

# **Economic Opportunity, Criminal Records, and Automatic Sealing Laws**

February 2022

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**BRENNAN  
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FOR JUSTICE

# Key Takeaways

**The effects of a criminal record on economic insecurity are broad and deep.**

- According to recent Brennan Center research, there are **millions of people in the workforce who have spent time in prison.**
  - And millions more have been **convicted of a felony but not imprisoned.**
  - Misdemeanor conviction records are **extremely common**
- Even lower-level conviction records have **long-lasting effects on earnings** – calling into question the very idea of “second chances.”
- “Clean slate laws” address this problem by sealing old criminal records after several years have passed. They’re popular, bipartisan, and they work.

# The Brennan Center's Justice Program

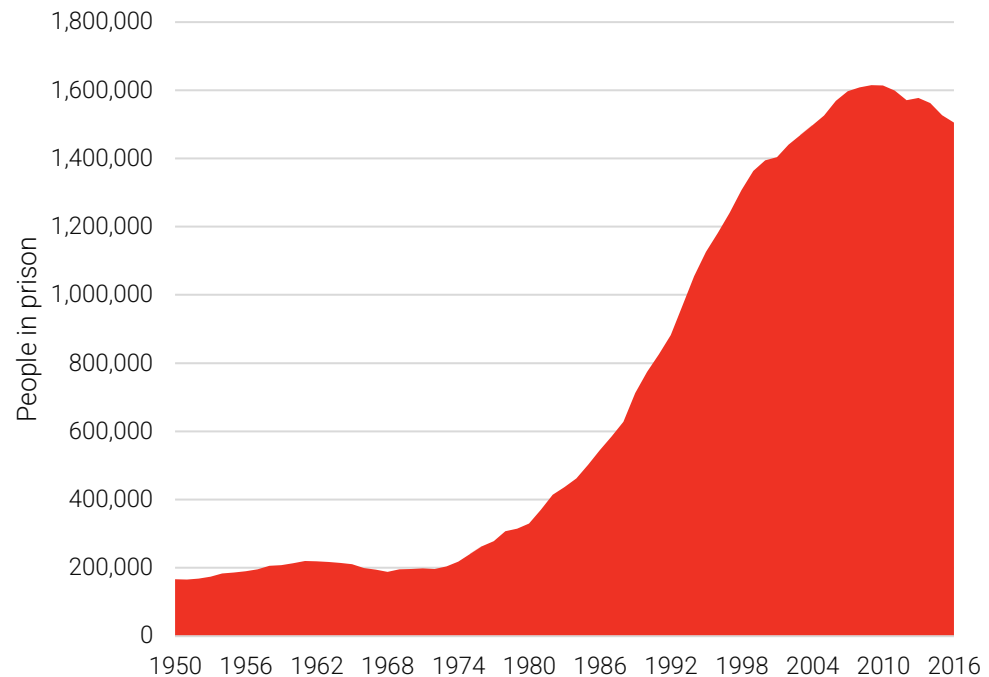
## Who we are

- The Brennan Center is a **research, law, and policy institute**. We study our systems of democracy and justice, build policy solutions to improve them, and advocate for them using our research to inform education efforts, advocacy, and litigation.
- One of our core strategies for making change is producing **research reports** that we use as the foundation for **novel policy solutions**.
- The connection between **poverty and mass incarceration**, and solutions that break the link between them, is one of our most recent focus areas.

# Mass Incarceration and its Collateral Costs

**Criminal justice involvement impedes economic security.**

- After conviction or release, people face **billions of dollars in fines and fees**, impeding reentry and perpetuating poverty.<sup>1</sup>
- Formerly imprisoned people face low earnings – and may **struggle to find any employment**.<sup>2</sup>
- Low earnings are then correlated with an **increased likelihood of incarceration**.<sup>3</sup>

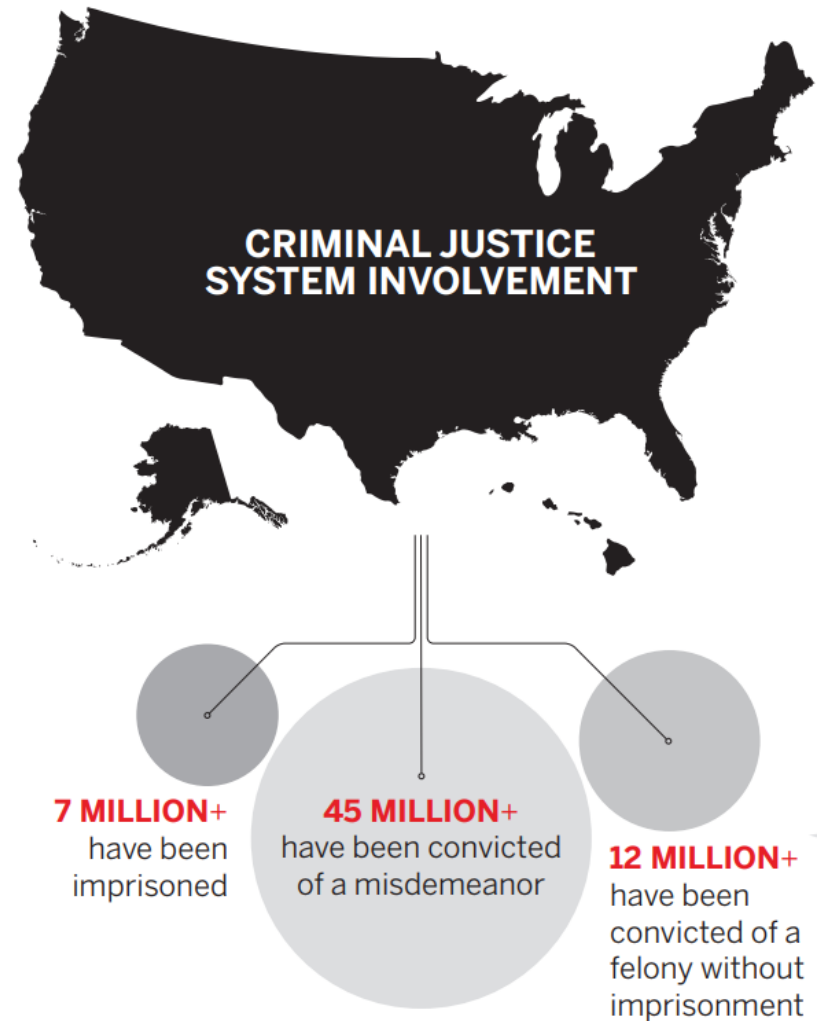


<sup>1</sup> Menendez et al., *The Steep Cost of Fees & Fines* (2019); Bannon et al., *Criminal Justice Debt: A Barrier to Reentry* (2010)  
<sup>2</sup> Mueller-Smith, *The Criminal and Labor-Market Impacts of Incarceration* (2015); Pager, *The Mark of a Criminal Record* (2003)  
<sup>3</sup> Zaw, Hamilton, & Darity: *Race, Wealth and Incarceration: Results from the National Longitudinal Survey of Youth* (2016)

# The National Picture

**Criminal records are common.**

There are **millions** of working-age people who have spent time in prison. **Tens of millions** have a misdemeanor conviction.



# The National Picture

**And they are serious – even “minor” ones.**

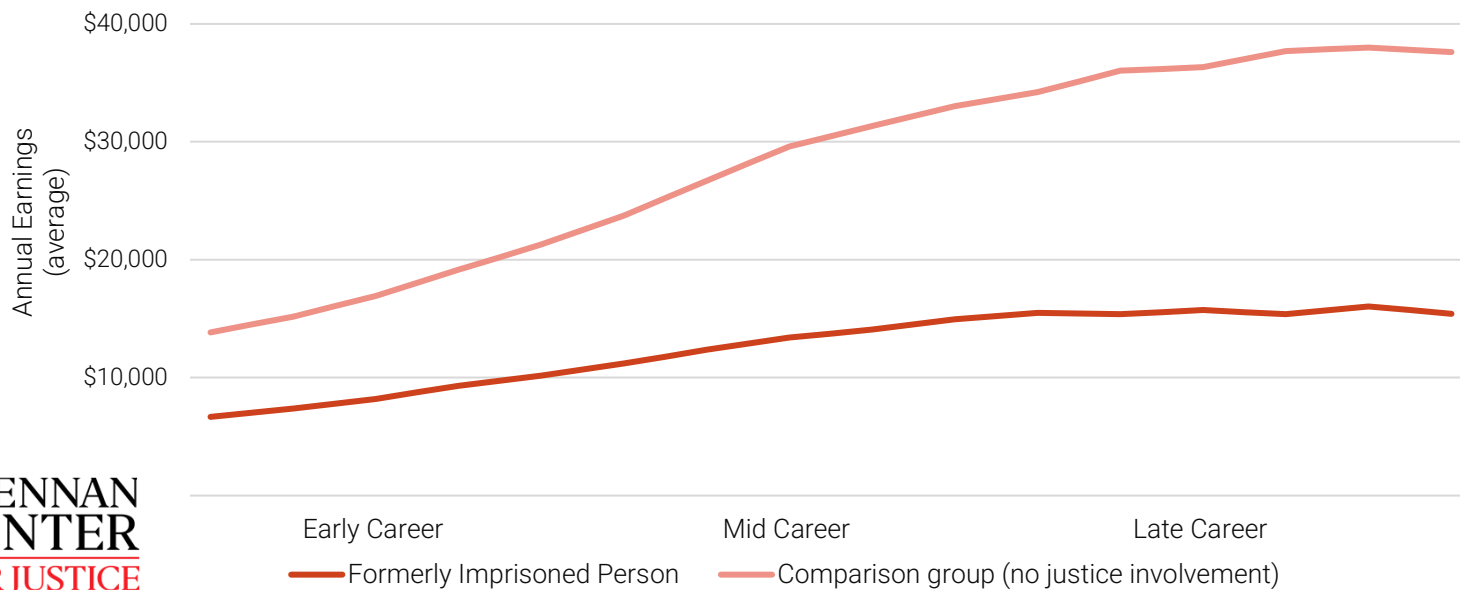
- A prison record can mean the difference between poverty and stability.
- But even a misdemeanor conviction can be economically devastating.
- And the effects add up.

	Number of People	Annual Earnings Loss (per person)	Lifetime Earnings Loss	Annual Wages Lost (per group)
Formerly Imprisoned People	7.7 million	51.7%	\$484,400	\$55.2 billion
People Convicted of Felonies, but Not Sentenced to Imprisonment	12.1 million	21.7%	\$98,800*	\$77.1 billion
People Convicted of Misdemeanors	46.8 million	16.0%	\$98,800*	\$240.0 billion
<b>Total Annual Earnings Lost</b>				<b>\$372.3 billion</b>

# “The Eternal Criminal Record”

The economic impact of a criminal record persists for decades.

- The average **formerly imprisoned** individual will miss out on as much as **\$484,400**.
- For those convicted of a felony but not imprisoned, the loss reaches **\$100,000**.



# Creating Real Second Chances

**Clean slate laws are a common-sense, proven solution to these hardships.**

So-called “clean slate” laws address these problems by **erasing criminal records** – once someone has left prison and **remained crime-free** for, typically, several years.

- “Sealing” limits who can see an old criminal record.
- “Expungement” erases the record entirely – generally, after a longer wait.
- Critically, all of this happens **automatically**. No need to call the court or hire a lawyer.
- Generally, in either case, someone with a sealed record may legally state that the record never existed, and cannot be denied housing, a job, a professional license, or other opportunities because of it.





# Creating Real Second Chances

**The evidence is clear.**

Based on our research, we would expect “clean slate” laws to expand employment at an individual and macro level. And that’s what the evidence shows.

- One Michigan study reported that people who have their records sealed are more likely to find a job, and see their **wages increase** by 20 percent.<sup>1</sup>
- They also found **low rates of recidivism**.
- And a new study suggests that as the share of adults with a felony record goes up, a state’s rate of non-employment rises too.<sup>2</sup>

<sup>1</sup> Prescott & Starr, [Expungement of Criminal Convictions: An Empirical Study](#) (2019)

<sup>2</sup> Larson et al., [Felony History and Changes in U.S. Employment Rates](#) (2021)