

The impact of COVID-19 on people with criminal records

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Widespread impact of criminal records

- 70 million – 100 million, or 1 in 3 Americans have a record.
- Nearly half of U.S. kids have at least 1 parent with a record.
- 1 in 3 Black men have a felony conviction.

Stigma and long-lasting barrier to employment, pre-COVID

- Widespread use of background checks in the digital era can make a criminal record a life sentence to unemployment/underemployment.
 - Nearly 9 in 10 employers
 - (Also: 4 in 5 landlords / 3 in 5 colleges and universities)
- Jobseekers with records half as likely to get a callback or job offer.
- Black workers with records face even greater discrimination.

Economic vulnerability of people with records, pre-COVID

- Heading into the pandemic, formerly incarcerated people were facing an unemployment rate of 27 percent.
- Formerly incarcerated people were 10x as likely to experience homelessness.
- Formerly incarcerated men took home 40 percent less pay annually, and faced a cumulative earnings loss of nearly \$179,000 by age 48.
- Also especially likely to lack health insurance, due to joblessness/lack of formal attachment to the traditional labor market, lack of identification, and other barriers.
- Especially unlikely to have much of a financial cushion, due in part to fines and fees, unaffordable child support debts.

Workers with records will be among those hardest hit by COVID-19

- Many workers with records turn to gig work or work off the books in odd jobs to make ends meet, making them especially vulnerable to job loss amid the pandemic.
- Also less likely to have access to protections like paid sick leave and health insurance during the crisis.
- CBO is currently forecasting the overall U.S. unemployment rate could still be nearly 10 percent at the end of 2021; there's no telling how high the unemployment rate for people with records will remain by then if it was already 27 percent pre-pandemic.
- Many workers with records who have managed to find decent-paying jobs will find they're right back where they started, having their resumes thrown in the trash all over again as they begin looking for work anew.

Why we need a “Second chances Response” as part of COVID-19

- Even when overall unemployment is low, workers with records face a permanent recession. During a recession/recovery, when employers have their pick of available workers, people with records will be “first fired, last hired.”
- If we fail to address criminal record barriers as part of the COVID response, we risk leaving behind nearly one-third of the U.S. workforce & tens of millions of vulnerable families.
- Entire communities will be impacted, as they see large numbers of their residents shut out of jobs as the economy begins to turn back on.
- Ensuring people with records and their families are included in the COVID recovery will dramatically reduce poverty and hardship on a large scale.
 - If not for the barriers associated with having a record, the U.S. poverty rate would have dropped by 20 percent between 1980 and 2004.

Removing criminal record barriers will promote the U.S. economic recovery

- Failure to address employment barriers for workers with records risks hamstringing the eventual economic recovery by allowing tens of millions of workers to be shut out of jobs.
 - In good times, shutting workers with felony convictions out of the labor market costs as much as \$87 billion in lost GDP annually.
- On the flip side: addressing criminal record barriers will promote the overall recovery by allowing people with records and their families to put the money they earn back into their local economies during the recovery.
- Businesses will need access to a ready, skilled workforce as they recover.
 - Many (e.g. JP Morgan) have made recent statements about second chance hiring as a boon to business and the economy.

Failure to address criminal record barriers will exacerbate harmful racial disparities

- Black men more than six times more likely to be incarcerated than white men, and one-third of Black men in the U.S. have a felony conviction due to the justice system's disproportionate racial impacts.
- Due to a long history of systemic inequities and discrimination, the Black unemployment rate has consistently been twice the white unemployment rate since the federal government began collecting data in 1972.
 - Gaps even starker in majority-Black metro areas: In Washington, D.C. the black unemployment rate is six times that of whites.
 - Even the pre-COVID19 economy—in which the Black unemployment rate reached a record low of 6.8 percent—the black unemployment rate was still twice that of whites.
- Racial wealth gap: Black households own less than one-tenth the wealth of similarly situated white households—a gap that was significantly exacerbated by the Great Recession.

The “Second Chance Response” we need in the COVID era

- (FIRST: Let people out!)
- **Expanding & streamlining access to record-clearing**
 - **Clean Slate/automation**
- Fair chance licensing
- Fair chance hiring/nondiscrimination in job creation/infrastructure packages
- Subsidized/transitional jobs
- Eliminate SNAP/TANF felony drug ban
- Reform (and say no to new!) fines and fees
- Inclusive relief policies (cf. SBA/PPP loans)
- Funding for legal services/reentry service providers & programs
- BIPARTISANSHIP.....?

Questions?

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