

SB0554_FAV_JOTF.pdf.PDF

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Position: FAV



Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF SENATE BILL 554:

Maryland New Start Act of 2022

TO: Hon. Delores Kelley, Chair, and Members of the Senate Finance Committee

FROM: Christopher Dews, Senior Policy Advocate

DATE: January 15th, 2022

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-skill, low-wage workers and job seekers in Maryland. JOTF supports Senate Bill 554 as a means of expanding access to capital and skills training to those experiencing barriers to employment due to their criminal record.

A criminal record can be both the cause and consequence of poverty and has detrimental effects on the employment prospects for the 25% of working-age Marylanders with a record. Every year, approximately 15,000 Marylanders are released from state prisons and struggle to secure a job, find a place to live, and reenter society. Demographically, 72% of Maryland's prison population is black, the highest in the nation, and one out of three Marylanders returning from incarceration return to Baltimore City. The Department of Justice has [found](#) high rates of recidivism among returning citizens, with half of all returning citizens recidivating within 3 years and 60 percent recidivating within 5 years. One of the primary drivers of high recidivism rates is the inability of returning citizens to find a job: up to 60 percent of formerly incarcerated persons remain unemployed one year after their release. This is mainly due to the fact that more than 70% of employers perform background checks on all of their job applicants and deny employment to many returning citizens on the basis of a record. A past criminal conviction of any sort reduces job offers by half. This leaves many of the 1.5 million Marylanders with a criminal record out in the cold when trying to obtain gainful employment. When securing employment through traditional means becomes untenable, many opt for entrepreneurial ventures, skills training, or both, to stay afloat.

Entrepreneurial development programs for formerly incarcerated individuals report dramatically lower rates of recidivism, and self-employment can provide economic stability for those who are otherwise locked out of the labor market. A 2015 Manhattan Institute study [revealed](#) that employment, especially within the first six months of release, drastically lowers the likelihood of recidivism for nonviolent offenders. Entrepreneurship should be one of the tools that returning citizens have access to as they re-enter society.

The proposed legislation would build on the successes of programs across the country that have successfully deployed entrepreneurial development to reduce recidivism by helping returning citizens secure employment and start businesses. In Texas, the Prison Entrepreneurship Program—which has

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

graduated more than 2,300 returning citizens—has [helped](#) 100 percent of its participants secure employment within 90 days and has helped its participants start more than 360 businesses. In Oregon, the state Department of Corrections [found](#) that participants in the Lifelong Information for Entrepreneurship Program were 41 percent less likely to recidivate. Defy Ventures, which operates in New York, California, Connecticut, Colorado, Washington, and Illinois, [reports](#) an 82 percent employment rate and a less than 5 percent recidivism rate for its released graduates.

Senate Bill 554 seeks to bring this program to Maryland by establishing a 5-year pilot program within the Small Business Administration (SBA) to award grants to at least five organizations (or partnerships of organizations) annually over the five-year period to provide entrepreneurial development training to formerly incarcerated individuals. The organizations must demonstrate ties with the business and returning citizen communities. In addition, organizations are required to partner with lenders in the existing SBA Microloan Program who will provide micro-loans (up to \$50,000) to qualifying participants. Justice impacted individuals would receive training in business plan creation, work readiness, entrepreneurial management, licensing, and executive mentoring from local small businesses with the provisions in full effect. As JOTF works in partnership with many justice-impacted businesses and nonprofits to provide services to the community, we welcome all efforts to expand employment access and entrepreneurial training to the returning citizens. We respectfully ask for a favorable report on Senate Bill 554.

SB0554_FAV_MJP.pdf

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Position: FAV

TESTIMONY IN SUPPORT OF SENATE BILL 554:

Maryland New Start Act of 2022

TO: Hon. Delores Kelley, Chair, and Members of the Senate Finance Committee

FROM: Monica Cooper, Executive Director

DATE: February 15, 2022

Maryland Justice Project (MJP) will educate and inform both ex-offenders and employers about legislation relative to this cause, their responsibilities, and the positive impact that advocated initiatives can have on the community. MJP supports Senate Bill 554 as a means of expanding access to capital and skills training to those experiencing barriers to employment due to their criminal record.

A criminal record can be both the cause and consequence of poverty and has detrimental effects on the employment prospects for the 25% of working-age Marylanders with a record. Every year, approximately 15,000 Marylanders are released from state prisons and struggle to secure a job, find a place to live, and reenter society. Demographically, 72% of Maryland's prison population is black, the highest in the nation, and one out of three Marylanders returning from incarceration, return to Baltimore City. The Department of Justice has [found](#) high rates of recidivism among returning citizens, with half of all returning citizens recidivating within 3 years and 60 percent recidivating within 5 years. One of the primary drivers of high recidivism rates is the inability of returning citizens to find a job: up to 60 percent of formerly incarcerated persons remain unemployed one year after their release. This is mainly due to the fact that more than 70% of employers perform background checks on all of their job applicants and deny employment to many returning citizens on the basis of a record. A past criminal conviction of any sort reduces job offers by half. This leaves many of the 1.5 million Marylanders with a criminal record out in the cold when trying to obtain gainful employment. When securing employment through traditional means becomes untenable, many opt for entrepreneurial ventures, skills training, or both, to stay afloat.

Entrepreneurial development programs for formerly incarcerated individuals report dramatically lower rates of recidivism, and self-employment can provide economic stability for those who are otherwise locked out of the labor market. A 2015 Manhattan Institute study [revealed](#) that employment, especially within the first six months of release, drastically lowers the likelihood of recidivism for nonviolent offenders. Entrepreneurship should be one of the tools that returning citizens have access to as they re-enter society.

The proposed legislation would build on the successes of programs across the country that have successfully deployed entrepreneurial development to reduce recidivism by helping returning citizens secure employment and start businesses. In Texas, the Prison Entrepreneurship Program—which has graduated more than 2,300 returning citizens—has [helped](#) 100 percent of its participants secure employment within 90 days and has helped its participants start more than 360 businesses. In Oregon, the state Department of Corrections [found](#) that participants in the Lifelong Information for Entrepreneurship Program were 41 percent less likely to recidivate. Defy Ventures, which operates in New York, California,

Connecticut, Colorado, Washington, and Illinois, [reports](#) an 82 percent employment rate and a less than 5 percent recidivism rate for its released graduates.

Senate Bill 554 seeks to bring this program to Maryland by establishing a 5-year pilot program within the Small Business Administration (SBA) to award grants to at least five organizations (or partnerships of organizations) annually over the five-year period to provide entrepreneurial development training to formerly incarcerated individuals. The organizations must demonstrate ties with the business and returning citizen communities. In addition, organizations are required to partner with lenders in the existing SBA Microloan Program who will provide micro-loans (up to \$50,000) to qualifying participants. Justice impacted individuals would receive training in business plan creation, work readiness, entrepreneurial management, licensing, and executive mentoring from local small businesses with the provisions in full effect. As MJP works in partnership with many justice-impacted businesses and nonprofits to provide services to the community, we welcome all efforts to expand employment access and entrepreneurial training to the returning citizens. We respectfully ask for a favorable report on Senate Bill 554.

Vehicles for Change SB 554 Favorable.pdf

Uploaded by: John Pica

Position: FAV



The Honorable Delores Kelley
Chair, Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401

February 14, 2022

Senate Bill 554 – Maryland New Start Act of 2022 - FAVORABLE

Dear Chair Kelley, Vice-Chair Feldman and members of the committee,

VFC is a nonprofit organization that trains formerly incarcerated individuals to be auto mechanics. This is a field not only in desperate need of staffing but one in which opportunities exist for our graduates to launch their own automotive repair shop.

Our program is a four-month, paid internship that focuses on graduating quality auto mechanics. Many of our interns state that their ultimate goal is to own their own garage business. Unfortunately, VFC neither has the funding to train the individuals in entrepreneurship nor are we aware of a program that could provide such support.

The automotive field is one where an individual with a criminal record has the opportunity to earn a significant living and build a career. That is not the case for most any other field. Individuals with criminal backgrounds are forced to carry that designation with them their entire lives. Often, this forces them to return to their former lifestyle in order to survive. For many, their opportunity for a “second chance” is limited to being a business owner and yet there are limited resources for them to gain the skills necessary to succeed.

The passing of Senate Bill 554 would provide that opportunity, ultimately providing hope that an individual with a criminal background can earn a living, build wealth and be free from the life of crime. It is our experience, business owners with criminal backgrounds have a greater tendency to hire others with backgrounds.

The net result of passing Senate Bill 554 is: the creation of greater opportunities for formerly incarcerated individuals; new job opportunities for others with backgrounds and ultimately reduced recidivism.

For that reason, Vehicles for Change strongly supports SB 554 and urges a favorable report.

Thank you

Martin Schwartz
President, Vehicles for Change

MD Catholic Conference_FAV_SB0554.pdf

Uploaded by: MJ Kraska

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

February 15, 2022

**SB 554
Maryland New Start Act of 2022**

House Ways & Means Committee

Position: Support

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch)dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 554 establishes Maryland New Start Pilot Program in the Department of Commerce to provide certain grants to organizations to create or support certain entrepreneurship development programs to provide assistance to formerly imprisoned individuals and to provide loans to certain individuals participating in those programs; establishing the Maryland New Start Pilot Program Fund as a special, non-lapsing fund.

In remarks at his recent weekly public audience, Pope Francis told the faithful that “we risk being imprisoned in a justice that doesn’t allow one to easily get back up again and confuses redemption with punishment. For this, I want to recall today in a particular way our brothers and our sisters who are in prison...its right that those who have made a mistake pay for their mistake, but it’s even more right that those who have done wrong should be able to redeem oneself from their mistake. There can’t be sentences without windows of hope.”

The Church upholds that systems of restorative justice should seek both justice and mercy, with an emphasis upon restoration of communities, victims and offenders as a whole. The Maryland New Start Pilot Program is a restorative justice measure and the Church maintains that systems of incarceration should always be centered on restorative justice. When inmates are incentivized with entrepreneurship development programs their chances to break free from their often-challenging circumstances and live productive lives post-release are exponentially enhanced.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on Senate Bill 554.

AEF Head Start Act--SB 554--Support Letter.pdf

Uploaded by: Ryan Washington

Position: FAV



February 15, 2022

Senator Obie Patterson
3 East Miller Senate Office Building
6 Bladen St., Annapolis, MD 21401

Dear Senator Obie Patterson:

The AOBA Educational Foundation is pleased to support S.B. 554 the *Maryland New Start Act of 2022*. We also wanted to thank you for your leadership on the issue of economic opportunities for formerly incarcerated individuals.

The AOBA Educational Foundation (AEF) works with the local real estate market to develop talented building engineering and maintenance professionals. AEF, a 501(c)(3) non-profit organization, was created by members of the Apartment and Office Building Association of Metropolitan Washington (AOBA) to address the talent crisis in the commercial real estate industry to focus on the critical need to raise awareness of the rewarding careers in building operations, engineering, and maintenance and build pipelines to these professions between employers and education and training providers.

Several industry stakeholders in the region are exploring the potential for the reentry population to serve as a talent pipeline for these hard to fill roles, thus creating a win-win-win scenario for formerly incarcerated individuals, our respective industries, and the communities where AOBA members live and work throughout the DMV. However, these efforts are still in the very early stages and will take time to bear fruit (if at all).

As efforts throughout our industry and countless others continue to work to address barriers to reentry, we are pleased to support the *New Start Act* and its focus on entrepreneurship and workforce readiness programming for this critical population. We also look forward to working with your office on efforts to promote workforce opportunities, particularly those in the skilled trades, for all Marylanders.

Thank you for your continued leadership on this important matter.

Sincerely,

Wes Huffman
Executive Director, AOBA Educational Foundation

SB0554_FWA_OFJ.pdf

Uploaded by: Nicole Hanson - Mundell

Position: FWA



TESTIMONY IN SUPPORT OF SENATE BILL 554:

Maryland New Start Act of 2022

TO: Hon. Delores Kelley, Chair, and Members of the Senate Finance Committee

FROM: Nicole Hanson-Mundell, Executive Director

DATE: February 15, 2022

Out for Justice, Inc. (OFJ) is an organization comprised of individuals who are both directly and indirectly impacted by the criminal legal system advocating for the reform of policies and practices that adversely affect successful reintegration into society. OFJ supports Senate Bill 554 with amendments as a means of expanding access to capital and skills training to those experiencing barriers to employment due to their criminal record.

A criminal record can be both the cause and consequence of poverty and has detrimental effects on the employment prospects for the 25% of working-age Marylanders with a record. Every year, approximately 15,000 Marylanders are released from state prisons and struggle to secure a job, find a place to live, and reenter society. Demographically, 72% of Maryland's prison population is black, the highest in the nation, and one out of three Marylanders returning from incarceration, return to Baltimore City. The Department of Justice has [found](#) high rates of recidivism among returning citizens, with half of all returning citizens recidivating within 3 years and 60 percent recidivating within 5 years. One of the primary drivers of high recidivism rates is the inability of returning citizens to find a job: up to 60 percent of formerly incarcerated persons remain unemployed one year after their release. This is mainly due to the fact that more than 70% of employers perform background checks on all of their job applicants and deny employment to many returning citizens on the basis of a record. A past criminal conviction of any sort reduces job offers by half. This leaves many of the 1.5 million Marylanders with a criminal record out in the cold when trying to obtain gainful employment. When securing employment through traditional means becomes untenable, many opt for entrepreneurial ventures, skills training, or both, to stay afloat.

Entrepreneurial development programs for formerly incarcerated individuals report dramatically lower rates of recidivism, and self-employment can provide economic stability for those who are otherwise locked out of the labor market. A 2015 Manhattan Institute study [revealed](#) that employment, especially within the first six months of release, drastically lowers the likelihood of recidivism for nonviolent offenders. Entrepreneurship should be one of the tools that returning citizens have access to as they re-enter society.

The proposed legislation would build on the successes of programs across the country that have successfully deployed entrepreneurial development to reduce recidivism by helping returning citizens secure employment and start businesses. In Texas, the Prison Entrepreneurship Program—which has graduated more than 2,300 returning citizens—has [helped](#) 100 percent of its participants secure employment within 90 days and has helped its participants start more than 360 businesses. In Oregon, the state Department of Corrections [found](#) that participants in the Lifelong Information for Entrepreneurship Program were 41 percent less likely to recidivate. Defy Ventures, which operates in New York, California, Connecticut, Colorado, Washington, and Illinois, [reports](#) an 82 percent employment rate and a less than 5 percent recidivism rate for its released graduates.

Senate Bill 554 seeks to bring this program to Maryland by establishing a 5-year pilot program within the Small Business Administration (SBA) to award grants to at least five organizations (or partnerships of organizations) annually over the five-year period to provide entrepreneurial development training to formerly incarcerated individuals. The organizations must demonstrate ties with the business and returning citizen communities. In addition, organizations are required to partner with lenders in the existing SBA Microloan Program who will provide micro-loans (up to \$50,000) to qualifying participants. Justice impacted individuals would receive training in business plan creation, work readiness, entrepreneurial management, licensing, and executive mentoring from local small businesses with the provisions in full effect.

OFJ supports efforts to expand employment access and entrepreneurial training to returning citizens but we believe that the bill should be amended to specifically include the names of service providers and organizations led by impacted persons who are already doing the work to reach justice-impacted individuals. We also believe that the bill lacks a sufficient consequence for organizations that receive funding but fail to actually produce successful entrepreneurs from the returning citizen population. We respectfully ask that these concerns be amended into Senate Bill 554 and are open to a discussion regarding these issues.

Sincerely,

Nicole Hanson-Mundell

Cell: 301-412-5399

Email: nhanson@out4justice.org

SB0554_SponsorAmendment_423928-01

Uploaded by: Senator Patterson

Position: FWA



SB0554/423928/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

25 FEB 22
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BY: Senator Patterson
(To be offered in the Finance Committee)

AMENDMENT TO SENATE BILL 554

(First Reading File Bill)

On page 2, in line 16, after “FACILITY” insert “OR IS APPROVED FOR RELEASE BY A CORRECTIONAL FACILITY FOR THE PURPOSE OF PARTICIPATING IN A TRAINING PROGRAM”.

SB554 - Maryland New Start Act of 2022.docx (1).pd

Uploaded by: Jennifer Beskid

Position: INFO



**Department of Public Safety and Correctional Services
Office of the Secretary**

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CAROLYN J. SCRUGGS
ASSISTANT SECRETARY

GARY W. McLHINNEY
ASSISTANT SECRETARY

BILL: SENATE BILL 554

POSITION: LETTER OF INFORMATION

EXPLANATION: This bill will establish the Maryland New Start Pilot Program in the Department of Commerce to provide multi-year grants to organizations to create or support entrepreneurship development programs to provide assistance to formerly incarcerated individuals. The bill also establishes the Maryland New Start Pilot Program Fund, and will require the Governor to provide funding in the annual budget.

COMMENTS:

- The Department of Public Safety and Correctional Services (Department) oversees the Division of Correction which operates 13 State correctional facilities, housing offenders sentenced to periods of incarceration for 18 months and longer. The Department also oversees the Division of Pretrial Detention and Services which operates the Baltimore City Pretrial Complex. The Department does not oversee any other local jail or detention facility.
- The Department has Re-entry Specialists who provide assistance with a myriad of services to incarcerated individuals prior to their release, including:
 - Medicaid enrollment;
 - 30-day supply of medication prior to release;
 - Identification assistance (Motor Vehicle Administration, Social Security);
 - Housing assistance;
 - Employment & Career placement services;
 - Mediation services;

- Social Security application Social Security Income/Social Security Disability Insurance; and
 - Veteran services.
- The Department of Labor (Labor) provides education, vocational training, and occupational opportunities to incarcerated individuals throughout the Department's Division of Correction. These programs are incredibly important as education and linkage to sustainable employment are key factors in reducing recidivism.
- In addition to the occupational skills learned within the Division of Correction, several incarcerated individuals already possess skills that may transfer to entrepreneurial opportunities.
- Recognizing the potential to increase entrepreneurship opportunities, Labor will begin offering entrepreneurship training courses in February 2022 at two prisons in Jessup; the Maryland Correctional Institution for Women and the Dorsey Run Correctional Facility. These courses will include such topics as business strategies and financial planning.
- The Maryland New Start Pilot Program would serve as another re-entry resource for formerly incarcerated individuals by providing them with resources to create or support entrepreneurship development programs. Unlike the Department of Commerce, the Department of Public Safety and Correctional Services does not have the ability to provide grants or loans to support entrepreneurship development programs.
- It is vital that local communities and businesses engage with formerly incarcerated individuals and provide the essential resources and services necessary to ensure their success in the community.

CONCLUSION: For these reasons, the Department of Public Safety and Correctional Services respectfully requests the Committee consider this information as it deliberates Senate Bill 554.