

State Representative • 93rd Assembly District

To: Members of the Assembly Committee on Regulatory Licensing Reform

From: Representative Petryk

Re: Testimony regarding Assembly Bill 829

Good Morning Chairman Horlacher and members of the committee. I appreciate this opportunity to speak in favor of Assembly Bill 829, a bipartisan supported bill that aims to reduce recidivism by allowing for individualized review for occupational licenses.

Assembly Bill 829 creates a process where an ex-offender may petition an agency to see if they are eligible for a license, receive an individualized review of their history when they apply, show evidence of rehabilitation, and receive written rationale if they are denied. In a time when our state has a skilled labor shortage, we should not restrict individuals who have shown they are on the path to rehabilitation from attempting to get a license.

I am proud to co-author this piece of legislation with Senator Darling, as we know that stable employment keeps people out of incarceration. As the Chair of the Workforce Development Committee, part of my efforts are focused on creating opportunities for people to get back to work and removing the barriers that keep them from securing employment. The positive outcomes of this would translate into lower cost products and services for consumers, a lower recidivism rate, and a fairer licensure system.

The fiscal estimate released by the Wisconsin Department of Safety and Professional Services states that the department can absorb any costs related to this legislation within the agency's budget.

I humbly ask for your support on this very important piece of legislation. Thank you for your kind attention.

Thank you,

Warren Petryk Will State Representative

93rd Assembly District

# Alberta Darling Wisconsin State Senator

## Reducing Recidivism by Expanding Access to Occupational Licenses

Testimony on Assembly Bill 829
Assembly Committee on Regulatory Licensing Reform
January 18, 2018

Thank you Chair Horlacher and members of the Assembly Committee on Regulatory Licensing Reform for hearing Assembly Bill 829. As many of you already know, obtaining an occupational license is now a fact of life for many in order to enter the job market. Currently, one in four workers require some sort of credential to work in the United States. This is a massive increase compared to 1950 when only one in twenty workers needed an occupational license to work.

While occupational licenses can help protect the health, safety, and welfare of consumers, in certain instances licenses also create barriers that restrict the pool of individuals who are able to work in those professions. In many cases, these barriers disproportionately harm low-wage workers by barring access to higher paying jobs. They also harm consumers by raising prices for products and services. One way licenses restrict access is by banning those with a history of criminal convictions from applying.

When one in three adults in the United States has some sort of criminal record, the consequences of an excessively penalizing licensure regulatory system can be great. Overbroad bans leave little hope for individuals with criminal records, especially felons, to get a license. These bans often stay in place without regard for how long ago the offense took place, if the individual has paid their debt to society, and ability to show rehabilitation. Allowing formerly incarcerated individuals to receive an individualized look by a licensing entity to determine whether or not they truly present health, safety, or welfare risks to consumers would mean lower cost products and services for consumers, a lower recidivism rate, and a fairer licensure system.

Before addressing the many benefits of this bill, it is important to take note of what it will not do. Ex-offenders who were convicted of violent crimes are exempt from these reforms. Further, this bill does not affect the ability of an employer to hire or fire individuals.

This bill will help Wisconsin solve its skilled workforce problem, reduce recidivism rates, and make goods and services cheaper for consumers by enacting the following reforms. Applicants will receive an individualized review of their application and reasons for denial in writing. Further, an individual with a criminal record should be able to petition a licensing agency at any time for a determination of whether the individual's criminal record will disqualify the individual from obtaining a license. This bill gives the applicant the opportunity to present evidence that they have been rehabilitated. The ability to use arrest records, without a subsequent conviction, as grounds to deny or revoke a license will be pared back. Non-violent juvenile offenses will not be counted when determining if the applicant is eligible to receive a license. Expanding access to occupational licenses for non-violent ex-offenders will help reduce recidivism and boost our workforce moving Wisconsin forward.

I want to thank, Representative Petryk for his leadership on this issue and thank you committee members for taking the time to hear this bill. I urge you to support AB 829.



### Written Testimony Concerning Assembly Bill 829 Assembly Committee on Regulatory Licensing Reform

Dear Chairman Horlacher and Members of the Committee,

Thank you for the opportunity to present written testimony concerning Assembly Bill 829, authored by our friends Senator Darling and Representative Petryk. Just over one year ago, Governor Walker asked us to serve as co-chairs of a task force on opioid abuse. Since then we've done a deep dive on the many facets of this issue, and tomorrow (January 19) we will release a second comprehensive report recommending a number of new initiatives to confront this crisis.

We'll give you a sneak peak: we intend to endorse AB 829 and its companion Senate Bill 626. We will tell the Governor and the people of Wisconsin: "We know that steady employment is a key component to successful long-term recovery. We also applaud Rep. Warren Petryk and Sen. Alberta Darling for sponsoring AB 829 and SB 626, which would clarify standards for individuals with drug convictions seeking occupational licenses in Wisconsin."

We know that many people who struggle with substance use disorder become entangled in our criminal justice system through the bad choices they make. They owe the community a debt for their wrong acts, and we absolutely believe in accountability for those decisions, even when they may have been motivated or correlated with a drug addiction.

However, once people have served their time, they will come back to our communities. We know what it takes in that circumstance to succeed, both to avoid recidivism on the criminal justice front and to avoid relapse on the addiction front. Steady employment is a huge part of reentry success. It provides activity, accountability, dignity, and purpose. Employment creates relationships, deepens ties to a community, and keeps you busy.

At a time when so many professions require a governmental license, especially many low- and medium-skill jobs that would be a good fit for returning felons, it is essential that the relevant regulators provide full and fair consideration to every applicant. This bill creates a process to ensure equitable treatment in a way that hopefully leads to more licenses issued, more jobs taken, and more lives saved.



**y**SolutionsProject SolutionsProject.org To:

Chairperson Cory Horlacher

Members, Assembly Committee on Regulatory Licensing

Reform

From:

Jared Meyer, Senior Fellow

Date:

January 18, 2018

RE:

**Testimony in Support of Assembly Bill 829, Relating to:** 

**Discrimination Based on Arrest or Conviction Record** 

Under the Fair Employment Law.

Thank you for the opportunity to testify on Wisconsin's efforts to promote work. My name is Jared Meyer, and I am a senior fellow at the Foundation for Government Accountability and here today on behalf of Opportunity Solutions Project. Opportunity Solutions Project is a nonprofit, nonpartisan advocacy organization that seeks to improve lives by advocating for public policies based on the principles of free enterprise, individual liberty, and a limited, accountable government. I appreciate the opportunity to testify today in support of Assembly Bill 829. This legislation will decrease occupational licensing barriers for those with criminal records and allow them to reenter the workforce.

#### The Importance of Work

It is estimated that one out of three American adults have a criminal record. That statistic transitions to 1.5 million Wisconsin residents having some sort of conviction. Given that roughly 95 percent of arrests are for nonviolent, nonsexual offenses, most of the state's ex-offenders pose little to no risk to public safety and should face minimal barriers when seeking work.

Just as not having a job is the main predictor of how likely someone is to be in poverty, not being able to get a job is the clearest indicator of how likely someone is to re-offend or end up back in jail. The sooner a newly-released person finds a job, the less likely they are to re-offend.

Occupational licensing laws pose unnecessary, and often insurmountable, barriers to work for many people with records. An occupational license is essentially a government permission slip required to work in a certain profession. Today, around 20 percent of Wisconsin workers require a state occupational license to work in the 250 occupations licensed by the state.

Nationwide, there are about 30,000 licensing restrictions for those with criminal records. Thousands of these restrictions are blanket bans, or laws allowing ex-offenders to be denied licensure solely because of having any felony or misdemeanor record. Many are also mandatory bans, which require licensing boards to deny licensure regardless of mitigating circumstances—and many of these bans are permanent. To make matters worse, ambiguous language, such as requirements for "moral turpitude" or "good character" gives licensing boards further discretion to deny ex-offenders the ability to work.

Of the 40 states—including Wisconsin—that have overarching laws governing how licensing boards can grant licenses, half have virtually no restrictions on how these agencies can consider criminal records. This means that many licensing agencies can consider old convictions,

convictions that are unrelated to the occupation, minor infractions, and even arrests not resulting in conviction. Wisconsin does have some guidelines licensing boards must follow, but there is room for improvement.

With these restrictions, it is no wonder why those with records struggle to find work, especially formerly incarcerated individuals. There are 40,000 individuals currently incarcerated in Wisconsin, and over 95 percent of these prisoners will be released back into the general population. Yet a year after release, 60 percent of formerly incarcerated individuals in the United States are still unemployed.

#### The Benefits of Assembly Bill 829

To help fix this problem, Assembly Bill 829 requires Wisconsin's licensing boards to perform individualized reviews if they wish to deny an applicant based solely on a criminal conviction. During this review, applicants can submit evidence to show that they have been rehabilitated. After the review, the licensing board must state the reasons for denial in writing if that decision is reached. And importantly, since individuals should not permanently be defined by their past, most juvenile offenses will not count towards a licensing eligibility determination.

Only pending charges for crimes against life and bodily security and certain crimes against children can lead to a denial of a license. For other crimes to lead to a denial of a license, there must be a conviction and the crime must be substantially related to performing that occupation safely.

Additionally, those with records can petition a licensing board to get a determination if their convictions will disqualify them from receiving licensure. Considering that the average training for Wisconsin's low- to moderate-income licensed occupations is over 200 days, getting this information is critical for someone who is about to invest time and money completing government-required training.

It is important to note that nothing in this legislation applies to private employers, who already face hiring guidelines from the Equal Employment Opportunity Commission (EEOC). These guidelines strictly regulate how employers handle criminal background checks so that exoffenders do not face undue discrimination. For example, private employers are expressly forbidden from automatically denying applicants because of their criminal records. AB 829 ensures that government does not get to ignore the rules that it forces the private sector to follow.

Rather than relying on blanket bans from receiving a license for applicants with any felony or misdemeanor, Wisconsin's boards will have to make clear which specific criminal convictions will lead to a denied license. This standard prohibits licensing boards' use of non-specific terms like "moral turpitude" and "good character," along with consideration of most arrests that are not followed by a conviction. This bill will help Wisconsin residents with criminal records to no longer face unjustified government created bans on work.

#### **Effects of Public Safety**

Licensing agencies' restrictions for those with criminal records have had tragic effects on good people like Alma Brown. For almost a decade, Brown operated a childcare facility. But in 2009, a change of law in Wisconsin allowed licensing boards to automatically and permanently ban anyone with a fraud-related conviction from having a license to work at childcare a childcare facility. This change caused Brown's childcare license to be revoked.

In the 1980s, Brown fraudulently accepted food stamps. Though she claimed she was unemployed, she had worked a temporary job at a department store around Christmas. Thankfully, she had long since moved on, found work, and become self-sufficient. But her decades of lawful conduct and honest work were suddenly invalidated when the Wisconsin Department of Children and Families took away her license.

Similarly, Wisconsin resident Sonja Blake lost her childcare license because of a three decades old paperwork error that resulted in a \$294 overpayment in public assistance. Blake was given a lifetime ban on working in her occupation because of a mistake that was completely unrelated to her ability to care for children safely.

Proponents of these broad licensing restrictions argue they are necessary to protect public safety, and it is true that individuals with certain criminal backgrounds should not be allowed to work in some professions. But given that most people with records pose no danger to the public, many of the licensing restrictions faced by ex-offenders reach well beyond what is necessary. For example, besides Wisconsin's restrictions on child care providers, any applicant with an arrest record is ineligible to become registered as an architect, landscape architect, or engineer.

Research has shown that broad licensing prohibitions against ex-offenders endanger the public more than they protect it. An Arizona State University study found that from 1997 to 2007, states with the most burdensome licensing requirements for ex-offenders saw a nine percent increase in recidivism rates—conversely, states with the least burdensome requirements for ex-offenders saw a decrease in recidivism rates of over four percent.

Considering the significant impact employment has on reducing recidivism rates, policymakers should be making it less difficult for formerly incarcerated individuals and those with criminal records to find work. After someone commits a crime, they face two options. They can find a job and substantially lower their likelihood of reoffending, or they can face government dependence and a higher likelihood or committing another crime. Since incarceration costs over \$80 billion a year in the United States, any reform that lowers recidivism helps taxpayers.

Finding work is vital for those with criminal records to rebuild their lives. Work keeps exoffenders out of poverty, allows them to gain valuable skills and experience, moves them off welfare, and helps them avoid reoffending—and it is possible to accomplish all of this while still protecting public safety. Even those who are tough on crime should want the thousands of Wisconsin residents who leave incarceration each year to work and become independent instead of remaining a drain on society. It is time for Wisconsin to promote public safety and work by giving those with records a fresh start.

Thank you for your time and consideration.