

February 5, 2025

Re: HB.545/SB.398: Automated Expungement, Waiting Periods, and Adverse Actions (Clean Slate Act of 2025)

Dear Members of the Judiciary Committee,

The Responsible Business Initiative for Justice (RBIJ) is an award-winning international nonprofit that works with companies to champion solutions that promote public safety, deliver justice, and strengthen communities. Since its inception, RBIJ has collaborated with companies of all sizes across two dozen states to advocate for practical policy reforms that expand workforce opportunities and stimulate economic growth. We strongly support the passage of Clean Slate Maryland (HB.545/SB.398) to provide deserving individuals with the second chance they have earned.

A criminal record creates significant barriers to employment, housing, professional licensing, and education—not just for individuals but also for their families. The challenges in securing employment are particularly severe: nine in ten employers currently use background checks to screen applicants, and having a record — even an extremely old record — reduces an otherwise-qualified job seeker's chance of getting a callback by nearly 50 percent. Those record clearing processes that do exist are complicated, burdensome, and seldom accessed. Nationally, less than five percent of eligible individuals receive the clearance to which they are entitled. The result is costly to businesses and communities alike.

Clean Slate legislation in Maryland would remove these barriers – creating benefits for businesses across the state. Passing automatic record clearing will help employers access a diverse, loyal, and underutilized talent pool to bolster the labor market. Despite record-low unemployment, businesses across Maryland are still struggling to fill thousands of open jobs. According to a recent poll conducted by Small Business Majority, 84% of small business owners agree that Clean Slate policies will open up a pool of applicants that have earned a second chance. These bills would ease the burden for companies that are desperately trying to hire. Clean Slate is an opportunity for job growth that Maryland cannot afford to pass up.

Passage of these bills would significantly strengthen Maryland's economy. Estimates indicate that the underemployment of people with records costs the United States more than \$87 billion in lost productivity. A study in Michigan found that automatic record clearing increases wages by more than 20 percent within one year alone. That's more money in the pockets of consumers and back into local businesses. Removing barriers to employment reduces the need for government assistance, saving taxpayer dollars and increasing prosperity.

And if the jobs and economic growth potential isn't reason enough to support Clean Slate, the benefit to public safety is key. One of the most important factors in whether someone will reoffend is their

The Responsible Business Initiative for Justice is the collective name for RBIJ UK (a non-profit community interest company (company number: 12100724)) and RBIJ USA (a fiscally sponsored project of NEO).



employment status. By expanding the pool of talent businesses can recruit into long-term, sustaining jobs, Clean Slate will reduce recidivism. By making Maryland a safer place to live and work, we can continue to attract new talent, new employers, and new investments.

It's no surprise that Clean Slate policies have garnered support from multinational corporations, midsized businesses, small enterprises, and Chambers of Commerce nationwide. Companies have seen firsthand how automatic record clearing strengthens the communities they serve while also benefiting their bottom line. RBIJ stands in strong support of passing Clean Slate. Maryland needs legislation that meets the needs of its workers and its businesses – and HB.545/SB.398 does just that. It is imperative that the legislature take this opportunity to pass these common-sense measures.

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