

Testimony of Ricarra Jones, Political Director of 1199SEIU Procurement and Correctional Facilities - Employment Opportunities for Formerly Incarcerated Individuals SB (858)/HB-1524

Position: Support February 25, 2020

1199SEIU Healthcare Workers East (1199SEIU) is the largest healthcare union in the country with, with over 450,000 members throughout Massachusetts, New York, New Jersey, Maryland, Florida and Washington, D.C. We fully support an employer incentivized job opportunity bill for Maryland's Returned Citizens. This bill supports and enhances the Women's Pre-Release Bill that we also support by creating a pool of employers, specifically employers that have contracts with a state and county department of corrections, who are incentivized to higher women who have gone through the women's pre-release program.

As evidenced by the facts below, we must provide incentives to employers in order to get Returned Citizens to work. It saves the state money in incarceration costs, improves families and reduces recidivism.

- 1. On average Maryland is releasing approximately 1,600 inmate per year since 2017;
- 2. The national unemployment rate for Returned Citizens is approximately 37%;
- 3. Returned Citizens report that they apply for hundreds of jobs but either their criminal record is holding them back or they do not receive any responses from employers. Consequently, they are discouraged to search for a job;
- 4. The need for female Returned Citizens to obtain jobs is even greater because nearly 75% of incarcerated women are primary caretakers of children, and 42% of mothers in state prisons may be single parents;
- 5. Creating a pool of incentivized employers who have a contract to provide goods or services to a state or county correctional facility may increase the hire of Returned Citizens, in particular women, because these employers are familiar with the prison system and may have less apprehension than any other employer to hire a Returned Citizen;
- According to records provided through MPIA responses, there are over 500 employers that have contracts
 with the DPSC and the county correction facilities, which can account for hundreds of jobs that Returned
 Citizens may be able to fill;
- 7. For example, Corizon Health has one of the largest contracts with DPSC to provided health care to the

Maryland's inmate population for 5 years for \$680 Million. If SB768/HB819 were to pass, Corizon would be required to post all their jobs on the Maryland Workforce exchange and, if they were to hire returned citizens, they would receive preference points when they renewed their contract;

- 8. In addition, the State of Maryland offers up to \$38,000 in monetary incentives to employers who hire Returning Citizens.
- 9. For example, the incentive program called Hire Prince George's County provides reimbursement of up to 90% of returning citizen trainee wages during training up to 90 days.
- 10. The Maryland Apprenticeship Tax Credit provides a State income tax credit to Registered Apprenticeship Sponsors or participating employers (Employer) which hire an eligible Registered Apprentice(s). The Employer may qualify for a \$1,000 tax credit for each eligible returning citizen.
- 11. The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to employers for hiring individuals from certain target groups who have consistently faced significant barriers to employment (Returned Citizens). The maximum tax credit ranges from \$1,200 to \$9,600, depending on the employee hired.
- 12. Disabled Access Tax Incentives (could be used to hire disabled returned citizens) The maximum amount of the credit is \$5,000. The credit can be used to cover a variety of expenditures

National reports indicate that one of the top determinant for reducing recidivism is employment. 1199SEIU supports SB-768 and the coalition of advocates like Out for Justice and their partners in their call for real job opportunities for Returned Citizens, especially for female Returned Citizens. We, therefore, urge members of Maryland's General Assembly to pass SB-858/HB-1524.