

# UNLOCKING HIDDEN TALENT

A Handbook for Employers





#### So, You're a Business Owner or a Hiring Manager?

Running a business is not for the faint of heart.

You have a lot to consider when making decisions about market demands, solving customer problems, and retaining a dependable and loyal workforce.

How do you ensure your team has quality employees in today's economy?

At Right On Crime, we know workforce shortages can be downright exhausting. This Employer Handbook is your first step toward greater success for your business and your role as a valued partner in your community.

In the following pages, you'll see why this is working for businesses across the nation and how you can leverage an untapped workforce of more than 80 million (1 in 3) Americans.



#### The Business of Second Chance Hiring

More than 80 million Americans (1 in 3) have some type of criminal record, and many have served their time, reentered our communities, and encountered barriers trying to find a job.

Research shows that formerly incarcerated individuals are more loyal and dependable than individuals with no record, and a steady paycheck can transform them from tax burdens into taxpayers.

Many of America's largest companies purposefully and successfully hire thousands of individuals with a criminal history including American Airlines, Georgia-Pacific, JP Morgan Chase, Koch Industries, Starbucks, Target, and Walmart.

While it's understandable some may have misconceptions about hiring someone with a criminal record, remember that 95% of everyone incarcerated is eventually released back into our communities.

Harnessing the power of this untapped workforce can build your business and your bottom line.

Stronger businesses create healthier economies which lead to improved public safety, the ultimate goal of Right On Crime's Employer Handbook.

### Positive Impacts on Families & Communities

Nearly half of all children in the U.S. have a parent with some type of criminal record, and when employers participate in second-chance hiring, you do more than provide a job, you mitigate the consequences associated with the cycle of poverty and crime that can last generations.

A steady job provides financial security, housing opportunities, and is the single best indicator of preventing more crime.

At Right On Crime, we support our law enforcement to arrest and prosecute violent criminals. We also support crime prevention strategies for non-violent criminals such as reentry programming to create pathways to career employment and a sense of dignity and purpose.

The federal poverty level (\$27,750) is estimated to affect 38.1% of children with parents involved in the criminal justice system. Half of all children with incarcerated parents are under the age of 10 with 1 in 5 (19%) of those children aged 4 or younger.

Successful businesses champion the power of reentry to reduce recidivism and embrace the immeasurable impact of second chances in our communities.



By providing opportunities and resources, we break the cycle of recidivism and build safer communities."

#### Scott E. Peyton Louisiana and Mississippi State Director

#### **Employer Liability Laws** Protections from Employee Wrongdoing



To ease employers' concerns over the perceived risk of negligent hiring liability, several states have enacted legislation to limit an employer's liability.

These laws vary in the scope of protection they provide.

States with laws to protect employers include Colorado, Connecticut, the District of Columbia, Georgia, Indiana, Illinois, Louisiana, Michigan, Minnesota, New York, North Carolina, Ohio, Tennessee, Texas, Vermont, and Washington.

More states are actively considering similar laws, and you can find out what's happening in your state at RightOnCrime.com.

# **Employer Considerations**

Employer liability laws serve as a guide for determining the proper fit for a position based on the individual's background. Other factors employers might consider when contemplating hiring someone with a criminal background, as provided by the Michigan Department of Corrections, are:



What is the relevance of the offense to the job being applied for?

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How long ago did the offense(s) occur? (Research supports that after seven years of law-abiding behavior the individual has the same level of risk as someone who does not have a criminal record.)



What is the seriousness of the offense and was it work- related?

What has the person accomplished since being convicted of an offense (job skills, life skills, drug treatment, further education)?

### **Federal Bonding Program**

Safeguards exist to mitigate against certain liabilities when hiring someone with a criminal record.

The U.S. Department of Labor created the Federal Bonding Program (FBP) in 1966 to provide free fidelity bonds to employers.

The FBP bond, designed to reimburse the employer for any loss due to employee theft of money or property.

The Federal Bonding Program is a hiring incentive that provides employers increments of \$5,000 up to \$25,000 of Fidelity Bond insurance for a six-month period at no cost and no deductible.

The bonds can be applied to: ANY job, ANY state, ANY employee dishonesty committed on or away from the work site, and ANY full- or part-time employee paid wages (with federal taxes automatically deducted from pay), including individuals hired by temporary agencies.



# Work Opportunity Tax Credit

TThe Work Opportunity Tax Credit (WOTC) is a federal program available to employers who hire individuals with a criminal record that incentivizes employers to extend gainful employment and onthe-job experience.

For individuals with a criminal record, the tax credit is based on qualified wages paid to the employee during the first year of employment.

Qualified wages are capped at \$6,000. The credit is 25 percent (\$1,500) of qualified first-year wages for those employed at least 120 hours but fewer than 400 hours, and 40 percent (\$2,400) for those employed 400 hours or more.

On or before the day that an offer of employment is made, the employer and the job applicant must complete Form 8850 (Pre-Screening Notice and Certification Request for the Work Opportunity Credit).



### Working with Probation 8 Parole

According to the Bureau of Justice Statistics, the U.S. prison population in 2021 was over 1.2 million.

In addition to those serving time in prison, more than 4.5 million individuals are on some form of community supervision with approximately 90% supervised for a non-violent offense.

Parole or probation allows an individual the opportunity to serve their sentence in their community under the supervision of a probation and parole officer. Obtaining and maintaining employment is often one of the primary conditions of parole.

Many probation and parole officers also will work with community partners and businesses to provide opportunities for those on supervision in education and job training.

Many state correctional agencies partner with employers, nonprofit organizations, and other government agencies to assist in second-chance hiring.

Locate your state's correctional agency here.



# Partnering with NonProfit Organizations

This role of nonprofit organizations is unique as they may be positioned as both employers and service providers.

Many can provide services that will help those with criminal backgrounds rebuild their lives, which in turn strengthens communities. This role is inherently a part of many nonprofits' mission.

Areas in which the nonprofits help individuals with criminal backgrounds include combating poverty, employment preparation/training, transportation, mental health, and substance abuse.

Nonprofit organizations in your community will often work directly with private sector businesses by offering on-the-job training and linking them to local, state, and federal government agencies to explore tax benefits.

Many state correctional agencies work closely with nonprofit organizations to help with reentry efforts, especially in employer engagement.

# Partnering with Public Agencies

Correctional and government agencies may also provide training and resources to those in custody, to include:

- **Soft Skills Training** –Most prisons provide life skills programming that includes modules in job readiness, money management, parenting/family relationships, communication, victim awareness, and substance abuse prevention.
- Job Skills Training –A significant percentage of individuals who enter prison are not employed at the time the crime was committed. The utilization of vocational-technical programs, job skills training, and employment readiness are major components of successful reentry.

Additionally, in some states, those leaving prison may have obtained an occupational license or completed the necessary training to qualify for licensure upon release.

Right On Crime advocates for legislation to require state licensing boards to review an applicant's criminal history on a case-by-case basis.

# The Dollars & Sense of Second Chance Hiring

#### **ROC's Employer Engagement Forums**

In cities across the nation, Right On Crime hosts employer engagement forums to share best practices that go beyond current efforts to reduce crime and create opportunities for dependable and engaged employees.





#### **Reentry Gumbo Events**

Right On Crime also hosts events for government agencies and other reentry professionals known as Reentry Gumbo, a collaborative recipe for second chances and stronger and safer communities.

By connecting public agencies and non-profits already making reentry a reality, communities can tap into local and federal resources and incentives of second chance hiring.

Supporting businesses, reducing recidivism, lowering taxpayer costs, and making communities safer are all possible through secondchance hiring.

If you or someone you know would like to invite Right On Crime to host an employer engagment forum in your community, let us know!

# **About Right On Crime**

Right On Crime is a national campaign of the Texas Public Policy Foundation that supports conservative solutions for reducing crime, restoring victims, reforming offenders, and lowering taxpayer costs. The movement was born in Texas in 2007 and has led the way in implementing conservative criminal justice reforms.

The Texas Public Policy Foundation is a nonprofit, non-partisan research institute promoting and defending liberty, personal responsibility, and free enterprise in Texas and the nation.





Scott E. Peyton, Right On Crime's Director of Correctional Leadership Network and State Director of Louisiana and Mississippi

Peyton has over 12 years of work experience with the State of Louisiana: first as a child welfare specialist, then as a juvenile probation and parole officer.Prior to joining Right On Crime,he worked in adult probation and parole as a specialist supervising violent offender caseloads.