

Senate Testimony HB 1098 – David Emerick; JPMorgan Chase & Co.

Thank you, Madam Chair, and members of the committee. I'm Dave Emerick and am the Regional Director of State Government Relations for JPMorgan Chase which is in support of HB 1098. We are one of the world's largest banks, with operations or clients in all 50 states. Some here today may ask why JPMorgan would support this bill? Our business and philanthropic efforts develop and advance sustainable, evidence-based policy solutions to drive inclusive economic growth in the U.S. and around the world.

We work alongside policymakers, businesses, and community leaders to drive effective solutions at all levels of government. Second chance and clean slate is one of those solutions. JPMorgan Chase is one of the founding members of the Second Change Business Coalition, which includes some of the largest employers in the country and is committed to expanding second chance hiring and employment within its companies and support policy solutions at the state and local level.

We know that roughly one in three Americans have some form of arrest or conviction record, creating significant barriers to employment and economic opportunity - often completely unnecessarily. That's why JPMorgan Chase has expanded its commitment to giving people with records across the U.S. Second Chances, by supporting their reentry into the workforce, community, and local economies. In both 2019 and 2020, 10% of our new hires were second chance candidates.

Here in Colorado the story is the same: approximately two million Coloradans have some form of criminal or arrest record. At the same time, the pace of Colorado's recovery has been slow and job levels are below what they need to be for us to see a full economic recovery by 2023. First-time homelessness has doubled in Denver over the last year. The number of Colorado children with at least one unemployed parent reached a 50 year high in 2021, with knock-on effects for child poverty. People are struggling, and we must prioritize effective solutions to revitalize our workforce if we want to recover.

Individuals with records face significant barriers to jobs requiring a professional license, even if they are otherwise qualified. By contrast, when people in Michigan similar opportunities expanded, their earnings rose by 20 percent in the next year. HB 1098 can be a significant boost for Colorado's economy, while helping people provide for themselves and their families.

We are in the middle of a national workforce shortage, with almost eleven million unfilled job vacancies nationwide. Employers understand we need to get people into work, and we know first-hand how hard-working and loyal individuals with records can be. Their increased retention and lowered turnover rates have been repeatedly shown to result in reduced recruitment costs - often to the tune of \$4000 dollars per employee. HB 1098 will give businesses across Colorado automatic access to a vast, diverse, and underutilized talent pool - when they desperately need one.

I want to thank the sponsors for their commitment to advancing this critical legislation and would urge you to vote yes on this bill. Thank you for having me.