

The Prison Penalty: Unemployment, homelessness and educational exclusion among formerly incarcerated people

By Lucius Couloute
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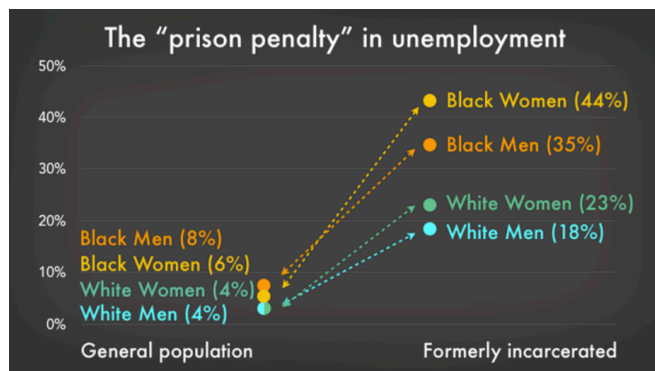
Finding a job after prison ranges from difficult to impossible. But not only are formerly incarcerated people hurting for work; they've been excluded from the national conversation around employment altogether. **They even lack a basic unemployment rate.**

Using a little-known dataset, we set out to calculate the first national unemployment rate for people who have been to prison. We went on to measure formerly incarcerated people's rates of homelessness, as well as their educational mobility - because before we can tackle the monumental problems with reentry in the U.S., we need **national data**. In this two-page summary, we explain the "prison penalty" that puts formerly incarcerated people at an extreme disadvantage when it comes to rebuilding a safe and stable life.

Formerly incarcerated people want to work, but face huge obstacles in the job market

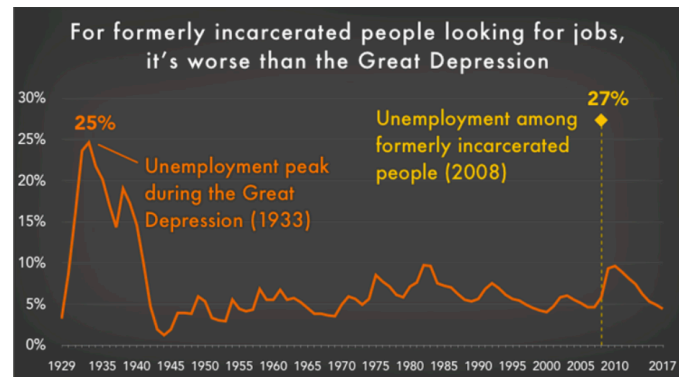
A staggering 27% of formerly incarcerated people are looking for a job but can't find one, we found in our report *Out of Prison & Out of Work*. This rate, which surpasses anything Americans have experienced since the height of the Great Depression, is especially striking given our other findings:

- Formerly incarcerated people are more likely than the average American to **want to work**;
- **People of color and women** face the worst "penalties" in the job market after going to prison, making historical inequalities in the labor force even worse;
- Unemployment is highest for **people released in the last two years**, when they are most at risk of re-incarceration.



These high unemployment rates reflect harmful public policies and endemic discrimination - not differences in aspirations. The report lays out policy solutions for closing this vast unemployment gap, including a **temporary basic income** for formerly incarcerated people

after their release; automatic mechanisms for **criminal record expungement**; and occupational licensing reform at the state and industry levels.



People who have been to prison are 10 times more likely to be homeless

In our report *Nowhere to Go*, we provided the first national snapshot of homelessness and housing insecurity among formerly incarcerated people, which constitutes a little-discussed public health and safety crisis.

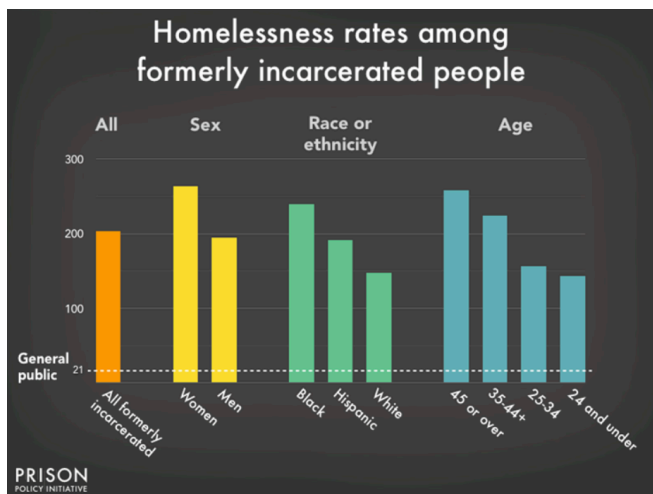
The report explains how people returning from prison - who need stable homes to overcome the difficulties of reentry - are nevertheless excluded from housing:

- Over 2% of formerly incarcerated people are homeless, and nearly twice as many are living in **precarious housing** situations close to homelessness;
- **The risk of homelessness increases the more times one has been to prison** - an irony considering that police departments regularly arrest and jail the homeless;
- People recently released from prison are most at risk of being homeless, with rates **nearly 12 times higher than the general public**;
- Women - particularly **Black women** - are especially at risk.

Stable housing is the foundation of successful reentry from prison. Unfortunately, as our data show, many formerly incarcerated people struggle to find stable places to live. Discrimination by public housing authorities and private property owners, combined with affordable housing shortages, continues to punish people with criminal records long after their sentences are over.

The use of credit checks, exorbitant security deposits, and other housing application requirements can also act as systemic barriers for people who have spent extended periods of time away from the community and out of the labor market.

Excluding formerly incarcerated people from safe and stable housing has **devastating side effects**: It can reduce access to healthcare services, make it harder to secure a job, and prevent formerly incarcerated people from accessing educational programs. Severe homelessness and housing insecurity destabilizes the entire reentry process.



Cities and states, however, have the power to fix this problem. Our report offers specific ideas for reform:

- Regulating competitive housing markets to prevent **blanket discrimination**;
- **Creating statewide reentry systems** to help recently-released Americans find homes;
- Ending the **criminalization of homelessness** in U.S. cities;
- Expanding social services for all homeless people, with a **“Housing First”** approach.

Our criminal justice system isn't just sending people from school to prison - it's locking them out of education altogether

The U.S. criminal justice system notoriously “funnels” youth from schools to prisons – but what happens after that? How many people, for instance, are able to finish high school during or after prison? In our report *Getting Back on Course*, we broke down the most recent

data, revealing that incarcerated people rarely get the chance to make up the education they've missed.

The data shows how incarceration, rather than helping people turn their lives around, cements their place at the bottom of the educational ladder:

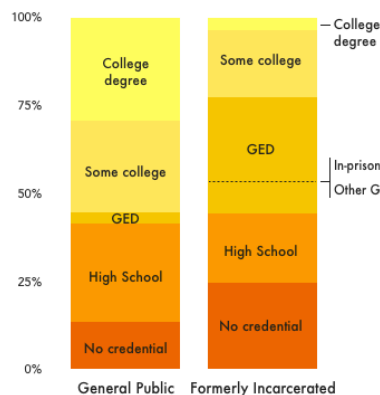
- **25% of formerly incarcerated people have no high school credential at all** – twice as many as in the general public.
- Formerly incarcerated people are **most likely to finish high school by way of GED programs**, missing the benefits of a traditional four-year education.
- **Less than 4% of formerly incarcerated people have a college degree**, compared to 29% of the general public.

Our data show that unemployment among formerly incarcerated people differs by education level, and for those returning home from prison without educational credentials, it is **nearly impossible to find a job**. Formerly incarcerated people without a high school diploma or GED face unemployment rates 2-5 times higher than their peers in the general public. These rates differ by race and gender, ranging from 25% for white men to **60% for Black women**.

The number of “low-skill” jobs requiring only a high school credential, meanwhile, has fallen, leaving many formerly incarcerated people with even fewer job prospects than ever before. And even as college degrees become critical to finding a job, most incarcerated people **cannot access degree-granting programs**, Pell Grants and federal student loans.

“We need a new and evidence-based policy framework that addresses K-12 schooling, prison education programs, and reentry systems,” report author Lucius Couloute concludes. “We need to ensure that formerly incarcerated people - who have already been punished by a harsh criminal justice system - are no longer punished for life by an unforgiving economy.”

Educational attainment:
General public & formerly incarcerated



For the full text, recommendations, footnotes, and data sources from these reports, see prisonpolicy.org/reports.html.

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