



MICHAEL SCHRAA

STATE REPRESENTATIVE • 53RD ASSEMBLY DISTRICT

P.O. Box 8953
Madison, WI 53708

Office: (608) 267-7990
Toll-Free: (608) 534-0053
Rep.Schraa@legis.wi.gov

Testimony on Assembly Bill 180

Vice-Chair Bodden and members of the Committee, I appreciate the opportunity to testify today on Assembly Bill 180, which will provide employers with information about hiring formerly incarcerated persons. This bill will launch an employer hotline in the Department of Workforce Development.

It was my privilege to serve as Vice-Chair of the 2022 Legislative Council Study Committee on Increasing Offender Employment Opportunities, chaired by Sen. Mary Felzkowski. The committee included an educator, a non-profit leader, and several business people as well as legislators.

As you are well aware, employment is a key factor in successful reentry from prison. Employees are hard to find, so businesses are considering non-traditional candidates. Even so, they may be hesitant to hire individuals with a criminal record, and understandably so. Accurate and reliable information is necessary to overcome that hesitancy.

There are state and federal programs and incentives that can be of great benefit in hiring the formerly incarcerated. For example, the Fidelity Bonding program at DWD issues bonds to insure the employer against theft, forgery, larceny and embezzlement. This federal program is administered by the state, with no cost to the employer or employee. When employers learn of this program, they can be confident that they will not suffer loss if the new hire proves to be less than honest. You will find a Legislative Council memo attached to my testimony that explains the program in more detail.

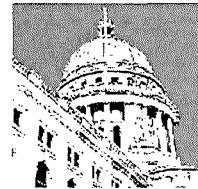
This bill addresses the issue by providing a reliable source of accurate information on the programs. The Department of Workforce Development will establish a hotline exclusively for employers. The hotline will be a useful tool to disseminate information in a way that is easily accessible to employers. The hotline format will enable them to ask questions and get immediate answers in an efficient manner.

This straightforward bill will provide many more opportunities for employers and employees alike.

I will be happy to answer your questions.

Wisconsin Legislative Council

STUDY COMMITTEE MEMO



Memo No. 3

TO: MEMBERS OF THE STUDY COMMITTEE ON INCREASING OFFENDER EMPLOYMENT OPPORTUNITIES

FROM: Katie Bender-Olson, Principal Attorney, and Peggy Hurley, Senior Staff Attorney

RE: Background Information Requested at October Study Committee Meeting

DATE: November 3, 2022

This memo provides information requested by members of the Study Committee on Increasing Offender Employment Opportunities during the October 21, 2022 meeting. The information addresses the following topics: (1) fidelity bonding available for employers who hire qualifying individuals with prior convictions; (2) housing navigators who assist individuals in obtaining low-cost housing; and (3) state law requirements for agencies to issue requests for proposals (RFP) when contracting for services.

FIDELITY BONDING

Committee members inquired about the Fidelity Bonding Program (FBP) available to employers who hire justice-involved individuals. The FBP is a federal program administered in Wisconsin and other states. It is intended to encourage employers to hire justice-involved individuals by providing a fidelity bond that would cover certain financial losses caused by the hired individual.

Fidelity bonds are available for the first six months of an individual's employment and may be applied to any financial loss caused by theft, embezzlement, forgery, or other types of stealing. The bonds do not cover other liability for which an employer may be responsible, such as damages caused by poor workmanship or injuries incurred on the job.

Justice-involved individuals often are not considered "bondable" for purposes of employment. By participating in the FBP for six months of successful employment, an insurance company may determine that the person may be bonded in the same manner as any other employee. A private insurance company under contract with the U.S. Department of Labor (currently the Union Insurance Group) provides bonds via the FBP and, subject to the standard underwriting process, can offer bonding to qualifying employees after the six-month FBP bond terminates. Currently, this insurance is underwritten and provided by ACE American Insurance Company and its underwriting company affiliates.

In Wisconsin, specialists within the Department of Workforce Development (DWD) and the Department of Corrections (DOC) coordinate FBP administration. Job seekers receiving assistance

from DWD's Job Centers can work with a regional FBP representative to apply for a bond and inform potential employers that he or she is bondable.¹

Wisconsin law does not address the FBP, and instead, the program is contained entirely within federal law. Consequently, there is no existing statutory program the committee could expand to cover additional bonding for justice-involved individuals, such as bonding related to housing.

HOUSING NAVIGATORS

The committee received testimony indicating that DOC provides certain housing assistance and transitional housing programming for persons leaving incarceration. Committee members also inquired as to the role of community "housing navigators" and how they assist persons seeking affordable or subsidized housing in Wisconsin.

Typically, housing navigation is a service provided by county housing divisions. Housing navigation may encompass emergency rent assistance, temporary shelter for homeless persons, assistance obtaining housing for homeless persons, housing for homeless or housing-insecure veterans, or housing for low-income families. Many of these programs are partly or wholly federally funded and administered by county agencies, although public housing may be provided by city-run programs.²

One prevalent program is the housing choice voucher program, often referred to as the "Section 8" program.³ This program connects qualified individuals, typically persons or families with very low income, or who are elderly or disabled, with safe and affordable housing. The program is funded with federal dollars but administered by local public housing authorities, typically at the county level. Qualified individuals are able to locate suitable housing and, provided the housing meets certain health and safety criteria, the program pays a portion of the rent directly to the landlord. The qualified resident pays the balance of the rent due. According to information provided by the federal Department of Housing and Urban Development (HUD):

The [local public housing authority] determines a payment standard that is the amount generally needed to rent a moderately-priced dwelling unit in the local housing market and that is used to calculate the amount of housing assistance a family will receive. However the payment standard does not limit and does not affect the amount of rent a landlord may charge or the family may pay. A family which receives a housing voucher can select a unit with a rent that is below or above the payment standard. The housing voucher family must pay 30% of its monthly adjusted gross income for rent and utilities, and if the unit rent is greater than the payment standard the family is required to pay the additional amount. By law, whenever a family moves to a new unit where the rent exceeds the payment standard, the family may not pay more than 40 percent of its adjusted monthly income for rent.

¹ Additional information about the federal FBP and its administration may be [found here](#), and information relating to DWD's administration of the program in Wisconsin may be [found here](#).

² A list of Wisconsin's public housing authorities may be [found here](#).

³ Additional information about the housing choice voucher program may be [found here](#).

Individuals with certain criminal convictions are ineligible for the “Section 8” program. Under federal standards, a person who is permanently on a sex offender registry or who has been convicted of manufacturing or selling methamphetamines in or near subsidized housing is ineligible to participate.

Local housing authorities may also establish additional disqualifying criteria. For example, according to the Milwaukee County fact sheet, a person may not participate in the “Section 8” housing voucher program if he or she, or a member of his or her household, meets one or more of the following criteria:

- Is subject to a lifetime registration requirement under a state sex offender registration program.
- Has been convicted of drug-related criminal activity for the production or manufacture of methamphetamines.
- Engaged in any of the following criminal activities within the past five years, although the seriousness of offense, time since conviction, and the person’s recent history and rehabilitation is taken into consideration:
 - Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.
 - Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.
- Has been evicted from federally assisted housing in the last five years.
- Has been terminated by Milwaukee County’s rent assistance program.
- Provides incomplete documentation or fraudulent information.
- Owes a debt to Milwaukee County Rent Assistance Program or any other Housing Authority.

Housing navigators employed to carry out requirements for the federal housing programs are not addressed in current state law. Consequently, there is no existing statutory program that the committee could expand to address the justice-involved population specifically.

BIDDING THRESHOLD

The committee heard testimony regarding the experience of a community-based organization that previously provided mentoring services within Wisconsin correctional institutions. However, DOC issued a RFP for mentoring services and this organization was underbid and did not receive the contract to provide such services going forward.

Committee members asked about the dollar threshold at which DOC must issue an RFP for services. State law requires agencies to solicit bids and award a contract to the “lowest responsible bidder” when the estimated cost of materials, supplies, equipment, or contract services exceeds \$50,000. [s. 16.75 (1) (b) 1, Stats.] Thus, DOC lacks discretion to award a contract exceeding this amount to the organization of its choice, but must obtain services through the low-bid process.

KBO:PJH:ksm



October 2, 2023
Assembly Bill 180
Assembly Committee on Corrections

Chairman Representative Michael Schraa and members of the Assembly Committee on Corrections. I want to thank you for the opportunity to testify in support of AB 180: relating to: establishing a hotline for employers interested in hiring individuals with a conviction record.

I believe Wisconsin is in need of more resources for those previously incarcerated in getting them to a successful and healthy reentry process. That is why I support AB 180 in establishing a hotline to assist employers seeking to employ individuals with a conviction record.

This bill requires collaboration with the Department of Workforce Development with DWD employees staffing and assisting employers during typical business hours. These DWD employees are to provide information and assistance relating to available incentives and programs under state and federal law for employing individuals with a criminal record, including individuals participating in certain work release programs.

This is necessary to implement as previously, employers have been hesitant to hire ex-offenders, despite Wisconsin law stating you cannot discriminate against ex-offenders in the hiring process. With this hotline service, these employers will easily be able to locate the incentives and programs for hiring someone with a criminal record. This bill promotes more jobs, education on incarceration and most certainly the workforce and our economy.

Those who have been previously incarcerated deserve the chance to participate in our society and earn their own money. There is nothing standing in the way of ex-offenders gaining employment except for the stigma associated with ex-offenders along with a lack of resources to promote these individuals. This bill can reduce the negative stigma associated with ex-offenders in the workplace and thus give them a chance to regain their independence.

I appreciate you taking the time to listen to my testimony on the importance of establishing a hotline to help employers hire individuals with conviction records.

My hope is that you gained a better insight on the struggle individuals with a conviction record face when trying to find employment and how we can improve this situation. With that in mind, I urge you to vote yes on AB 180.

Thank you to my colleagues in the Joint Legislative Council for introducing this bill as well as my fellow members on the Committee on Corrections including Chairman Representative Michael Schraa.



From: Jakob Dupuis, Public Safety Policy Analyst

To: Assembly Committee on Corrections

Re: Support for Assembly Bill 180

Cicero Action writes to the Committee in support of Assembly Bill 180, a bill to establish a hotline for employers interested in hiring individuals with a conviction record. Steady employment is the top predictor of successful reentry, yet ex-offenders face significant barriers in finding work.

95 percent of our nation's prisoners will one day be released from prison. [8 in 10](#) will be re-arrested within six years. Finding and maintaining gainful employment is the strongest predictor of the likelihood of recidivating.¹ Despite this, more than [1 in 4](#) formerly incarcerated people are unemployed.

Within three years of being released from WDOC, [52 percent](#) of individuals will be rearrested, [34 percent](#) reconvicted, and [32 percent](#) reincarcerated. [8 in 10](#) people nationwide who failed to complete probation and returned to prison did not have jobs. The Missouri Department of Corrections found unemployed ex-offenders recidivated at a rate [three times](#) that of employed ex-offenders.

The State of Wisconsin should support those employers and potential employees who want to bridge the gap between prison and productive society. Employers are seeking to fill good-paying jobs, and former inmates want to work. In addition to supporting successful reentry, individuals with a criminal record have a [much longer job tenure](#) and are less likely to quit their jobs voluntarily.

Wisconsin can support this process by establishing and maintaining a hotline for employers seeking to hire formerly incarcerated individuals and keep them out of jail. Wisconsin faces a [labor shortage](#) in the coming years, and this is one step to remedy the issue. This bill aligns with the values of Cicero Action, aligns with the available data on successful reentry, and makes sense for the economy of Wisconsin.

Thank you for your consideration. Please call us if you have any questions.

¹ S. Lageson and C. Uggen, "How work affects crime and crime affects work over the life course," in C. L. Gibson and D. M. Krohm, eds., *Handbook of life course criminology: Emerging trends and directions for future research* (New York: Springer, 2013), pp. 201-212.; C. Uggen and S. Wakefield, "What have we learned from longitudinal studies of work and crime?" in A. Liberman, ed., *The long view of crime: A synthesis of longitudinal research*. (New York: Springer, 2008), pp. 191-219.



October 3, 2023

Chairman Schraa and members of the Assembly Committee on Corrections,

I had the honor to serve on the 2022 Joint Legislative Council Study Committee on Increasing Offender Employment Opportunities. Thank you to Chair Felzkowski, Vice-Chair Schraa, as well as fellow legislative members Senator Taylor and Representatives Stubbs and Petryk. As always, the Committee also benefited from the experiences, perspectives, and service of the non-legislative members.

The Committee took on an ambitious task. The re-entry landscape is complicated and the needs of the individuals returning from our care are diverse and many. We learned about a huge variety of policy solutions, their efficacy, and how Wisconsinites would benefit from them. One of the hardest tasks was to focus on just a few ideas. At times I worried the effort would not result in draft legislation simply because there's so much to do its difficult to know where to start.

The four bills in Committee today, Assembly Bills 180-183, represent just that – a strong start in improving opportunity and employability for individuals returning from our care.

Assembly Bill 180 is the most straight forward. We heard from employers on the Committee how beneficial it would be to create a place to seek information and guidance on hiring returning individuals. Under the bill, the Department of Workforce Development must create a hotline for employers to find information regarding the hiring of individuals with a criminal conviction.

Assembly Bill 181 expands an existing program called the Earned Release Program (ERP). ERP has existed for decades, but is limited by state law to individuals determined to have a substance use disorder. Only individuals with non-violent convictions are eligible and the ERP program requires the sentencing court to determine that the individual has a substance use need. The court may, after completion of the substance use treatment, reduce the in-custody portion of the individual's sentence. The amount of confinement time reduced is then added to the individual's community supervision.

The bill would retain all of current law's procedure and eligibility, but add the completion of an "employment readiness training program" for the court's consideration to reduce the individual's confinement time. An additional provision was added that would require individuals in custody to serve no less than two-thirds of their confinement time prior to being released. Like ERP, any reduction in confinement time would be added to community supervision.



At least 19 states have similar laws expressly allowing a reduction of confinement time for successful completion of education/vocation training. To ensure the new law is implemented and works as intended, the bill also requires public reports, filed with the Legislature, documenting the recidivism rates of participants.

Assembly Bill 182 needs the greatest amount of work of the four being heard today. Presentations to the Study Committee routinely pointed to the need for additional housing options for individuals as they return. Housing is obviously a top priority for returning individuals and unstable housing often leads to reduced success in all of the other areas needed to be successful, stable, sober, etc. While Assembly Bill 182 will need changes, it begins an important conversation about housing for this specific population and their specific needs and challenges.

Assembly Bill 183 would begin to rethink the service delivery model in re-entry. By helping create a single place for individuals to turn to for re-entry services and support, program enrollment and delivery will be more efficient and effective. The bill requires partnerships with nonprofits working with the re-entry population and lists the areas of treatment or services imagined all under one roof.

One major, positive impact not found within the four corners of the bill is the collaboration that will naturally occur by breaking down silos within the re-entry service landscape. First, organizations will hone best practices and working in proximity will lead to better collaboration and a holistic approach to addressing individuals presenting with multiple re-entry needs. Second, by assuming a support role rather than the project lead, the facility will be less government-building and more community space, offering a more therapeutic and recovery focused environment. Last, the new space will likely foster stronger peer to peer mentorship opportunities. Returning individuals often best relate to people that understand the unique experiences of serving time in prison.

Assembly Bill 183 also includes a strong data collection and reporting requirement to ensure the model works and serves as proof of concept should the outcomes warrant expansion beyond the one initial site.

Thank you for the opportunity to testify in favor of these bills and support the hard work of the 2022 Joint Legislative Council Study Committee on Increasing Offender Employment Opportunities.



WISCONSIN CATHOLIC CONFERENCE

TO: Representative Michael Schraa, Chair
Members, Assembly Committee on Corrections

FROM: Tia Izzia, Associate Director for Human Life & Social Concerns

DATE: October 3, 2023

RE: Support for Assembly Bills 180, 181, 182, and 183

The Wisconsin Catholic Conference (WCC), the public policy voice of the Catholic bishops of Wisconsin, urges you to support Assembly Bills 180, 181, 182, and 183, which offer needed opportunities to individuals who are exiting incarceration. We thank all the members of the Study Committee on Increasing Offender Employment Opportunities for helping to bring these bills forward.

Others here before the committee today will speak eloquently to how each of these bills individually will help build employment, housing, and other supports for people who were formerly incarcerated. What the WCC would like to speak to is the paramount importance of reintegrating those involved with the criminal justice system back into our communities.

In 1998, Wisconsin's Catholic bishops convened a 15-member Task Force on Corrections to review the state's criminal justice system. The Task Force included a formerly incarcerated person, several crime victims, a former Supreme Court Justice, the director of a community program that helps place offenders in jobs and housing, an assistant district attorney for Milwaukee County, a prison chaplain, a retired county sheriff, a former probation officer, and priests who ministered to both the incarcerated and to victims. The Task Force heard testimony from Department of Corrections officials, prison inmates, victims of crime, theologians, and advocates for judicial and prison reform.

With the findings of the Task Force, the bishops then published *Public Safety, the Common Good, and the Church: A Statement on Crime and Punishment in Wisconsin*. Their statement called for a statewide evaluation of criminal justice policies to determine how they convey respect for the human person, serve the common good, exercise an option for the poor and marginalized, serve the end of restoration, and foster the principle of solidarity among all in the community. As they stated: "Policies must be assessed in terms of their capacity to assure that offenders will live a productive and peaceful life in the community to which they return."¹ Nearly 25 years after this report was published, and after countless secular efforts to improve our criminal justice system, much remains to be done. All too often, men and women are released from jails and prisons with little, if anything, to their name, and without a healthy community to call home.

Those who are re-entering our communities after incarceration deserve the opportunity to rebuild their lives. Many are eager to work, but face substantial barriers. In the words of Pope Francis: "Many times, once released from prison, the person has to deal with a world that is foreign to him, and which also

does not recognize him as worthy of trust, even going so far as to exclude him from the possibility of working to obtain a decent livelihood. Preventing people from recovering the full exercise of their dignity, these people remain once again exposed to the dangers that accompany a lack of opportunities for development, amidst violence and insecurity.”² We can and must choose a better path.

While more must be done, these four bills will make reentry in Wisconsin more humane and individuals more successful. The bills demonstrate what can be accomplished through careful deliberation, stakeholder involvement, and bipartisan cooperation. We thank you for hearing these bills today and respectfully urge you to pass them.

¹ *Public Safety, the Common Good, and the Church: A Statement on Crime and Punishment in Wisconsin by Wisconsin's Roman Catholic Bishops*. Wisconsin Catholic Conference, 1999.

² *Pope Francis Speech to the International Meeting for Regional and National Managers of Prison Pastoral Care*. November 8, 2019. https://www.vatican.va/content/francesco/it/speeches/2019/november/documents/papa-francesco_20191108_pastorale-carceraria.html.



WISCONSIN DEPARTMENT OF CORRECTIONS

Governor Tony Evers / Secretary Kevin A. Carr

To: Chairman Schraa, Assembly Committee on Corrections

From: Anna Neal, Legislative Advisor, Wisconsin Department of Corrections

Date: October 3, 2023

RE: Information Only

- *Assembly Bill 180 Relating to: establishing a hotline for employers interested in hiring individuals with a conviction record.*
 - *Assembly Bill 181 Relating to: earned release for inmates upon the completion of an employment readiness training program and granting rule-making authority.*
 - *Assembly Bill 182 Relating to: a certification of rental readiness and funding to cover damages caused by certification of rental readiness holders.*
 - *Assembly Bill 183 Relating to: establishing and operating community reentry centers and making an appropriation*
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The Department of Corrections (DOC) has been a vocal advocate for increasing resources and programs to assist the Persons in our Care with finding and maintaining meaningful employment. The Legislative Council Study Committee on Increasing Offender Employment Opportunities sought out creative solutions to assist the agency in meeting their goals. DOC believes the committee's thoughtful attention and recognition of the barriers in place for justice involved individuals, have assisted in drafting a series of thoughtful bills for consideration.

As our agency continues to use evidenced-based decision making to implement programs and practices, we appreciate the committees such as these, who work alongside us to find bipartisan solutions. DOC supports the overall goals within these bills, and is grateful to the study committee for seeking out information from our agency to identify the needs of the population, and learn more about our business process.

We look forward to working with members of the legislature on any revisions that may be needed, and with our partner agencies anywhere our work may intersect.