



Finding employment is essential to building a stable life and avoiding criminal activity after a conviction or prison sentence. However, there is extensive evidence that employers are reluctant to hire people with criminal records. Given the high number of unemployed people with criminal records (65% of all unemployed men), the potential impact of interventions that increase hiring is significant. Unfortunately, many interventions aimed at increasing employment for people with criminal records, often by limiting the information available to employers about a candidate's criminal record, have failed to deliver meaningful gains.

Surveys of employers suggest that concerns about crime risks are important. Promising evidence suggests that providing “crime and safety” insurance to employers — thus shifting the risk from them to the government or other entity providing that insurance — increases their willingness to hire people with criminal records. In general, approaches that provide more information about job seekers or that directly address employers’ concerns could be effective and merit broader evaluation.

WHAT WE KNOW ABOUT SECOND CHANCE HIRING

- **Insurance:** One experimental study found that employers were more willing to hire workers with criminal records when offered crime insurance covering potential damages from employees. Even relatively low levels of insurance coverage (\$5,000 in crime insurance) increased the willingness to hire workers with a criminal record.¹
- **Certificates of rehabilitation:** These court-issued documents aim to provide a “positive credential” of rehabilitation, and in one audit study conducted in Ohio,² they almost completely alleviated the negative effect of the criminal record on job callbacks.
- **Reentry job programs:** These programs are understudied, but there is strong evidence that transitional job programs have typically failed to produce long-term employment gains or public safety improvements. Several randomized trials of transitional jobs programs for people who were recently released from prison showed little to no reduction in recidivism during program enrollment and did not improve employment outcomes once the transitional job ended.³ Wrap-around service programs have also had disappointing results when rigorously evaluated.⁴
- **Restricting criminal history information:** Policies that reduce the amount of information available to employers regarding criminal records fail to increase employment for targeted groups and can increase racial discrimination.
 - › Ban the Box (BTB) policies prevent employers from asking about criminal records until late in the hiring process to help people with records get their foot in the door. But studies have found BTB widens racial gaps⁵ at the interview stage and reduces employment⁶ for young Black men with limited education. When employers aren’t allowed to ask who has a record, they appear to guess based on the information they can still see (such as race).
 - › Clean Slate policies enable the clearing of eligible records for people who have completed their sentence, removing them from public view. Early research on Clean Slate policies in the United States finds no impact on employment,⁷ consistent with findings of no effect on employment from sealing conviction records in New Zealand.⁸
- **Employer subsidies:** Research shows that the Work Opportunity Tax Credit, which provides government subsidies to employers to hire people from disadvantaged groups (including those with felony records), is not an effective tool to increase second chance hiring.⁹



WHAT POLICYMAKERS SHOULD FOCUS ON

- Piloting and evaluating new approaches to directly address employers' concerns (rather than strategies that hide criminal record information), such as providing crime insurance coverage for employees with criminal records. These strategies will improve matches between job-seekers and firms, making everyone better off.
- Leveraging rigorous evaluation approaches to measure the impact of reentry support programs, such as a randomized trial with a good comparison group to determine whether a program has changed individuals' trajectories. Identifying programs that effectively improve reentry outcomes is a challenging but important task; simply comparing program participants with non-participants can be misleading if participants volunteer or are carefully selected.

ENDNOTES

- 1 Cullen, Z. B., Dobbie, W. S., & Hoffman, M. (2022). *Increasing the demand for workers with a criminal record* (NBER Working Paper No. 29947). National Bureau of Economic Research. <https://doi.org/10.3386/w29947>.
- 2 Leasure, P., & Stevens Andersen, T. (2016). *The effectiveness of certificates of relief as collateral consequence relief mechanisms: An experimental study*. Yale Law & Policy Review Inter Alia, 35, 11–22. https://yalelawandpolicy.org/sites/default/files/1A/leasure_certificates_of_relief_produced.pdf.
- 3 Doleac, J. L. (2023). *Encouraging desistance from crime*. Journal of Economic Literature, 61(2), 383–427. <https://doi.org/10.1257/jel.20211536>.
- 4 Doleac, J. L. (2019). *Wrap-around services don't improve prisoner reentry outcomes*. Journal of Policy Analysis and Management, 38(2), 508–514. <https://doi.org/10.1002/pam.22119>.
- 5 Agan, A., & Starr, S. (2018). *Ban the box, criminal records, and racial discrimination: A field experiment*. The Quarterly Journal of Economics, 133(1), 191–235. <https://doi.org/10.1093/qje/qjx028>.
- 6 Sabia, J. J., Nguyen, T. T., Mackay, T., & Dave, D. M. (2021). *The unintended effects of ban-the-box laws on crime*. Journal of Law and Economics, 64(4), 783–820. <https://doi.org/10.1086/715187>.
- 7 Agan, A. Y., Garin, A., Koustas, D. K., Mas, A., & Yang, C. (2024). *Can you erase the mark of a criminal record? Labor market impacts of criminal record remediation* (NBER Working Paper No. 32394). National Bureau of Economic Research. <https://doi.org/10.3386/w32394>.
- 8 Dasgupta, K., Ghimire, K. M., & Plum, A. (2021). *Is it time to let go of the past? Effect of clean slate regulation on employment and earnings* (Working Paper No. 2021-06). Auckland University of Technology, Department of Economics. <https://ideas.repec.org/p/aut/wpaper/202106.html>
- 9 Doleac, J. (2025). *The Work Opportunity Tax Credit does not work to increase opportunity*. Arnold Ventures. <https://www.arnoldventures.org/stories/the-work-opportunity-tax-credit-does-not-work-to-increase-opportunity>.

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