



Testimony

Submitted on behalf of the
Pennsylvania Chamber of Business and Industry

Public Hearing on H.B. 1826, Clean Slate Expansion

Before the:
Pennsylvania House Judiciary Committee

Presented by:

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Chairman Kauffman, Chairman Briggs and members of the Judiciary Committee, my name is Alex Halper and I am Director of Government Affairs for the Pennsylvania Chamber of Business and Industry. The PA Chamber is the largest, broad-based business advocacy association in Pennsylvania. We represent employers of all sizes, crossing all industry sectors throughout the Commonwealth. Thank you for the opportunity to testify today regarding H.B. 1826, legislation to expand Pennsylvania's Clean Slate law.

The PA Chamber supported Act 56 of 2018, the first iteration of Clean Slate, though our path to arriving at that position was circuitous. Criminal justice reform had not been an area of public policy in which the PA Chamber historically took a position. In fact, when Clean Slate legislation was first introduced, our initial engagement focused on concerns that employers could be exposed to unfair liability based on the conduct of a new hire whose record had been sealed. Working with lawmakers and advocates, we helped develop an amendment to H.B. 1419 that provided targeted liability protections for employers and was ultimately incorporated into the final legislation.

Though some skepticism lingered, employer feedback from this new law was, and continues to be, overwhelmingly positive. The business community recognized that Clean Slate, and a number of other criminal justice reform initiatives, not only

benefited the individuals and criminal justice system, but also employers and Pennsylvania's economy as part of a broader strategy to address the workforce crisis.

Pennsylvania employers are confronted with numerous challenges: historic inflation; ongoing supply chain disruptions; continued fallout from the pandemic and business shutdowns; and competition from other states and around the world. One challenge that seems to impact employers of all sizes, regions and industries is the ability to find qualified job applicants to fill open positions.

To be sure, the extent of this crisis was made clear by Pennsylvania employers well prior to the pandemic. For example, the PA Chamber used to conduct an annual economic survey of employers and would ask respondents to name the single most important issue facing their company. Over the decades, the top response to that question generally rotated among taxes, the cost of healthcare and the general state of the economy. In 2018, however, the top response, for the first time ever, was Workforce Development/the inability to find qualified employees.

The pandemic certainly exacerbated these challenges, both in Pennsylvania and nationally. A [May 2021 survey](#) of 500 Americans conducted by the U.S. Chamber of Commerce demonstrated the extent of this national workforce crisis, including finding that 49 percent of Americans who became unemployed during the pandemic said they were neither actively nor very actively looking for work; 30 percent said they did not expect to return to work in 2021; and 13 percent said they never plan to return to work.

Today, the workforce environment and hiring outlook remains tenuous. For example, according to the National Federation of Independent Business [July 2022](#)

[Small Business Optimism Index](#):

Forty-nine percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period...The difficulty in filling open positions is particularly acute in the transportation, construction, manufacturing, and wholesale sectors...Overall, however, the current level of openings is over 20 percentage points higher than the historical average....Fifty-seven percent (91 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill...

And according to [the Pennsylvania Independent Fiscal Office](#), for June 2022 there were 1.53 job openings for each unemployed individual in Pennsylvania, up from 1.0 prior to the pandemic, a substantial increase. The same IFO report delved into some of the theories and reasons why hiring is so particularly difficult at this time.

Suffice it to say, the reasons are many and the challenge is multi-faceted.

Accordingly, lawmakers' approach to addressing this challenge must be equally multi-faceted – including expanding the talent pool. To that point, the PA Chamber's Workforce Development policy position statement states that "A comprehensive and effective workforce development strategy must also focus on expanding the talent pool by facilitating employment opportunities for those who are too often economically marginalized, including reentrants, individuals with disabilities and veterans." Clean Slate is consistent with this position.

Act 56 of 2018, the original Clean Slate bill, provides that summary offenses, certain non-violent misdemeanors and crimes committed as a juvenile, as well as arrests that did not result in conviction, will be automatically sealed after 10 years if the offender remains crime free. Act 83 of 2020 added criminal records of those pardoned or acquitted; and individuals who have paid all restitution, but are still paying court fees. House Bill 1826 proposes to add certain lower-level drug felonies, expands the

categories of criminal records eligible for petition sealing by courts, and shortens waiting periods for more minor convictions.

It bears noting that the legislation as introduced includes additional new language prohibiting employers from considering sealed criminal history in an employment decision should they somehow become aware of the sealed record. We have some concerns with this provision though I am confident they will be addressed and commend the bill advocates with whom we have worked constructively to develop an agreeable resolution to this particular issue.

Advocates for and direct beneficiaries of Clean Slate report that this policy encourages individuals to reenter the workforce, look for employment, apply for and accept jobs. Employers report that individuals with a criminal record are often their best employees. We believe those expressing these sentiments. This population represents a potentially vast pool of under-tapped talent in Pennsylvania and we are urging action by lawmakers and employers to facilitate their employment. We support Clean Slate and H.B. 1826.

Thanks again for the opportunity to testify. I am happy to answer any questions.