



Why in Iowa?

Traditional recruiting and hiring practices are no longer sufficient to support Iowa's business expansion. For Iowa to remain economically competitive, it must have a skilled workforce. Projected to continue to add jobs, Iowa entrepreneurship and growth will be hampered if an adequate supply of workforce talent is not available.

Fair chance is a strategy that expands the talent pool, reduces recidivism, and improves public safety. Generally, individuals with a record are severely marginalized due to being under-employed or remaining unemployed. Individuals of color, women, and persons with disability are disproportionately affected when Fair Chance Hiring policies and practices are lacking.



The City of Cedar Rapids
www.cedar-rapids.org



Linn County, Iowa
www.linncounty.org



Cedar Rapids Metro
Economic Alliance
www.cedarrapids.org

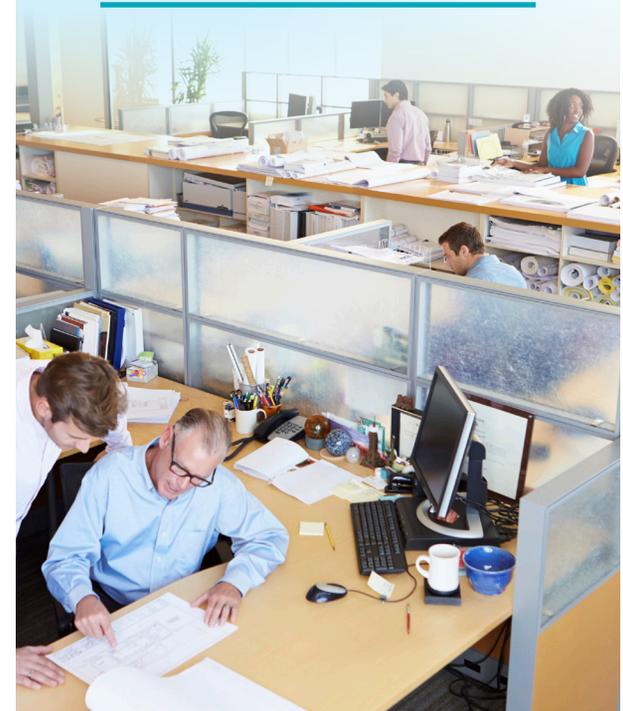
An initiative by The City of Cedar Rapids, Linn County, and the Cedar Rapids Metro Economic Alliance.

For more information and a list of sources, please visit:
www.cedarrapids.org/our-region/workforce



Fair Chance Hiring

Expanding the Talent Pool
For Business Success



What is Fair Chance Hiring?

Fair Chance means a prospective candidate with a record (like arrest, probation, or incarceration) is not automatically disqualified from consideration for hiring.

Fair Chance policies consider a candidate's qualifications first, without the stigma of an arrest or conviction record, ensuring prospective employees are not automatically disqualified during the selection process. The hiring and decision-making remain solely with the employer.

Major corporations like American Airlines, the Coca-Cola Company, Facebook, Google, PepsiCo, Starbucks and Xerox have taken the pledge to support Fair Chance Hiring.

Why Fair Chance?

1 in 4 Americans have had some sort of involvement with the criminal justice system that would be discovered during a routine background search. Such an individual is frequently referred to as a "Fair Chance Worker."

When asked why a Fair Chance Worker was hired over another candidate, 50% or more managers and HR professionals said they wanted to hire the most qualified candidate. 67% believe the quality of work provided by a Fair Chance Worker is about the same or higher than that of workers without records.

Barring all Fair Chance Workers from consideration narrows and an already tight labor pool and likely means noncompliance with federal Equal Employment Opportunity (EEOC) regulations.

Employer Incentives

Iowa offers a state tax credit of 65% of the wages paid to an ex-felon in the first 12 months of employment with a maximum deduction of \$20,000 per employee.

The Work Opportunity Tax Credit is available to employers who hire an ex-offender (within a year of the felony conviction, or from release from prison from the felony.) Employers can decrease their federal income liability from \$2,400 up to \$9,600 per employee.

The Federal Bonding Program provides a fidelity bond to an employer for at-risk, hard-to-place job seekers for the first six months of unemployment. This is at no charge to the employer. Each bond has a \$5,000 limit with no deductible and may be used for justice-involved citizens, individuals in substance abuse disorders recovery and economically disadvantaged youths.

Less Risk Than is Perceived

Employers worry a Fair Chance Worker increases liability. This is based more on perception than empirical data. Research shows once an individual with a record has stayed out of trouble, the likelihood of being arrested for a new crime rapidly declines. Those who had a serious record were no more likely to terminate early or show higher rates of poor performance or misconduct.

Employers are also concerned a Fair Chance Worker may increase the potential for workplace violence. This also doesn't hold up against the data. There is no research suggesting that a high percentage of workplace violence is committed by employed ex-offenders. In reality, the majority of workplace incidents are committed by non-employee strangers.



What is the "Ban the Box" movement?

This refers to the box on an employment application which asks an applicant to mark "yes" or "no" to the question "do you have a criminal record?"

Under Fair Chance, the box is removed, delaying these questions until later in the hiring process. An individual is evaluated first on their qualifications without the stigma of a record.

Background Checks

A background check is not prohibited, but used later in the hiring process (i.e. during the conditional offer stage.)

Fair Chance assists employers with ensuring a background check is accurate and meets legal criteria.

Fair Chance helps identify if a prior record or adverse personal history is relevant to the job and how to develop defensible screening hiring criteria.

A record may include a wide swath of misleading information. Not only is a criminal record difficult to interpret, it may include arrests that were dropped because of factual innocence. Recorded offenses also vary from juvenile or one-time arrests to more serious crimes.