OHIO CHAMBER OF COMMERCE

BEFORE THE SENATE WORKFORCE DEVELOPMENT COMMITTEE
OPPONENT TESTIMONY ON SENATE BILL 143

Chairman Koehler, Vice-Chair Reynolds, Ranking Member Ingram, and members of the Senate Workforce Development Committee, thank you for the opportunity to provide opponent testimony on Senate Bill 143 (SB 143). My name is Kevin Shimp and I am an associate attorney at the law firm Dickinson Wright testifying on behalf of the Ohio Chamber of Commerce.

The Ohio Chamber is the state's leading business advocate. The organization represents over 8,000 companies that do business in Ohio, and their mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

In our efforts to champion economic competitiveness, the Ohio Chamber supports second-chance hiring and the goal of helping reformed citizens rejoin the workforce. We championed similar efforts in the last General Assembly, notably supporting HB 460 which sought to provide meaningful assistance to reformed citizens seeking job opportunities and supported employers who hire formerly incarcerated individuals. While we appreciate the intent of SB 143, we believe its prescriptive and mandatory requirements will ultimately undermine second chance hiring across Ohio rather than encourage it.

Senate Bill 143 consists of two major components. First, it enacts a "Ban the Box" policy by prohibiting employers from inquiring about an applicant's criminal background on an initial application. Second, and potentially more impactful, the legislation imposes a multi-step, mandatory process on employers who choose not to hire an applicant due to a criminal background check. This new process requires an employer to perform an individualized assessment of the applicant's criminal history, provide the applicant with a preliminary written notice detailing the disqualifying conviction, deliver a copy of the background check to the applicant, and then engage in an interactive process with the applicant before issuing a final written denial of a job.

This complex, "one-size fits all" process creates significant new administrative and legal barriers to hiring reformed citizens for Ohio employers. By requiring employers to provide statements in writing on why they did not hire someone, SB 143 treats reformed citizens differently than all other job applicants and undermines at-will employment in our state. These mandatory written statements also create evidence that may establish the basis of a future lawsuit, regardless of the merits of the hiring decision.

Furthermore, the bill fails to include employer protection for negligent hiring and supervision. This liability risk is a primary concern that discourages many businesses from expanding second-chance hiring programs. Without these protections, the combined litigation risk from both SB 143's new mandatory interactive process for reformed citizens

and existing liability exposure may result in fewer businesses establishing second chance hiring programs.

In closing, the Ohio Chamber opposes Senate Bill 143 because it creates a new mandatory process for denying job opportunities to reformed citizens that increases liability risks and adds new burdens on employers seeking to hire these individuals. However, we are open to working with the bill's sponsors and this committee to tailor a bill that addresses the business community's concerns with the current proposal.

Thank you for the opportunity to testify and I welcome any questions from the committee.