Testimony of Howard Husock Vice-President, Manhattan Institute for Policy Research Senate Judiciary Committee July 22, 2010

Good afternoon. I'm Howard Husock, vice-president for policy research at the Manhattan Institute in New York.

The Institute has long believed that we must seek new and effective approaches to our social problems, especially as they affect cities. With that goal in mind, we have helped develop and promote such successful, problem-solving approaches as "broken windows" or zero tolerance policing, the approach which helped reduce crime in New York and many other cities, as well as welfare-to-work, the core of the welfare reform act which has proven so effective in reducing dependency.

More recently, we have turned our attention to the daunting problem addressed in the Second Chance Act, that of successful prisoner re-entry, a goal we understand to be central to the safety of our cities and the restoration of healthy family life in households in which parents, most often fathers, have been incarcerated. This is not a minor problem, not when 700,000 individuals are released from prison annually —and 44 percent are re-arrested within a year, 60 percent within three years.

The Second Chance Act, in other words, addresses what is, without any doubt, a major American social problem.

At the same time, we believe that, in reauthorization, the Act can be significantly improved. I'd like to share with you some reflections on the Institute's experience in helping to establish, fund and operate a re-entry program in cooperation with the City of Newark, New Jersey, whose results, to date—and the results of similar programs-- have convinced us that, for such efforts to be successful, they must emphasize employment. We call it rapid attachment to work. Indeed, it is our view that the successor to welfareto-work should be prison-to-work—and that the Second Chance Act should give priority to those programs and jurisdictions which adopt that approach. We also believe there are aspects of the way the Newark program is funded—particularly its use of matching private dollars—and managed—particularly its emphasis on pay for performance—which can also be useful elements of Second Chance.

The Newark Prisoner Entry Initiative began when, in response to his mention of the prisoner re-entry problem in his 2006 inaugural address, the Manhattan Institute approached Newark Mayor Cory Booker, generally considered a liberal Democrat, I should note, who agreed to work together on a program that emphasized employment. Mayor Booker noted that he was himself regularly approached by newly-released exoffenders who asked him directly for help in finding a job. Staying out of trouble in the first few weeks after release is crucial—and employment can be the hub around which a non-criminal life can be organized. In Newark today, six agencies compete with each other to place those coming out of prison into jobs, as well as to provide ongoing

mentoring for those already placed. Even in today's difficult economy, they are proving successful. More than half of 1051 program participants seen to date have been placed in jobs with an hourly wage of more than \$9 per hour—in construction, food service, sanitation, supermarkets. After one year, only 8 percent of all participants have been rearrested. At the same time, crime in Newark—which, historically, has often involved violence between two individuals with criminal records—has been steadily falling. Indeed, in March, for the first time in 40 years, the city went the full month without a murder.

Other re-entry programs which center on work show similar promise. For instance, New York's Ready, Willing and Able program—which includes public service employment such as litter pick-up as part of an 18-month residential program which requires sobriety—was evaluated by Harvard University sociologists Catherine Sirois and Bruce Western. They concluded that "three years after prison release, RWA clients have 30 percent fewer arrests than a comparison group matched by demographics and criminal history. In addition, RWA clients are significantly less likely to be sentenced to jail three years after their release from prison than members of the control group." Low recidivism rates also characterized the Ready4Work program, a national employment-centered demonstration projected which operated in 17 cities, from 2003 through 2006 and was found to have reduced recidivism by 34 to 50 percent below national averages.

In all these programs, it's worth noting, government funding has been matched by philanthropic dollars. In Newark, a \$2 million Department of Labor grant was matched by an equal amount from local and regional donors—including the Manhattan Institute, which has supported three loaned executives to help administer the program. This sort of match, in our view, builds in accountability—and provides the equivalent of a market test.

There's no accountability without clear results, however—and, in Newark, in keeping with the best current thinking on performance management, we are tracking and comparing the placement results of all the job placement and mentoring service providers—and, by contract, tying compensation to results. Newark convenes regularly "re-entry stat" meetings—and, just as in the corporate world, service providers are regularly informed how they measure up to others around the table. Poor performers are at risk of not getting new customers—and, ultimately, being dropped from the program.

In other words, it's our view that there's an emerging formula for successful re-entry programs—a formula based on work first, performance management and private matching funds. A reauthorized Second Chance Act which gave top priority to demonstration projects which incorporate these approaches could play a key role in influencing the billions in state corrections, parole and probation programs which will continue to be the major institutions involved in this and other criminal justice-related matters.

There is an additional element which the Act could encourage which has yet to be incorporated in re-entry programs—but which is currently a significant barrier to employment. According to the Center for Law and Social Policy, whose former director Vicki Turetsky now heads the federal Child Support Enforcement Administration, some 55 percent of state prison inmates are parents—and half owe back child support payments. It's a problem that only gets worse when they're in prison; the typical prison parent owes \$10,000 when he goes behind bars-and \$20,000 when he leaves. Because wages can be garnished to pay them, such arrearages are a powerful deterrent to workforce participation. A reauthorized Second Chance Act could, however, could encourage its demonstration programs to use these child support payments constructively—by linking reductions in arrearages to getting and keeping a job, and, with the permission of the other parent involved, playing a role in family life.

America's criminal justice system, including re-entry through parole, has historically, and will continue to be, primarily the province of state government. Current budget deficits leave little room for a federal role. That's why it's especially important for a reauthorized Second Chance Act to support those model programs that can go on to influence re-entry practice generally. The best way to do that is to emphasize and encourage those programs focused on a rapid attachment to work. Welfare to work has been a success. Now it's time for prison-to-work.