



## **Prisoner Reentry and the New York City Workforce Investment System**

A Report to the New York City Workforce Investment Board presented by  
The WIB Prisoner Reentry Steering Committee

December, 2007

### **Steering Committee Members**

Rex Davidson, President and CEO, Goodwill Industries (WIB member, Chair of Committee)  
Tim Ford, Executive Director, New York City Employment and Training Coalition  
Lynn Goodman, Statewide Director of Re-entry Services, New York State Division of Parole  
Martin Horn, Commissioner, New York City Departments of Correction and Probation  
Angie Kamath, Assistant Commissioner, New York City Department of Small Business Services  
George McDonald, Founder and President, The Doe Fund  
Debbie Mukamal, Director, Prisoner Reentry Institute, John Jay College of Criminal Justice, CUNY  
Bonnie Potter, Consultant, formerly with the New York City Employment and Training Coalition  
Michelle Sviridoff, Assistant Criminal Justice Coordinator, Mayor's Office of Criminal Justice Coordinator

### **Workforce Investment Board Business Participants**

Rick Amato, Vice President, Hotel Association of New York City  
Robert Battista, Vice President, Gracious Home  
Michael Flanigan, Vice President, Community Relations, Citibank NA  
Chuck Hunt, Executive Vice President, New York State Restaurant Association  
Hank Kita, Executive Vice President, Building Trades Employers' Association of New York City

## **Preface**

Convened under the auspices of the New York City Workforce Investment Board (WIB), the Prisoner Reentry Steering Committee is comprised of experts representing the critical sectors and disciplines in New York City that are concerned with prisoner reentry issues.

Steering Committee Members:

- Goodwill Industries of Greater New York and Northern New Jersey
- John Jay College of Criminal Justice: The Prisoner Reentry Institute
- Mayor's Office of Criminal Justice
- NYC Department of Correction and Department of Probation
- NYC Department of Small Business Services
- NYC Employment and Training Coalition
- NYS Division of Parole
- The Doe Fund
- Bonnie Potter (formerly with the NYC Employment and Training Coalition)

The Committee benefited from the active participation of five business members of the NYC Workforce Investment Board representing:

- Building Trades Employers' Association of New York City
- Citibank, NA
- Gracious Home
- Hotel Association of New York City
- New York State Restaurant Association

The Steering Committee's aim was to address the complex issues associated with the reentry of people with criminal histories into the City's workforce. The Committee set a 9-12 month time limit to complete its work, to be followed by the development of a white paper reporting its findings and recommendations for the NYC Workforce Investment Board.

The Committee's formation was particularly timely, given the recent momentum across the City and country for helping individuals with criminal records successfully reenter their communities. It coincided with the efforts of the Bloomberg administration, through the Center for Economic Opportunity, to create and test practices that could help people involved in the Criminal Justice System to become gainfully employed. Also, on the federal level, legislation, such as the *Second Chance Act*, designed to help this population, was recently enacted.

Along with the Committee Chairman, the WIB established and convened the Committee and provided staff support to the Chairman and the members. The Committee met five times over the course of a year to share information about programs and resources, to understand the concerns and needs of the business community, and to review the information collected. Its meetings created a venue for members to discuss programmatic and policy ideas, which supported cooperative program design and development among a few member organizations outside of the Committee meetings. Some of the resulting initiatives are referenced in Appendix B of this report.

At the June and August meetings the Committee held discussions with panels of WIB members representing several NYC industries. The valuable recommendations and feedback from these panels (Appendix A, page 5) increased the Committee's understanding of the needs and concerns of the business community and immediate actions organizations like theirs and the WIB could take to improve the employment prospects for some workers. By August the Committee had also formulated and put forth its primary recommendations.

## **Reentry and the New York City Workforce System: the Challenge**

Reentry and reintegration into the workforce of persons involved in the criminal justice system has become a public policy concern of national importance. Finding a job following release from jail or prison is an extremely difficult task which usually takes months and in some cases years. Prolonged unemployment often leads to more crime and recidivism. In fact, according to a recent report by the New York State Bar Association's Special Committee on Collateral Consequences of Criminal Proceedings, **the chief factor in reducing recidivism is an individual's ability to gain quality employment.**<sup>1</sup>

- Approximately 68,000 individuals return to New York City from the State's prisons and the City's jails every year.<sup>2</sup>
  - Nearly 56,000 individuals were discharged from New York City Department of Corrections facilities in calendar year 2005. It is estimated that of those, over 50,000 were discharged to addresses within the five boroughs of New York City.<sup>3</sup>
  - Approximately 26,000 people are released annually from New York State Department of Correctional Services facilities. It is estimated that of those, approximately 18,000 are discharged to New York City.<sup>4</sup>
  - A portion of those discharged from correctional facilities leave under the supervision of the New York State Division of Parole. In 2006 there were approximately 12,500 parolees in New York City under Division of Parole supervision.<sup>5</sup>
  - On the probation side, in August of 2007 there were close to 34,000 active probation cases (about 31,000 adults and just under 3,000 through juvenile/family courts) in New York City.<sup>6</sup>
- Up to 60% of formerly incarcerated people remain unemployed one year after release.<sup>1</sup>
- In New York City, a criminal record reduces the likelihood of employment by about 35% for white applicants and 57% for black applicants.<sup>7</sup>
- Men with criminal convictions who manage to find employment earn, on average, 30-40% less than similar men without records.<sup>8</sup>
- 70% of probationers who are re-arrested are unemployed at the time of re-arrest.<sup>6</sup>

It is anticipated that New York City, along with the rest of the nation, will be facing labor shortages in key sectors, including construction, manufacturing and service work, all of which represent employment opportunities for people with criminal records.

## **Steering Committee Recommendations**

Based on its work and the information learned from the business community, the Committee identified three areas of opportunity to support workforce entry/reentry initiatives for this population.

### **1. Educate employers on the issues and services related to hiring jobseekers with criminal records**

Although New York City is experiencing historically low unemployment rates at present,

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<sup>1</sup> Report and Recommendations to New York State on Enhancing Employment Opportunities for Formerly Incarcerated People, The Independent Committee on Reentry and Employment. Read the entire Report at <http://www.doe.org/criminalJustice/committeeReport.pdf>

<sup>2</sup> Estimated from annual releases to parole: NY State Department of Correctional Services <http://criminaljustice.state.ny.us/crimnet/ojsa/cjdata.htm> and New York City Department of Corrections

<sup>3</sup> New York City Department of Corrections, 2005

<sup>4</sup> New York State Department of Correctional Services, 2006

<sup>5</sup> New York State Division of Parole

<sup>6</sup> New York City Department of Probation

<sup>7</sup> Pager, Devah and Western, Bruce. "Discrimination in Low Wage Labor Markets; Evidence from an Experimental Audit Study in New York City." Princeton University, 2005.

<sup>8</sup> Western, Bruce. "The Effects of Incarceration on Wages and Employment." Princeton University, Russell Sage Foundation, and National Science Foundation. 2004

researchers project worker shortages in several key industries in the coming decade. These industries include Manufacturing, Food Service, and Construction as well as Automotive Maintenance, Commercial Driving and Science and Technology.<sup>1</sup> Qualified skilled jobseekers with criminal histories offer employers in these industries an opportunity to hire readily available workers and offset the sizable projected loss of retiring workers. Several Steering Committee members are interested in implementing an employer engagement strategy to help change perceptions that inhibit businesses from hiring from this population. The WIB, with and through its partners, could support this recommendation by organizing and convening businesses and business associations for presentations that would:

- Provide information about the benefits of hiring individuals with criminal records as well as explain how to access incentives to hire individuals with criminal records through tax credit programs such as the Worker Opportunity Tax Credit, the New York State Empire Zones Wage Tax Credit, and the federal bonding program, and how to access funds for employers to train jobseekers with criminal backgrounds.
- Address employers' concerns about hiring practices, including issues of legal liability, rights and responsibilities related to hiring formerly incarcerated individuals

## 2. Build capacity for the City's workforce system to serve jobseekers with criminal convictions

The Steering Committee sought to identify viable strategies that would create opportunities for jobseekers with criminal convictions to obtain sustainable employment and to identify additional funding to address this significant population. Since the Committee's inception one year ago, many of the member organizations have made considerable strides in the areas of program design and development, staff capacity building, and research and publication of results. These enhancements are bolstering the City's efforts to facilitate the employment and reemployment of individuals who have been involved with the criminal justice system. A representative list of these initiatives appears in Appendix B, page 7.

## 3. Encourage New York City and New York State to examine agency hiring practices to assure that they do not include unnecessary barriers to employing individuals who have a history of involvement with the court systems

A growing number of cities including Chicago, Boston, Philadelphia, and San Francisco have chosen to adopt new policies that limit discrimination against people with criminal records seeking City jobs or employment by vendors on City contracts. The Steering Committee feels that it is appropriate that New York City should take this step which, coupled with the first two recommendations, would help create more employment opportunities for formerly incarcerated individuals, help reduce recidivism and in turn promote public safety. It would also serve as a model for private sector hiring.

## Conclusion

The Steering Committee is pleased to present this report and its recommendations to the NYC Workforce Investment Board. The challenge of coordinating activities within the workforce system to remove barriers and provide the support necessary to enable jobseekers with criminal records to find employment will require resources, coordinated citywide strategic planning and efficient program implementation that builds upon the demonstrated interest at the state and local levels. The Committee feels that its recommended actions will help move the City in the direction of enhanced and successful reentry services for its growing population of formerly incarcerated jobseekers.

We look forward to the Board's comments and suggestions.

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<sup>1</sup> *Chance of a Lifetime*, Center for an Urban Future, [www.nycfuture.org](http://www.nycfuture.org)

## Appendix A: Recommendations from the Committee's Business Panels

At the June and August Steering Committee meetings business members joined the group to share their experiences and insights regarding employing formerly incarcerated jobseekers. The Committee found their feedback and suggestions to be extremely valuable in both helping to shape its recommendations and in providing practical recommendations that could be implemented immediately at no or little cost to existing programming.

Robert Battista, Vice President, Gracious Home and Michael Flannigan, Vice President Community Relations, Citibank NA, both members of the Workforce Investment Board, and Leon Eastmond, President and CEO of Easco Boiler Corporation joined the Committee for a discussion of the issues confronting employers when hiring formerly incarcerated individuals. They made the following recommendations to help overcome employer's reluctance to interview/hire someone who has indicated on an application that they have been involved with the criminal justice system and reduce employers' negative perceptions about hiring individuals with criminal records

- **Education and training of Human Resources staff** on topics such as
  - the meaning of the information contained in background checks
  - supports available through public and private organizations to assist HR with assessment and pre-screening of formerly incarcerated individuals
  - cost savings associated with reduced turn over by hiring through intermediary organizations who provide services such as coaching and counseling to enhance retention
  - misconceptions about safety and other barriers to employment including apprehensions regarding legal and insurance liabilities: legal rights and obligations
  
- **Informing business community at large about formerly incarcerated individuals as a viable and valuable labor pool**
  - Reach small businesses through Chambers, Business Improvement Districts, and Human Resources Associations
  - Business to Business outreach

Rick Amato, Vice President of the Hotel Association of New York City, Charles Hunt, Executive Vice President of the New York State Restaurant Association, and Hank Kita, Executive Vice President of the Building Trades Employer's Association (BTEA) of New York City, all members of the NYC Workforce Investment Board, joined the Committee at a separate meeting to discuss the issues confronting employers in their industries when hiring formerly incarcerated individuals. They each described the in general the employment opportunities in their industries and focused on accessing opportunities for formerly incarcerated individuals.

- **Hotel industry**

There are over 30,000 workers employed by the member hotels of the Hotel Association of New York City. Wages are generally high for entry level positions and turnover is low compared to other industries. Vacant union positions are posted for the first 48 hours for union members only and then are open to the public. New hires for these union positions join the union after 30 days of employment.

Suggested ways to assist formerly incarcerated individuals to employment in the industry:

- Establish direct relationships with the Human Resources Directors of individual hotels. Traditionally, organizations that specialize in serving this population are able to do so successfully when they establish a track record of providing candidates who have been well prepared for entry and higher level positions.

- Establish a relationship with the union.
- Provide services that reduce barriers to employment and make candidates more marketable, such as bonding.

▪ **Restaurants**

There are approximately 26,000 restaurants in NYC; about 3,000 belong to the Association. The biggest obstacle to hiring ex-offenders is the NYS Liquor Code which prohibits restaurants with liquor licenses to hire any felon unless they have a court issued *certificate of relief*. Another obstacle is that many positions involve handling cash and credit cards.

Suggested ways to assist reentry into the restaurant labor force:

- Provide Department of Health training that leads to a food handling certificate while incarcerated so that applicants arrive for interviews they are already certified
- Bonding
- Insure applicants have been prescreened and arrive at interviews with the proper work documents in hand including certificate of relief. A food handling certificate is a plus.

▪ **Building Trades**

The building trades employ over 125,000 construction workers plus a significant number of non-construction workers. At present there are no prohibitions against hiring formerly incarcerated individuals, though with new regulations under the Department of Homeland Security, there are expected to be security clearances required on an increasing number of jobs in Lower Manhattan and employment under federal contracts that will exclude felons and those who have committed violent crimes.

Hiring for construction jobs is through the various building trades and construction unions.

Suggestions to assist individuals with a history of incarceration to find employment in the building trades:

- Work directly with the unions; provide pre-apprentice training
- Leverage wage subsidies and tax credits
- Host a meeting/breakfast with the human resources managers of the Building Trades Employers in the BTEA to explain the services and candidates available, as well as provide relevant information to the employers about hiring from this population.

## Appendix B: New York City Workforce Development Initiatives 2007/2008

### **A. Programs funded under the Mayor's Center for Economic Opportunity.**

Recommendations made by the Mayoral Commission on Economic Opportunity focus attention on reducing poverty for individuals around the City, including those with criminal records.

- **Employment Works.** The New York City Department of Small Business Services (SBS) expects to launch this criminal justice initiative that will concentrate on improving employment outcomes for individuals on probation in the summer of 2008. Developed through the close collaboration of SBS and the Department of Probation, this innovative program will place 600 probationers each year in long term jobs paying \$9.00 an hour or more. Providers selected to implement the program will leverage the existing Workforce1 Career Center system for 15% of placements.
- **New York City Justice Corps.** Another forthcoming CEO initiative, to be managed by the Prisoner Reentry Institute, will place youth on probation or returning from jail or prison into six-month paid transitional employment internships and community benefit project services in their home communities. The goals are to reduce recidivism, reduce poverty and increase employment of young adults with criminal records as well as foster community development in neighborhoods affected by poverty and incarceration.

### **B. Other Workforce Initiatives**

- **City Council Programming.** SBS is overseeing the disbursement of \$6 million in City Council funds to improve employment outcomes for low wage workers. Approximately \$1.5 million is being allocated to improving employment outcomes for individuals with criminal records. SBS will contract with select organizations who will receive funds to provide employment-related services to a diverse range of individuals with criminal records and demonstrate outcomes by 2008.
- **Prisoner Re-Entry Initiative.** The New York City Department of Correction is overseeing a US Department of Justice funded program to provide pre-release services to young adults, ages 18 to 24, to prepare them for services they will receive after jail. The goal is to coordinate pre-release services with existing post-release services to reduce recidivism by helping people prepare for and access needed services and find employment upon release to the community.
- **Brooklyn Workforce1/Department of Probation collaboration.** Under the auspices of Goodwill Industries, the Brooklyn Workforce1 Career Center offers specially designed orientation sessions for probation referrals to help prepare probationers to effectively use Workforce1 employment services. The assessment of this pilot project will inform related upcoming Workforce1 reentry services.

### **C. Professional Development**

- **Offender Workforce Development Specialist Certification.** Early in 2007, Department of Probation staff members attended three-weeks of training offered by the United States Department of Justice. In a national effort to reduce recidivism by increasing the employment of offenders the training focused on the development of in depth employment advisement skills for Corrections personnel. The participants will also become certified as staff trainers to expand this increased capacity throughout the Department.

- ***The Prisoner Reentry Institute at John Jay College of Criminal Justice*** offers professional development through its monthly Occasional Series on Reentry Research.

#### **D. Publications of Workforce-related Research and Tools**

The John Jay College Prisoner Reentry Institute produced the following reentry related documents.

- ***Venturing beyond the Gates: Facilitating Successful Reentry through Employment***, a monograph exploring the viability of entrepreneurship as an employment strategy during reentry.
- ***Back to School: A Guide to Continuing Your Education After Prison***, a guide for people in state prisons planning to pursue or continue their education upon release
- ***The Jail Administrator's Toolkit for Reentry*** to be released in Fall 2007 in conjunction with the monograph, *Life after Lockup: Improving Reentry from Jail to the Community*, authored by the Urban Institute.

Goodwill Industries International commissioned a law firm to provide a national review of laws related to negligent hiring. This research addresses questions raised by employers regarding the hiring of formerly incarcerated individuals.

- ***State By State Survey: Employer Legal Liability for Hiring Ex-Offenders*** reviews state laws governing an employer's liability in the situation where an ex-offender, hired by and working for the employer, commits a criminal act that causes injury to a third party. Whether the injured party is a customer of the employer or a stranger, the employer may be liable for the employee's criminal acts, or omissions.