such as SNAP recipients, TANF recipients, veterans, and ex-felons, among others. The credit is based on the (1) number of hours the employee worked in the first year, (2) employee’s qualified wages, and (3) employee’s eligibility category.

15,784

Estimated number of releases of sentenced inmates in Connecticut in 2017.*

*Not including pre-trial inmates posting bail and leaving prison, or individuals released from court following a court appearance.

Office of Policy and Management
Criminal Justice Policy and Planning Division



Recommendations

Integration of Services/Reintegration Center

A theme that resonated through almost every conversation was a lack of centralized services. All across the state people are leaving prison and being dropped off at either halfway houses or released back to their communities and they are tasked with figuring out what to do next. While there are reentry efforts in Bridgeport, New Haven, Waterbury and Hartford, to be successful there should be one place where an ex-offender can immediately access services. These should include resume help, interview assistance, information on mental health services, housing and transportation to name a few. Ideally there should be life coaches and employment consultants that are available to help with the transition.

A model is being piloted in Hartford, and is outlined in a report prepared for Community Partners in Action, "Greater Hartford Reentry Center Plan: A Welcome Center for People Returning From Jail and Prison," in October 2017.

Limiting Criminal History Checks to a Relationship to the Job

A December 2016 Connecticut employer survey on practices and attitudes regarding the hiring of formerly-incarcerated persons, administered by the Harris Poll for the Malta Justice Initiative, and underwritten by The Tow Foundation, found that "over 4 in 10 respondents indicate the biggest obstacles for their company in hiring people with a criminal record are: risk for theft/fraud (43%), finding qualified people (42%), and legal liability (41%). Three in 10 see the public image of their company (31%) and safety of their employees (28%) as obstacles. Over 1 in 10 (13%) say it is company policy that serves as a barrier. Only about 1 in 10 (8%) do not face any obstacles."

The continuing challenge is that many returning may have violent felonies and after serving their time, also need a second chance to help ensure they stay out of prison. Three of four respondents (76%) indicated a willingness to consider hiring a person with a criminal record if qualified to perform the job the employer had trouble filling. Three in four (76%) employers also expressed a willingness to hire a formerly-incarcerated person if governmental grants were available to subsidize either salary or training costs for up to two years.

Housing

Given the restrictions that are placed on many housing authorities because of federal funding regulations, the state has to use creative ways to assist the recently released from incarceration. This study recommends a deeper dive into housing access for individuals with a criminal record.

Collaboration

There needs to be a collective effort to address this issue. Currently there are initiatives across the state but they are centralized to individual cities. There are re-entry councils in all of the major cities that are working on efforts to reduce recidivism and assist with re-integration. For this challenging feat to be a success there needs to be more collaboration with non-profits, state agencies and others who are serving this population.

Continued Study

Building on the information outlined in this report, there should be additional work done on this topic, assessing the implementation of recommendations proposed here, reviewing additional data that may become available or that is newly developed, and evaluating the impact of changing policies, in Connecticut and elsewhere.

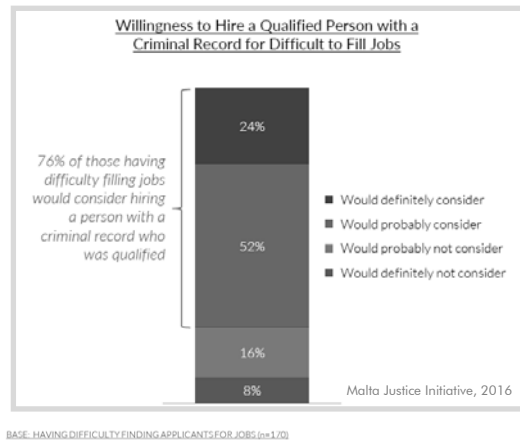
DataBank

- More than 630,000 people are released from prisons each year and more than 11 million people cycle through local jails each year in the U.S.¹
- In addition to all of those people being released from incarceration each year, there are many more people living in our communities with a past criminal record. An estimated 70 million adults (or one in three) in the U.S. have a criminal record.¹
- **There are 13,941 individuals in prison in Connecticut, as of December 1, 2017.**
- 54% of the men and women discharged from Connecticut prisons returned to prison within 3 years.²
- About 50% of those who were rearrested within one year received drug-related charges; less than one in five were charged with violent offenses.³
- 2,532 per 100,000 black residents in Connecticut are incarcerated; 1,401 per 100,000 Hispanic residents are incarcerated; 211 per 100,000 white residents are incarcerated.⁴
- **Connecticut taxpayers spent over \$929 million on corrections at an average cost of over \$50,000 per prisoner in 2012.⁵**
- 80% of released individuals have chronic medical, psychiatric, or substance abuse problems, yet only 15% to 25% report visiting a physician outside of the emergency department (ED) in the first year after their release.⁶
- 21% of the Connecticut inmate population has a serious mental health condition.⁷

Unless otherwise indicated, data organized by Community Foundation for Greater New Haven. Sources listed on Page 12.

The shift from having every decision made for you while incarcerated, to being in control of your own decisions, was one of the biggest transitions.





“One can work at McDonalds — thus being employed — and yet not make enough money to survive, much less thrive, and return to criminality as a means of fast income.”

- Nate Martinez

Report Limitations

This study looks at re-entry and employment. The results are positive — however, there were some limitations.

The legislature did not vote on a budget that included funding for the Commission Equity and Opportunity until late October 2017. The budget crisis had a ripple effect, where service providers were unwilling to have conversations with the commission given their uncertainty about their own future. The Criminal Justice Division of the Office of Policy and Management hosts a wealth of information, but there was a focus on the resolution of the budget which took a priority over this study. The groundwork for this study started immediately after the legislative session, however data collection and interviews commenced when there was a finalized budget.

The findings are the results of extensive research and one-on-one interviews. Although conversations around reentry have been happening for decades, there are few studies that focus on employment and solutions for employer engagement.

DataBank Notes

1 National Reentry Resource Center

2. Kuzyk, Ivan. "Recidivism in CT, 2008 Releases." State of Connecticut Office of Policy and Management Criminal Justice Policy and Planning Division. 2015, 1.

3. Ibid.

4. Mauer, Marc and King, Ryan. "Uneven Justice: State Rates of Incarceration By Race and Ethnicity." The Sentencing Project. 2007, 6.

5. Henrichson, Christian and Delaney, Ruth. "The Price of Prisons Connecticut: What Incarceration Costs Taxpayers Fact Sheet." Vera Institute of Justice. 2012, 8, 10.

6. Mallik-Kane K, Visher CA. "Health and Prisoner Reentry: How Physical, Mental, and Substance Abuse Conditions Shape the Process of Reintegration." The Urban Institute. 2008, 1.

7. "UConn Health Correctional Managed Health Care Annual Report: July 1, 2014 to June 30, 2015." University of Connecticut Correctional Managed Health Care. 2015, 5.



**Many of the challenges facing ex-offenders
are systemic and require policy changes
and a shift away from the attitude of
some that punishment should continue
after sentences have been served.**

- Simmons College, School of Social Work, July 2016

Special Thanks

The formerly incarcerated individuals who gave their time to be interviewed.

Nate Martinez

James Jeter

Sandy Lomonico

Greater Hartford Reentry Council

Wesleyan Prison Policy Institute

Community Partners in Action

The Hartford Foundation

State Department of Corrections

State Office of Policy and Management

MetroHartford Alliance

City of Hartford

Rep. Brandon McGee (5th District)

Black & Puerto Rican Legislative Caucus

Connecticut General Assembly - Labor and Public Employees Committee

The many local non-profit agencies throughout the State of Connecticut.

"Rock bottom became the solid foundation
on which I rebuilt my life."

- J.K. Rowling

"Failure is only the opportunity
to begin again,
only this time more wisely."

- Henry Ford



Commission on Equity and Opportunity

www.cga.ct.gov/ceo