TESTIMONY OF
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Chairman Davis and distinguished members of the Subcommittee, I am pleased to have the opportunity to testify today on the Prisoner Re-entry Initiative. I wish to begin by thanking you, Mr. Chairman, for all your efforts to secure enactment of legislation authorizing this important initiative, culminating in President Bush signing the Second Chance Act on April 9 of this year. In my testimony today, I will describe the Department of Labor's (DOL) approach to prisoner re-entry and share with you DOL's successes with the President's Prisoner Re-entry Initiative.

DOL, under President Bush's and Secretary Chao's leadership, has sought to fundamentally change the way it approaches prisoner re-entry programs.

The efforts to find more effective ways to serve the ex-offender population was driven by the great need in this country for programs to assist prisoners returning home to their communities. Each year more than 650,000 inmates are released from Federal and State prisons and return to their communities and families. Without help, a majority of ex-prisoners do in fact return to criminal activity. For example, according to the U.S. Department of Justice (DOJ), almost three out of five inmates returning to society will be charged with new crimes within

three years of their release from prison and two out of five will be re-incarcerated. Unemployment among ex-prisoners has been estimated at between 25 and 40 percent. Studies also show that joblessness among ex-prisoners has been broadly linked to recidivism rates.

Prior to 2002, DOL prisoner re-entry programming and supports had two main focuses. The first was an extensive partnership with DOJ to assist with funding and programming around the Serious and Violent Offender Re-Entry Initiative. The second was its implementation of a number of incentive programs, such as the Work Opportunity Tax Credit (WOTC) and the predecessor Targeted Jobs Tax Credit, which provide employers with subsidies for hiring from a variety of hard-to-employ populations, including certain ex-offenders, and the Federal Bonding Program, which provides businesses with insurance for high-risk employees, primarily ex-offenders.

During conversations with employers in 2002, it became clear that the WOTC and the Federal Bonding Program, by themselves, were insufficient to help ex-offenders overcome employment barriers. In the case of the Federal Bonding Program, a number of employers commented that the bond, by itself, sometimes actually constituted a barrier. The bond alone was not perceived as a benefit to employers as it tended to brand applicants as high-risk without actually protecting employers against liability actions in the event an ex-offender committed a crime against a customer or employee.

Since these conversations, DOL has redesigned its prisoner re-entry activities to make them more responsive to employer concerns about hiring ex-offenders, while at the same time improving supports for ex-offenders when they return to their communities. We are finding that both elements are critical to successful re-entry.

Rather than relying only on a combination of employer incentives and training, the DOL re-entry approach today is community-based, mentor-supported, and employment-focused. Our programs reflect the belief that workforce development and employment placement services need to be done in concert with efforts to reconnect returning offenders to community institutions that can help them navigate the full range of re-entry barriers, from psychological and emotional issues to housing, child care and substance abuse treatment. Our approach has embraced partnerships with both religious and secular non-profit organizations that serve as the front door of re-entry into the community. These organizations provide case management and other services, and help link returnees with mentors and life-coaches to provide personal support during readjustment to life outside prison.

Ready4Work

The vision for the Prisoner Re-entry Initiative (PRI), as introduced by President Bush in his 2004 State of the Union Address, built upon the promises of the Ready4Work (R4W) model, which was a joint effort between DOL's Employment and Training Administration (ETA) and Center for Faith-based and Community Initiatives. The R4W program was a pilot program launched in 2003 in 11 sites in response to the increasing national re-entry challenge. The program was designed to leverage the trust and leadership of faith-based and community organizations to help ex-offenders build better lives. Based on a strategy of utilizing every willing partner, and recognizing the unique and invaluable strengths of community and faith-based groups, the R4W program helped change the lives of ex-offenders. R4W not only increased ex-offender access to stable employment, it also strengthened participants' social bonds in the community. This attribute was especially important to employers participating in the program, as employers viewed connections to community organizations as a sign of stability

for an ex-offender hire. By creating a program that was not only supportive to returning offenders, but also responsive to employer concerns, the R4W program was able to provide numerous opportunities not only for offenders, but also for their families and the communities in which they reside.

The R4W proved to be very successful. Across the 11 R4W sites, 60 percent of participants became employed, and 63 percent retained their jobs for three or more consecutive months. Recidivism rates for R4W participants were 40 percent to 50 percent lower than the national average for one year after release.

Fifty-five percent of the participants at the 11 R4W sites were involved in mentoring or life coaching, and those participants fared better in terms of program retention (59 percent more likely to stay in the program), job placement (twice as likely to find jobs), job retention (43 percent more likely to retain jobs for three months), and recidivism (39 percent less likely to recidivate) than those who did not participate in mentoring. Mentoring harnesses the power of social capital by helping formerly incarcerated persons develop relationships. Building a network of caring relationships that surround an individual is key to keeping people out of prison and on a productive path. Mentors can be among the most important of these relationships.

The President's Prisoner Reentry Initiative

PRI was born out of the promise of the R4W program, and seeks to expand on the successes of the R4W model. PRI works to strengthen urban communities impacted by large numbers of returning prisoners through community-based, mentor-supported and employment focused programs. PRI is also a collaborative effort between DOJ and DOL. DOJ grants are awarded to State agencies for pre-release services to partner anti-recidivism efforts with those of faith-based and community organizations. Twenty state departments of corrections align with the

DOL grantees and provide services and referrals to the DOL PRI programs once offenders are released.

As compared to the U.S. offender population, PRI is serving a population that is more female (23 percent), has a greater proportion of African-Americans (54 percent), is slightly older (55 percent age 35 or older), and is less educated (47 percent with less than a high school degree or GED). In addition, 85 percent of PRI participants have some type of supervision requirements (probation, parole, or other), 57 percent have had a drug offense, 57 percent report a history of substance abuse, and 7 percent are veterans.

DOL will have, by June 30 of this year, provided $56 million in funds over three years to support 30 PRI grants in 20 states and $3 million to support one-year PRI grants in 23 states. In 2008, DOL plans to award new PRI grants in 15 to 20 cities.

It is important to note that PRI program participants are not placed in make-work jobs. The skilled trades, such as plumbers, carpenters, welders, and electricians, is an example of an industry sector that currently has an acute need for workers and that can provide career pathways for ex-offenders. But many of these jobs require more education and more skills than in the past. That is why programs like PRI are so essential. They provide skills training so these men and women can access good paying jobs back in their communities.

About 28 percent of PRI participants participated in some type of education or training, which ranges from GED and literacy instruction to occupational skills training. Examples of fields in which participants receive occupational training include: forklift operating, commercial truck driving, welding, carpentry, pipefitting, culinary arts, plumbing, building maintenance, and electrical trades. Such occupational training is sometimes supported by WIA formula funds, but more typically is paid for outside of the WIA system through funds that are leveraged by the PRI

projects from adult vocational education, community colleges, trade schools, and faith-based and other community-based organizations.

The Chicago PRI project is a good example of how this initiative can strengthen the capacity of community and faith-based organizations to serve returning prisoners. The Safer Foundation is using its PRI grant to build the capacity of neighborhood-based churches to serve released prisoners in some of the poorest communities in the city by training case managers at each of their three faith-based sub-awardees. Mentoring of returning prisoners occurs through the assistance of many neighborhood congregations. To date, the Safer Foundation has 554 participants in its PRI program, with a 50 percent entered employment rate, 53 percent retention rate and a 6 percent recidivism rate. The Safer Foundation shows that providing key transitional services through sustained involvement with community and faith-based partners greatly improves participant job readiness, job placement, retention and reduced recidivism.

DOL has established a rigorous performance tracking system for our grantees, which allows us to determine the employment outcomes and recidivism rates for participants. After two full years of PRI implementation, the results are very promising in terms of increasing job placement and retention and reducing recidivism rates of participants, compared to the national average. Of the 12,890 participants, 63 percent have been placed in jobs, with an average hourly wage of $9.41 an hour. In addition, over 1,100 participants have entered post-secondary education, 1,267 have entered long-term occupational skills training, and 6,677 have received mentoring. Of those participants employed upon exit from the program, 66 percent are retained in employment six months post-program. Perhaps most significantly, PRI has a one-year post-release recidivism rate of only 15 percent, which is less than half of the of the Bureau of Justice Statistics' national benchmark of 44 percent.

DOL has begun an 18-month outcome evaluation in order to determine the initiative's effectiveness and to analyze the extensive program data being collected. The evaluation will also look at the implementation of an employment-centered re-entry approach in order to gain further insights into successful re-entry practices.

The Second Chance Act of 2007

On April 9, 2008, President Bush signed into law the Second Chance Act of 2007. The Act authorizes important parts of the PRI to help America's prisoners by expanding job training and placement services and helping newly released prisoners get mentoring from community and faith-based groups. Section 212 of the Act will allow the Secretary of Labor to award additional grants to non-profit organizations to provide mentoring, job training and placement services, and other comprehensive transitional services to assist eligible ex-offenders in obtaining and retaining employment. The Act authorizes $20 million to be appropriated in fiscal years 2009 and 2010 for this effort.

DOL was very pleased to have worked closely with Congress on this important milestone in the PRI and the nation's efforts to improve outcomes for ex-offenders. This program's success demonstrates it warrants the separate and specific authorization provided by the Second Chance Act. By relying on faith-based and community organizations to provide critical services, and establishing effective partnerships with the workforce investment and criminal justice systems and other programs, this grant program gives important opportunities for offenders to obtain the support that will help them find and retain employment, and avoid return to criminal activity. The Second Chance Act will ensure that DOL can continue its important work in seeking opportunities for every worker.

Conclusion

In conclusion, Mr. Chairman, I think it's vital that Congress and the Administration continue and extend its partnership in improving outcomes for ex-offenders. This is not just about the needs of returning offenders. Re-entry outcomes are critical for families, communities and the nation at large in terms of adjudication and incarceration costs as well as the staggering cost in lost productivity and wasted lives. As Secretary Chao stated at the White House National Summit on Prisoner Re-entry, "The heaviest cost is the loss of human dignity when people are living lives of poverty, addiction, and despair. We must – and we can – break that cycle….Working together, we can continue to ensure that everyone in our society has a second chance, and the tools they need to build lives of independence and dignity."

Mr. Chairman, this concludes my prepared testimony. I will be pleased to respond to your questions.