

Testimony of Traci Scott VP, Workforce Development Division, National Urban League

House Committee on Education and Labor Subcommittee on Higher Education and Workforce Investment

"Workforce Innovation and Opportunity Act Reauthorization: Examining Successful Models of Employment for Justice-Involved Individuals."

June 15, 2021

Chair Wilson, Ranking Member Murphy, and Members of the House Education and Labor Subcommittee on Higher Education and Workforce Development, thank you for the opportunity to testify at today's hearing titled: "Workforce Innovation and Opportunity Act Reauthorization: Examining Successful Models of Employment for Justice-Involved Individuals." My name is Traci Scott and I serve as Vice President of the Workforce Development Division of the National Urban League. I bring you greetings on behalf of Marc Morial, our President and CEO.

The National Urban League is a historic civil rights, community-based organization dedicated to economic empowerment and the guarantee of civil rights for African Americans and other underserved communities in America. As a national nonprofit intermediary, we provide direct comprehensive services that improve the lives of nearly two million people each year, through our affiliate network of 91 Urban League affiliates in 36 states and the District of Columbia. Our mission is grounded in the belief that a job with a living wage and good benefits is the key to economic power, which is why over two-thirds of our affiliates offer workforce development and job training programs in their communities. National intermediary organizations such as ours can play an integral role in helping scale the federal government's effort to serve target populations. Our organization is well positioned with experience at the local level and perspective at the national level to serve the reentry population in historically underserved communities.

We appreciate the Committee's interest in creating a permanent, statutory authority for the Department of Labor's (DOL) Reentry Employment Opportunities (REO) program. This program has been critical to providing stable employment and reducing recidivism for justice-involved youth, young adults, and adults who were formerly incarcerated. Yet, because it is only currently authorized as Research and Evaluation under Section 169 of the Workforce Innovation and Opportunity Act (WIOA) of 2014, its future remains uncertain. Moving beyond a pilot program in statute will create more continuity and sustainability of programs.

Despite the prevalence of justice-involvement—one in three adults in the United States have some form of conviction or arrest record—it is difficult for these individuals to secure employment. Returning individuals have an unemployment rate of 60 to 75 percent a year after release and, prior to the COVID-19 pandemic, faced an overall unemployment rate of 27 percent. These disproportionately high rates are exacerbated during times of economic crisis and uncertainty. The U.S. economy lost more than 22 million jobs at the outset of the pandemic, and the unemployment rate reached 14.8 percent—the highest rate observed since data collection began in 1948. By providing stable employment, we are investing in these individuals, their immediate communities, as well as the economy. It is estimated that if 100 formerly incarcerated individuals are given employment, their income tax contribution would be \$1.9 million, while sales tax revenue would increase by \$770,000.

Barriers to Reentry for Justice-involved Individuals

Those in the reentry population face a unique set of job search challenges upon release. Further, each subpopulation (men, women, and youth, etc.) requires carefully crafted interventions that are often missed when applying generic program designs. Among many justice-involved citizens, poor education outcomes, limited or no work experience, or other mental/behavior issues precipitate incarceration. Often, these barriers or challenges remain unaddressed during incarceration and are exacerbated post-release, as reentering individuals must secure housing options, provide child support or work towards family reunification, attend to health issues, get transportation access, and take care of other financial needs prior to receiving their first paycheck.

Formerly incarcerated African American men have an unemployment rate of 35 percent post-release.³ The pressure to find employment immediately is overwhelming in this population. Many are released with fewer than \$100 in their possession. They are given a transportation voucher without a comprehensive release plan—one that includes housing, health coverage, transportation, education, or employment. Moreover, while all formerly incarcerated individuals face lawful and unlawful barriers to employment, African American male applicants with criminal records are by some estimates twice as likely to face employment discrimination than their White counterparts.⁴ Yet, they are required to find employment immediately and meet regularly with their parole officer as part of their release agreement. Parole offices are underfunded, which results in considerably higher officer to parolee rates and thus less anti-recidivism support. Further, it can take a month or longer for an ex-offender to find employment on their own without any savings, sufficient social support or professional networks, or social safety nets. For fathers, child support obligations are

¹ https://www.americanprogress.org/issues/criminal-justice/news/2020/06/25/486864/update-news-can-use-research-roundup-re-entry-advocates/

² https://s27147.pcdn.co/wp-content/uploads/Fair-Chance-Ban-the-Box-Research.pdf

³ https://www.prisonpolicy.org/reports/outofwork.html

⁴ https://www.americanprogress.org/issues/criminal-justice/news/2020/06/25/486864/update-news-can-use-research-roundup-re-entry-advocates/

often the breaking point. Without intervention, male recidivism rate is 30 percent within the first 90 days post-release.

The unemployment rate for formerly incarcerated African American women is 44 percent.⁵ The majority of incarcerated women are sentenced due to drug charges, domestic abuse, sex trafficking, or property crimes.⁶ While reentering women, especially African American and Latina women, also face barriers to employment, a pressing priority for reentering women is often family reunification. Mothers must engage with family court and child protective services to begin reunification with their children. Housing is a critical issue here. Homelessness among formerly incarcerated women is higher than homelessness among formerly incarcerated men. And it is more prevalent for formerly incarcerated Black women than formerly incarcerated White women.⁷ In order to reunify with their children, mothers need to demonstrate stable housing, and for this among other reasons—homeless mothers with children are often placed to the front of the line for subsidized housing. Therefore, formerly incarcerated mothers are motivated to prioritize housing and family reunification before employment or skills development. Among those that push through to focus on employment outcomes, the pathway has its own stumbling blocks. For example, formerly incarcerated mothers are often court-mandated to attend parenting classes, submit to regular, on-demand drug testing, and adjust to child visitation scheduling. For women who have survived domestic abuse, mental and behavioral health interventions and supports are key to a full recovery. These requirements interrupt or delay job search outcomes and work scheduling. Without sufficient interventions, female recidivism rate is as high as 1 in 4 within six months of release.

Justice-involved youth reentry programs take on a different scope to include justice avoidance and post-release interventions. Many at-risk youth first become known to law enforcement agencies as a result of larceny-theft, drug abuse or involvement, and disorderly conduct. For young women, teenage pregnancy as well as and human trafficking participation are also components to high school dropout rates and involvement with law enforcement. Other factors include gang-involvement and high school disengagement. A report from the Hamilton Project saw that young males who dropped out of high school had a 70 percent chance of becoming incarcerated by their mid-thirties. Youth reentry programming includes interventions to avoid youth's initial or escalated involvement with law enforcement or the justice system. Most successful interventions are focused on re-enrolling youth into school or an education program, an out-of-school time program, returning to their families, and connecting to substance abuse counseling. Among youth who are unable to avoid incarceration, post-release for juvenile justice-involved youth looks different than adults. Many youth in the carceral system dropped out of high school after falling

⁵ https://www.prisonpolicy.org/reports/outofwork.html

⁶ https://cjinvolvedwomen.org/wp-content/uploads/2016/06/Fact-Sheet.pdf

⁷ https://www.prisonpolicy.org/reports/housing.html

⁸ https://www.theiacp.org/sites/default/files/2018-11/IACP_PMP_PoliceYouth.pdf

⁹ https://www.brookings.edu/research/ten-economic-facts-about-crime-and-incarceration-in-the-united-states/

significantly behind in their education. Most do not have a high school diploma or equivalent upon release. For them, returning to school or obtaining a high school diploma or equivalency is the first priority, whereas for adults it may be finding employment. Youth with a diploma that they either received prior to or obtained during incarceration may choose to pursue an employment opportunity or a dual education and employment pathway. Yet, they find challenges finding employment opportunities. Youth unemployment has been consistently higher than average as a result of more adults staying in the workforce longer. Traditional entry-level jobs in retail and restaurant sectors are occupied by adults with more work experience. Many jobs held by young people in the past, such as newspaper delivery or home repair (snow shoveling, lawn care, etc.) have been eliminated due to technology or automation. Due to economic constraints, crucial job experience and development programs exclusively for youth, such as Summer Youth Employment Programs have become less accessible for youth, particularly low-income youth. Last year, youth unemployment was 18 percent, with the highest among African American and Asian American youth (25.4 percent for both groups). 10

National Urban League Experience and the National Intermediary Model

The National Urban League has served the formerly incarcerated for more than fifty years—even before federal grant money was expressly targeted for this purpose. Urban League affiliates offer a wide range of wrap-around support services to address the needs of those reentering society to ensure they transition as smoothly as possible and to reduce recidivism.

The National Urban League won its first US Department of Labor (DOL), Reentry Employment Opportunities (REO) grant in 2005 and has managed over eight federal grants for reentry, serving both youth and adults since that time. Of those participants impacted by National Urban League's reentry program: 86 percent have earned a credential or certificate; 65 percent reported finding employment; and up to 95 percent did not return to prison (this translates to a recidivism rate lower than 5 percent—well under the US DOL recidivism threshold of 22 percent or below.)

The National Urban League builds partnerships with employers so that when our clients complete their credentials and apprenticeships, they have employment opportunities available to them. We currently have a relationship with 450 companies ranging from the culinary field to construction to telecommunications and technology. To qualify for National Urban League subgrants in workforce development, our Urban League affiliates do rigorous market analysis to identify industries in their communities that have good jobs available, and potential employers with whom to partner. Affiliates have also worked with local workforce boards to improve access to and quality of job training programs.

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¹⁰ https://www.bls.gov/news.release/pdf/youth.pdf

As stated above, national intermediaries provide a key role in the rapid implementation of federal initiatives, especially new policies and crisis response activities. National intermediaries facilitate direct access to services delivered through local organizations, while also ensuring that consistency, scale, accountability, and capacity building are built into the model. A key role of the national intermediary includes providing technical assistance through data reporting, sharing of best practices, convening network meetings, and instilling innovation through a constant dialogue across a network of providers and the intermediary institution. National intermediary organizations are able to take federal dollars and create scale in serving target populations. Their very existence allows community-based organizations (CBOs) the opportunity to compete in workforce development and other service delivery systems that are predominantly occupied by for-profit institutions, which often don't understand local community needs.

As such, we believe a key strength of the DOL's REO program has been the opportunity for national and regional intermediaries to compete for a separate pot of money within the overall program. We strongly recommend that this component of the existing program be continued in the WIOA statute.

Because of our experience, we understand the quality of programs and types of support services needed to successfully integrate returning citizens into the workforce and mainstream society while reducing recidivism. That is why we recommend that there be a **preference for national** intermediaries with recognized expertise that offer on-site wrap-around services, including cognitive behavioral therapy with a workforce emphasis, and have nationwide employer partners.

Reentry Employment Policy Recommendations for WIOA Reauthorization

1. Increase the amount of federal reentry funding to meet the demand for services. Prior to the COVID-19 pandemic, states had already begun reducing their incarceration rates by the double digits. Before COVID-19 reached our shores, the state of Oklahoma had announced the release of 450 individuals. During and since the pandemic, California released 8,000 and Washington plans to release up to 40,000 people incarcerated for nonviolent offenses in order to prevent COVID outbreaks. These early release policies, as well as a need for reskilling to find a job given COVID-19's impact on the economy, have led to an exponential increase in the demand for the skills training and workforce

¹¹ https://www.brennancenter.org/our-work/analysis-opinion/between-2007-and-2017-34-states-reduced-crime-and-incarceration-tandem

¹² https://www.cbsnews.com/news/oklahoma-released-inmates-early-more-than-450-inmates-released-in-possible-largest-single-day-commutation/

¹³ https://aclu-wa.org/pages/q-blake-decision#:~:text=What%20is%20the%20Blake%20decision%3F%20On%20Feb.%2025%2C,occurred%20in%20a%20case%20known%20as%20State%20v

development services we offer with support of the DOL's Reentry program funds. Unfortunately, WIOA funding has not kept pace to accommodate this increase in demand. Given the extensive employment and reentry needs, particularly in communities of color, and the significant return on investment from REO program services, we urge you to increase the amount of the dollars in the overall account to \$125 million from the fiscal year 2021 enacted level of \$100,079 million and double the amount allocated for the competition among national and regional intermediaries to \$50,500,000.

2. Ensure national and regional intermediaries can compete for reentry grants serving both adults and youth. Currently, the fiscal year 2021 appropriations bill text provides competitive grants for national and regional intermediaries "for activities that prepare for employment young adults with criminal records, young adults who have been justice system-involved, or young adults who have dropped out of school or other educational programs, with a priority for projects serving high-crime, high-poverty areas." Summer youth programs help low-income youth not only develop important foundational employment skills, but also help add income to working poor families, which can be a pressure for youth to turn to illicit forms of earning income. We recommend that this language be written in statute under a new WIOA reauthorization.

Given that justice-involved youth and formerly incarcerated adults require different services, we also recommend that national and regional intermediaries be allowed to use funds for activities that prepare adults for employment in addition to youth.

3. Utilize national intermediaries with recognized expertise. Utilizing national intermediaries for workforce development with recognized expertise, existing infrastructure, and large networks of employers and community relationships ensures that congressional investments in workforce development can be deployed within communities quickly. This is especially true for programs aimed at the recently incarcerated. Having nationwide employment partners is key to being able to advise participants about employment opportunities across multiple job markets where states are likely to face large numbers of returning citizens due to pending sentencing changes that are occurring nationwide.

4. Redefine the Reentry Program model requirements to include the following:

a. **Wrap-around services**. Reentry program models have not been revised to reflect the changing and/or unique needs of returning citizens as a result of the COVID-19 pandemic. Even before the pandemic, we saw how inextricably linked accessing the internet and finding a job had become. Now, we see that job seekers who cannot get online cannot secure employment. Yet, more often than not, returning citizens cannot afford broadband or the devices needed to search for job openings. Those

with broadband and devices may not have the digital literacy skills needed to successfully find employment opportunities, complete online applications, and conduct virtual job interviews. The American Recovery Act included funds for an Emergency Broadband Benefit (EBB), which provides subsidies to low-income individuals who cannot afford the costs associated with access to internet service. Unfortunately, this program is temporary—it will end once the program funds are exhausted, or six months after the Department of Health and Human Services declares an end to the pandemic, whichever comes first. The National Urban League, in our Lewis Latimer Plan for Digital Equity and Inclusion¹⁴ supported the EBB, and we also support making the program permanent or finding a separate path to a permanent, sustainable solution.

Given our nation's weakened economy, we have also seen an increase in the number of individuals reentering society that need wrap-around services to secure housing; pay for utilities; and access transportation to get to and from work, whether that is by getting a driver's license and subsidies for gas, or by procuring public transit passes. Many also need assistance setting up childcare, meeting child support obligations or reunifying with children, and more. A national intermediary with wrap-around services can meet all those needs in one place, thus increasing the likelihood of success for their clients. A job seeker may struggle to find employment because they do not have a GED: that might be enough to stop them in their tracks. But if they are already in a place—like an Urban League affiliate—where they can get assistance in getting over that initial hurdle and access all the other services they need, they are more likely to stick with their jobs program and succeed.

- b. Workforce-centric Cognitive Behavioral Therapy. An additional key component in reducing recidivism is Cognitive Behavioral Therapy (CBT). CBT is a model that helps individuals overcome challenges. Many organizations currently include it in their programs, but having a workforce emphasis has been demonstrated to be particularly effective. Specifically, workforce-centric CBT helps to develop the specific behavioral skills to support returning citizens, such as navigating anxiety during a job search and interviews, creating and maintaining interpersonal professional relationships, and managing communication in the workplace.
- c. **Pre-release engagement.** Having an employment plan prior to release is essential. In the National Urban League's experience, community organizations that can meet

¹⁴ https://nul.org/sites/default/files/2021-04/NUL%20LL%20DEIA%20041421%20Latimer%20Plan_vFINAL_1136AM.pdf

with soon-to-be-released individuals to conduct assessments, develop a comprehensive program engagement program, and have a set program schedule prior to release helps the person to be focused on obtaining employment upon release. This requires granting community-based organizations access to correctional facilities pre-release.

5. **Diversify eligible training providers.** We believe there has been an overemphasis on directing workforce dollars to community colleges and the higher education system. This leaves too many people without the flexibility they need to access a credible credential and find employment. Urban League affiliates have seen a drop-off in training participation for programs longer than 12 weeks. Returning citizens need access to grants for training programs outside of the higher education system, so that they can afford and complete a program that fits their timeline, work schedule, family responsibilities, and financial needs.

Strengthening the connection between reentry and apprenticeship would help expand the list of eligible training providers so that program participants have multiple pathways to careers and employment opportunities. With apprenticeships, individuals returning to society following incarceration are able to earn while they learn the skills necessary to obtain a job with good benefits and a living wage.

We appreciate the Subcommittee's interest in authorizing reentry programming in Federal law. This is an area where there is much need for investment and reimagining. But this is not just an issue of funding, the system needs to change to better serve our most vulnerable individuals. We look forward to working with the Congress to ensure persons returning to society are able to secure the job training and employment opportunities they need to transition back to their communities. Thank you for the opportunity to share our perspective today. I look forward to answering any questions you might have.