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**FACT SHEET 2015**  
**CSHB 548**

## Enhance Employment Opportunities for Individuals Returning to Texas Communities

*Emphasizing Current Qualifications Results in More Working Texans  
And a Deeper Employee Pool for Texas Employers*

### DELAYING BACKGROUND CHECKS ALLOWS INDIVIDUALS TO STRESS PERSONAL RESPONSIBILITY AND JOB READINESS

The path to the American dream has always rested on an individual's willingness to seek and find employment and climb the ladder to success. However, technological advancements that allow for instantaneous background checks, combined with employers' reluctance to shoulder perceived liability if hiring people with criminal records, have resulted in dwindling employment opportunities for people with criminal histories. **There are approximately 4.7 million adults in Texas with a criminal record,<sup>1</sup> all of whom could potentially face some degree of difficulty getting an interview for a position with a Texas employer.**

The use of background checks as a pre-employment screening tool is almost universal. A study by the Society for Human Resource Management found that 69 percent of surveyed organizations conducted background checks on all applicants, with another 18 percent running checks on selected candidates.<sup>2</sup> The impact of these checks, and of a criminal history, are undeniable. One study showed that employer callbacks for entry-level positions dropped 50 percent if applicants had a criminal history.<sup>3</sup>

At last count, 15 states, along with more than 100 cities and counties, have enacted Fair Chance policies that allow job applicants to be initially judged on their qualifications for employment and not on their criminal histories.<sup>4</sup> Three of the more recent states to institute Fair Chance policies include traditionally "red" Nebraska, New Jersey (with legislation signed by Governor Chris Christie, a Republican), and Georgia (whose Republican Governor signed an executive order eliminating criminal history questions on the state application for employment).<sup>5</sup>

### **FAIR CHANCE LEGISLATION: WHAT IT **WILL** AND **WILL NOT** DO**

It **WILL INCREASE** the employment opportunities of people with criminal records by delaying questions about criminal history until the applicant has been offered an interview or conditional employment.

It **WILL ENSURE** that Texas employers have access to the largest pool of qualified applicants.

It **WILL ENHANCE** employment opportunities for work-ready individuals with criminal histories, thus reducing the chances they will commit further crimes.

It **WILL NOT PREVENT** state employers from performing background checks; it merely delays such checks until an applicant has been offered an interview or conditional offer of employment.

It **WILL NOT PROHIBIT** any state employers from asking on an application for information about specific history that is required by law.

*Continued on reverse.*

## KEY FINDINGS

- The single most negative determining factor contributing to recidivism is a lack of employment.<sup>6</sup>
- The economic consequences of denying employment to individuals with criminal histories can be devastating. A study by the Center for Economic and Policy Research estimated that the Gross Domestic Product shrunk by \$57-\$65 billion per year as a result of lowered employment among formerly incarcerated individuals.<sup>7</sup> These figures do not take into account individuals with criminal histories who are not working but have not been incarcerated; thus, the actual impact may be much higher.

## COST-SAVING AND PUBLIC SAFETY-DRIVEN SOLUTION: CSHB 548 BY REPRESENTATIVE JOHNSON

- **CSHB 548 will delay background checks for state agency applicants until those applicants are promised an interview or extended a conditional position, thus allowing job-seeking individuals to present their relevant qualifications for employment without fear of automatic denial.** Employers will benefit from having a larger pool of qualified applicants for available positions, while retaining the choice to run criminal history checks. Combined with HB 1188 (83<sup>rd</sup> Regular Session) by Representative Senfronia Thompson, which extended protection to employers hiring people with criminal records, this legislation will greatly increase employment opportunities for individuals with criminal histories, thus leading to more stable families and safer communities.
- **CSHB 548 will increase the employment opportunities available for work-ready Texans, lessening the amount of public assistance debt that would otherwise be borne by taxpayers.** A study of women released from Texas prisons showed that 18 percent were still on public assistance almost a year after release.<sup>8</sup>

## **Citations**

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<sup>1</sup> Helen Gaebler, *Criminal Records in the Digital Age: A Review of Current Practices and Recommendations for Reform in Texas*, The University of Texas School of Law, 2013, 2,

<http://www.utexas.edu/law/centers/publicinterest/research/criminalrecords.pdf>.

<sup>2</sup> Society for Human Resources Management, *Background Checking – The Use of Background Checks in Hiring Decisions*, 2012, 2, <http://www.shrm.org/research/surveyfindings/articles/pages/criminalbackgroundcheck.aspx>.

<sup>3</sup> D. Pager, 2003. As cited by Maurice Emsellem and Michelle Natividad Rodriguez, “Advancing a Federal Fair Chance Hiring Agenda – Background Check Reforms in Over 100 Cities, Counties, & States Pave the Way for Presidential Action,” *National Employment Law Project*, January 2015, 2, <http://www.nelp.org/page/-/SCLP/Report-Federal-Fair-Chance-Hiring-Agenda.pdf?nocdn=1>.

<sup>4</sup> National Employment Law Project, *Ensuring People with Convictions Have a Fair Chance to Work*, <http://www.nelp.org/campaign/ensuring-fair-chance-to-work/>.

<sup>5</sup> National Employment Law Project, *Ban the Box: U.S. Cities, Counties and States Adopt Fair Hiring Policies to Reduce Barriers to Employment for People with Conviction Records*, April 2015, 9-12, <http://www.nelp.org/content/uploads/2015/04/Ban-the-Box-Fair-Chance-State-and-Local-Guide.pdf>.

<sup>6</sup> M. Berg & B. Huebner, “Reentry and the Ties that Bind: An Examination of Social Ties, Employment, and Recidivism,” *Justice Quarterly* (2011: 28), 382-410, <http://www.pacific-gateway.org/reentry,%20employment%20and%20recidivism.pdf>.

<sup>7</sup> J. Schmitt & K. Warner, *Ex-offenders and the Labor Market*.” *Center for Economic and Policy Research*, 2012, 14, <http://www.cepr.net/documents/publications/ex-offenders-2010-11.pdf>.

<sup>8</sup> L. Brooks, et al., *Women on the Outside: Understanding the Experiences of Female Prisoners Returning to Houston, Texas*, Urban Institute, Justice Policy Center, 2009, [http://www.urban.org/UploadedPDF/411902\\_women\\_outside\\_houston.pdf](http://www.urban.org/UploadedPDF/411902_women_outside_houston.pdf).