

July 10, 2019

**House Passage of H.R. 1076 (Rules Amendment 69)  
The Fair Chance to Compete for Jobs Act of 2019**

On behalf of the organizations and individuals listed below, we applaud the House of Representatives, and the leadership of Representatives Elijah Cummings (D-MD) and Doug Collins (R-GA), for passing H.R. 1076 (Rules Amendment 69), the “Fair Chance to Compete for Jobs Act of 2019” on July 10<sup>th</sup> as an amendment to the National Defense Authorization Act.

H.R. 1076 is bipartisan legislation that would extend fair chance hiring to the federal government and federal contractors by postponing a request for criminal history information from job applicants until the applicant has received a conditional offer of employment. With the strong support of the lead sponsors, Congressmen Cummings and Collins, the bill was reported favorably out of the Committee on House Oversight and Reform. Companion legislation in the Senate (S. 378) sponsored by Senators Cory Booker (D-NJ) and Ron Johnson (R-WI) was also reported favorably out of committee.

An estimated 70 million adults in the U.S. – almost one in three adults – have arrests or convictions that will show up on routine background checks.<sup>1</sup> Although the job market has improved and more employers are actively searching for qualified workers, a conviction record still puts many of these jobs out of reach for far too many workers. Indeed, according to a recent study, the unemployment rate for working-age adults who are formerly incarcerated was 27.3 percent, which is five times higher than the unemployment rate for the general population.<sup>2</sup> In addition, every year, the economy loses out on \$78 to \$87 billion on GDP due to the suppressed rates of employment of people with felony records.<sup>3</sup>

H.R. 1076 builds on the bi-partisan movement that has embraced fair chance hiring across the U.S. Thirty-five states and the District of Columbia, and more than 150 cities and counties, have adopted fair chance hiring reforms,<sup>4</sup> as have many major U.S. corporations, such as Home Depot, Target Corporation, Starbucks, Walmart, and Koch Industries.<sup>5</sup> In addition, regulations issued by the Office of Personnel Management in 2016 extend fair chance hiring policies to most federal agencies, prohibiting a hiring agency from making specific inquiries with regard to arrest or conviction until the hiring agency has made a conditional offer of employment to the applicant.<sup>6</sup> Research by an American Enterprise Institute economist and others document that fair chance hiring policies have a positive effect on employment, increasing employment of residents in high crime neighborhoods by 4 percent, with particularly large gains among the public sector and lower wage jobs.<sup>7</sup>

H.R. 1076 would apply these same fair chance principles to hiring by the federal government and federal contractors. The legislation does not prevent federal agencies or federal contractors from considering criminal history; it only delays consideration of criminal history so that all applicants

are afforded a fair chance at consideration for employment. H.R. 1076 includes exceptions for positions related to law enforcement and national security duties, positions requiring access to classified information, and positions for which access to criminal history before the conditional stage is required by law.

The leadership of Representatives Cummings and Collins has been critical to the passage of H.R. 1076. We commend their leadership and the entire House of Representatives for supporting this common-sense legislation, which will provide millions of Americans with fair access to federal employment opportunities and set an example for states and private employers to adopt fair chance polices that relieve workplace reentry barriers. This vote is the first of many steps towards ensuring that millions of Americans are given a fair chance at employment, and we look forward to the Congress's continued support for this life-changing legislation.

If you have any questions, please contact Maurice Emsellem at the National Employment Law Project ([emsellem@nelp.org](mailto:emsellem@nelp.org)), Ashley Lawrence at the Leadership Conference on Civil and Human Rights ([lawrence@civilrights.org](mailto:lawrence@civilrights.org)), Sarah Anderson at FreedomWorks ([sanderson@freedomworks.org](mailto:sanderson@freedomworks.org)) or Inimai Chettiar a the Justice Action Network ([ichettiar@justiceactionnetwork.org](mailto:ichettiar@justiceactionnetwork.org)).

Sincerely,

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<sup>1</sup> National Employment Law Project, "Fair Chance Licensing Reform: Opening Pathways for People with Records to Join Licensed Professions," at page 31. Nov. 2018. <https://s27147.pcdn.co/wp-content/uploads/FairChanceLicensing-v3-2018.pdf>

<sup>2</sup> Prison Policy Institute, "Out of Prison, Out of Work: Unemployment Among Formerly Incarcerated People." July 2018. <https://www.prisonpolicy.org/reports/outofwork.html>

<sup>3</sup> Center for Economic Policy Research, "The Price We Pay: The Economic Costs of Barriers to Employment for Former Prisoners and People Convicted of Felonies." June 2016. <http://cepr.net/images/stories/reports/employment-prisoners-felonies-2016-06.pdf>

<sup>4</sup> National Employment Law Project, "Ban the Box: U.S. Cities, Counties, and States Adopt Fair Hiring Policies." April 2019. <https://s27147.pcdn.co/wp-content/uploads/Ban-the-Box-Fair-Chance-State-and-Local-Guide-April19.pdf>

<sup>5</sup> The Leadership Conference on Civil and Human Rights, "Fact Sheet: Fair Chance Hiring." March 27, 2017. [http://civilrightsdocs.info/pdf/criminal-justice/Fair\\_Chance\\_Hiring.pdf](http://civilrightsdocs.info/pdf/criminal-justice/Fair_Chance_Hiring.pdf)

<sup>6</sup> Federal Register. "Recruitment, Selection, and Placement (General) and Suitability." *A Rule by the Personnel Management Office*. December 1, 2016. <https://www.hireimage.com/wp-content/uploads/Final-Rule-Act.pdf>

<sup>7</sup> American Enterprise Institute, "Empirical Evidence on 'Ban the Box' Policies" (Joint letter submitted to the House Oversight and Reform Committee, dated March 25, 2019). <http://www.aei.org/publication/empirical-evidence-on-ban-the-box-policies/>