



NEW YORK CITY COMPTROLLER
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Economic Benefits of the Clean Slate Act

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Introduction

For years after someone in New York served time for a conviction, criminal background checks too often prevent them from fully participating in economic and civic life. Unfortunately, the process for [sealing criminal records](#) in New York State created in 2017 does not match the urgency or magnitude of the problem. Applicants must endure a lengthy, expensive application and review process. Only [0.2 percent](#) of New Yorkers who are eligible for sealing criminal records have successfully done so.

The Clean Slate NY Act (S.211/A.1029) is a common sense reform, which will provide justice-involved New Yorkers with employment, education, and housing opportunities by automatically sealing conviction records. With this legislation, certain individuals with criminal convictions would become eligible for record-sealing after

the completion of probation or parole, assuming significant time passed since their last conviction (three years for misdemeanors and seven years for felonies). Certain offenses, including sex offenses, are exempted from sealing, and all records would remain available to employers in sensitive fields like education, elder care and public safety. Similar initiatives in other states across the country [demonstrate](#) that individuals with automatically sealed records are very unlikely to commit further crimes and that automatic sealing of records can [reduce recidivism](#) as individuals are better able to support themselves and their families. The Clean Slate Act is supported by a broad coalition of criminal justice advocates, labor, and major employers including JP Morgan Chase, Microsoft, and Verizon.

Projected Impact of the Clean Slate Act

The Comptroller's office estimates that under the Clean Slate Act, over **half a million** New York City residents would be eligible to have their criminal history automatically sealed, nearly 80 percent of whom are Black or Latinx. With automatic sealing of old criminal convictions, the Comptroller's Office estimates that these individuals could see an increase of an estimated **\$2.4 billion** in annual wages. As the City becomes increasingly [unaffordable to its residents](#), and [unemployment among black New Yorkers is rising](#) even as it falls for other populations, lawmakers must pass the Clean Slate Act to help ensure New Yorkers have access to employment, education, and housing.

Sources and Assumptions

Impacted Population

[Data Collaborative for Justice](#) at John Jay College estimated the number of individuals with criminal convictions between 1980 and 2019 in the city as just under 745,000, of whom 44 percent have only a misdemeanor conviction.¹ DCJ's report separately lists the Law Codes under which individuals were convicted with a frequency of greater than 1,000 occurrences.²

The Comptroller's Office compared these data to the list of offenses exempted from sealing under the text of the Clean Slate Act as proposed, determining that about 30 percent of felony convictions and just 0.2% of misdemeanors are ineligible. Taking time since last conviction into account, the Comptroller's Office estimates that about 224,000 individuals with felonies and/or misdemeanors and 318,000 individuals with only a misdemeanor would be automatically eligible

¹ Cadoff, Becca et al, "Criminal Conviction Records in New York City," pg. 29. Data Collaborative for Justice at John Jay College, April 2021.

² *ibid.* Pg. 44

for full record expungement if the Clean Slate Act passes, of whom about 417,000 are estimated to be of working age (178,000 with felonies and 239,000 with only misdemeanors).

Data on race and ethnicity of individuals convicted are only available from 1990 – present and are not cross-tabulated with other statistics. But for the data that are available, 42.4% are Black, and 36.9% are Latinx. Over half these New Yorkers have only one or two convictions.

Lost Wages

Estimates from annual losses associated with a prior criminal conviction range broadly, but the negative effects are well documented. After a similar law was passed in Michigan in 2020, researchers from the University of Michigan found that after expungement, wages among those impacted [increased 22%](#) in a single year, mostly from those who were unemployed finding gainful employment. Last year, a team from Santa Clara University released a report [Paper Prisons](#), which estimated that national [earnings losses](#) associated with a felony or misdemeanor conviction are \$6,400 and \$5,100 per year, respectively. With these parameters, we estimate that New Yorkers living in the city are missing out on nearly \$2.4 billion in annual earnings simply due to old criminal convictions.