Testimony in Support of HB 263
Megan O'Dell, Attorney
Ohio Poverty Law Center
House Commerce and Labor Committee
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Chair Manning, Vice Chair Dean, Ranking Member Lepore-Hagan, and members of the House Commerce and Labor Committee, my name is Megan O'Dell, and I am an attorney at the Ohio Poverty Law Center. The Ohio Poverty Law Center advocates for evidence-based policies that protect and expand the rights of low-income Ohioans. We are a non-profit law firm working closely with Ohio's legal aid community, serving Ohioans who are living, working, and raising their families in poverty. Thank you for the opportunity to provide testimony in support of House Bill 263, to revise occupational license restrictions.

There are over 850 barriers to employment and occupational licensing for individuals with criminal convictions.[1] These licensed occupations account for one in four jobs and pay $4,700 more on average.[2] In Ohio, approximately one in six residents has a felony or misdemeanor conviction record.[3] This means that close to two million Ohioans face barriers to employment and occupational licensing due to their criminal record, disproportionately affecting low income people and communities of color, further perpetuating the cycle of poverty.[4] When looking at records created by arrests and other infractions, this number jumps to one in three individuals.[5]

House Bill 263 would remove these barriers to employment by reforming occupational licensing and allowing individuals access to employment. Licensing agencies would be required to create new disqualifying criminal offense lists that only include offenses related to the duties and responsibilities of the licensed occupation. For example, under current law, an individual seeking to be licensed as a barber may have their license suspended or denied for possession or addiction to the use of any controlled substance that is prohibited by state or federal law.[6] An individual seeking to be licensed as a community health worker may be denied a license or have their license revoked for any drug possession conviction or for "a judicial finding of eligibility for a pretrial diversion or similar program or for

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[1] Shields, Michael and Pamela Thurston, *Wasted assets: the cost of excluding Ohioans with a record from work* (Dec. 2018). https://www.policymattersohio.org/files/research/collateralsanctions-v2-2019.pdf.
[2] *Id*.
[3] *See* http://www.ohiojpc.org/about/.
[4] *Id*.
[5] Vallas, Rebecca and Sharon Dietrich, *One Strike and You're Out: How We Can Eliminate Barriers to Economic Security and Mobility for People with Criminal Records* (Dec. 2014). https://cdn.americanprogress.org/wp-content/uploads/2014/12/VallasCriminalRecordsReport.pdf.
[6] ORC 4709.13(A)(2), ORC 4709.13(B)(1)-(2).

intervention in lieu of conviction".[7] These offenses are not related to the duties and responsibilities of being a barber or a community health worker.

House Bill 263 would also only allow licensing agencies to consider disqualifying offenses for five years after the date of conviction or the release from incarceration, whichever is latest. Most individuals recidivate within three years of an arrest and certainly within five years of an arrest.[8] There are certain offenses that a licensing agency can always take into consideration, such as sexually oriented offenses and violent offenses. However, reform would give licensing agencies the authority to license individuals based on an individual's qualifications and experience. House Bill 263 does give licensing agencies the discretion to deny an applicant they believe not suitable for the licensed occupation. Within the five-year time period, a licensing agency could deny an applicant due to their criminal record if they have taken other factors into account, such as the nature and seriousness of the offense.

The General Assembly has been working to reduce barriers to employment. Senate Bill 66, passed in the 132rd GA, greatly expanded an individual's ability to have their record sealed, and pending legislation such as House Bill 1, Senate Bill 3, and Senate Bill 160 would expand sealing and expungement, reducing the barriers to employment for individuals with criminal offenses. We are in full support of this effort. It is important to note that the sealing of a criminal record does not delete the record. That occurs through the expungement process, which is only available for juvenile records and for survivors of human trafficking. Sealing a record hides the record from public view, which means that public employers and state licensing agencies are still able to see an individual's record and still must bar an individual from licensing based on that record. Because employment is critical to successful reentry, reducing the mandatory bars in the law and administrative rule is crucial, and House Bill 263 would do just that.

Many states have taken the lead in this type of occupational licensing reform. Since 2015, 21 states have reformed their occupational licensing laws to help individuals with criminal records become licensed.[9] Seven states including Indiana, Kentucky, and Oklahoma no longer allow licensing agencies to use vague standards such as "good moral character".[10] Ohio would be included in this list if House Bill 263 passes. Thirteen states including Indiana, Kentucky, Tennessee, and Wisconsin generally bar licensing agencies from denying licenses to individuals based on their criminal record unless their record is directly related to the license sought.[11] Other states understand the detriment that licensing barriers create not just for individuals but also for employers and licensing agencies. In our current state of low unemployment, employers are searching for qualified employees. Individuals with criminal records who are otherwise qualified, experienced, and hardworking are forced to settle for low paying jobs, negatively impacting employers. I urge you to pass House Bill 263 and remove barriers to employment.

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[7] OAC 4723-26-11(B)(5).

[8] Blumenstein, Alfred and Kiminori Nakamura, *Redemption' in an Era of Widespread Criminal Background Checks*. National Institute of Justice Journal (2011). https://www.ncjrs.gov/pdffiles1/nij/226872.pdf.

[9] Institute for Justice, https://www.policymattersohio.org/files/research/collateralsanctions-v2-2019.pdf.

[10] *Id*.

[11] *Id*.