

EMPIRE REPORT

Clean Slate Can Strengthen the New York Economy and Our Communities

By **Monica Nation** | **June 1, 2023**

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As the New York legislative session winds down, policymakers in Albany should not miss the opportunity to strengthen our state economy by passing the Clean Slate Act (S.211/A.1029).

According to data from the Brennan Center for Justice, more than 2 million New Yorkers have a criminal record, costing them more than \$12 billion in reduced earnings annually. More than just lost earnings, these New Yorkers face significant barriers to securing meaningful employment, housing, education and more due to old records. Once people have fulfilled their justice system

obligations, they should be able to work. It's time to give more New Yorkers an opportunity to get back on their feet.

The process to clear eligible records can be incredibly costly and complex to navigate, so very few New Yorkers ever pursue the application-based process. Automating the process would have a significant impact in how many people can tap into the opportunity to have their records sealed and more fully participate in the workforce.

The state unemployment rate ticked down again last month and a large number of job openings remain across industries, so we have an opportunity to help people move on from their records and into better jobs with career pathways.

The barriers created by a criminal record also has a heavy price tag for the broader economy. The Center for Economic Policy Research finds that the adverse impact of felony convictions on employment prospects costs the economy as a whole about \$87 billion in lost annual GDP.

New York's Clean Slate bill would automatically seal certain conviction records for civil purposes, like housing and employment, after a waiting period without subsequent convictions. As studies of record-clearance laws from other states have shown, clearing conviction records decreases involvement with the criminal legal system and allows people to access stable jobs, generating increased economic growth.

Automatic record clearing is common sense reform that is popular on both sides of the aisle. Clean Slate measures have already passed in ten states across the country – last year, automatic record sealing passed in Oklahoma and Colorado with strong bipartisan support. Last month, our Chairman and CEO Jamie Dimon joined members of the Congressional Bipartisan Second Chance Task Force, including Democratic Leader Hakeem Jeffries (D-NY), to discuss how the private sector can work with policymakers coming together across the aisle on this issue to deliver results for communities and strengthen the economy.

Many in the business community see Clean Slate legislation as essential to getting people back to work quickly. Consensus and support for this legislation exists across New York; including support from business organizations such as the Partnership for New York City, Brooklyn Chamber of Commerce, the Greater Harlem Chamber of Commerce, Rochester Chamber of Commerce, Business Council of Westchester, and the Business Council for New York State.

For years, JPMorgan Chase has been broadening the talent pool to include justice-involved individuals, including hiring more than 4,600 people in 2022— which represents about 10% of JPMorgan’s new hires in the U.S. that year— whose criminal background had no bearing on the job they were hired to perform. JPMorgan Chase is a proud founding member of the Second Chance Business Coalition, which includes more than 46 private sector firms like Verizon, PepsiCo, Mastercard and Microsoft, that are committed to expanding second chance hiring.

New York lawmakers should enact the Clean Slate Act to help employers tap into a vast and underutilized workforce. It presents a common-sense solution for getting more talent back to work, one that will strengthen our economy and make us safer. Individuals who have fulfilled their obligations deserve a real second chance – and Clean Slate can help.

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