

CENTER FOR EMPLOYMENT OPPORTUNITIES

Public Hearing Public Protection Budget Committee

February 12, 2020

TESTIMONY

My name is Jessica Centeno, and I am the New York State Deputy Executive Director for The Center for Employment Opportunities (CEO). I appreciate the opportunity to submit testimony about our program model and work across NY, and the need for increased resources to help people coming home from prison access employment.

CEO's mission is to provide immediate, effective, and comprehensive employment services to individuals who have recently returned home from incarceration. As the largest provider of reentry employment services in New York, we serve individuals on parole and probation supervision, with a focus on those with the highest likelihood of recidivating. CEO's partnership with DOCCS and DCJS has been critical to our work throughout the state, helping provide pipelines of participants and supporting the cost of our program. However, because our NYC program has been chronically underfunded by DOCCS, CEO is requesting the committee's support for \$1 million to create more transitional work opportunities for individuals returning home from incarceration.

Background on CEO

Our four stage program has two core components: transitional employment and vocational services that are provided to help participants get and keep full-time jobs. After our participants complete a 4-day job readiness training, we get hire them and provide them immediate, paid work as CEO employees. To hire and provide transitional jobs to all participants, CEO operates nearly forty work crews throughout the state that provide a variety of general labor services to public sector agencies. Access to immediate work on a transitional work crew helps our participants to gain stability and motivation as they work to attain long-term employment outside of CEO. Our job coaches and job developers help participants get ready for and subsequently find full-time permanent employment; after they are placed, we continue to support them for up to 12 months in our retention services to help them access continued skills training and education opportunities and support them through any obstacles they may encounter at work.

In FY 19 alone, CEO NY enrolled more than 2,700 people, hired more than 2,000 as CEO employees in transitional jobs, and made more than 1,500 permanent job placements with more than 200 businesses.

In a randomized control trial evaluation conducted by the independent research firm MDRC, CEO was found to reduce re-arrests, reconviction, and re-incarceration of recently released individuals by statistically significant margins of 16-25%. Among participants assessed as high risk for re-incarceration, CEO's program was especially effective, producing a 30% reduction in prison bed days. A recent evaluation by the NYS Department of Criminal Justice Services found that CEO NYC produced long term employment gains relative to a control group -- a 48% difference three years post release. The partnership CEO has with the state is cost effective. MDRC found that **CEO provided \$3.30 in benefit for every \$1 invested to serve higher risk people on parole who had recently come home from prison.**

CEO has a number of priorities for the public protection budget committee to help ensure we can continue our work in a sustainable way and are able to provide more transitional work opportunities to people coming home from incarceration.

Funding Priority: Increased Vocational Funding

Currently, CEO's vocational services funding in New York City does not cover the costs of CEO's intake and outreach specialists, Pathways to Employment job readiness orientation, job coaching and job development, retention services and additional trainings. In upstate New York, CEO's vocational services are funded through a performance based contract with DCJS, which pays up to \$4,800 per participant based on employment outcomes achieved for our participants. In contrast, CEO's primary source of vocational funding is through the DOCCS Vocational Development Contract, which has been chronically underfunded at \$1.4 million, or approximately \$800 per participant served. ***The contract has not increased in over ten years and covers less than one-fifth of our vocational services in New York City.***

In FY 21 we seek to increase our vocational funding from the state in order to adequately address historic underfunding and meet the growing need in New York City.

Funding Priority: Increased Funding for Transitional Work Opportunities

CEO is looking to add additional work crews in NYC and our three sites in upstate New York in order to provide transitional jobs to more program participants. Each crew allows

CEO to hire approximately 75 people every year and costs approximately \$250,000 for fully annualized services, with a \$1 million appropriation CEO could provide jobs to 300 people across the state.

Currently, the DOCCS Neighborhood Works Contract allows CEO's New York City and upstate sites in Buffalo, Albany and Rochester to provide paid transitional work opportunities for people on parole throughout the state. However, CEO also serves individuals on probation and other court-involved young adults in New York City and Buffalo. Additional support would also allow CEO to serve more probationers and court-involved young adults.

CEO offers a cost effective unique triple-bottom line of economic and social impact to the state through high quality local services, creating a pathway to permanent jobs for people after incarceration, and promoting public safety via reduced recidivism.

CEO is also able to subsidize the state's investment with philanthropic, local and federal partners, as well as a partnership with OTDA that allows CEO to draw down SNAP Employment & Training funding, an uncapped federal resource that matches 50 cents on the dollar through a performance-based contract to serve SNAP participants. Currently the state is underutilizing this funding stream based on the state's administration of the program; CEO is working with other service providers and OTDA to help the state draw down more federal funding support reentry employment services.

We believe these are sound investments and policy changes the state can adopt through the budget. At CEO, we don't just put people to work; we keep them from ending up back behind bars. Our program improves public safety, reduces unemployment, and helps alleviate poverty in economically distressed communities.

Thank you for your consideration of these recommendations.

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