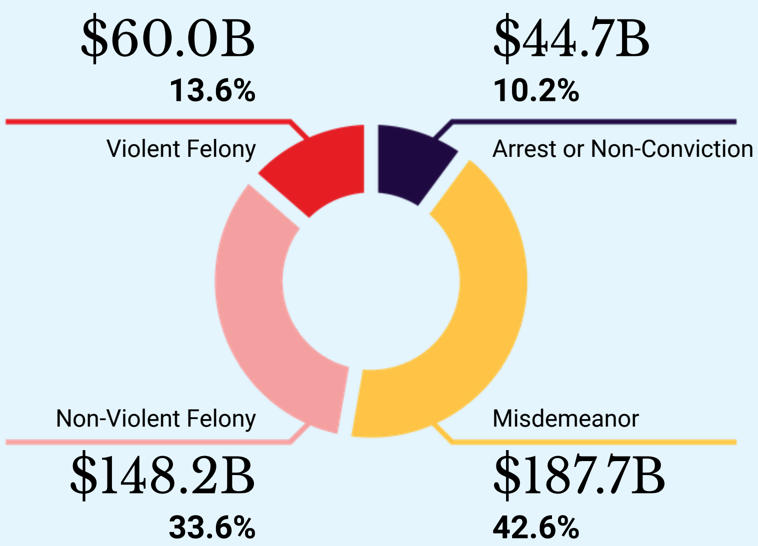
The Economic Losses From Arrest & Conviction Records

An estimated 70–100 million people in the U.S. have an arrest or conviction record. Millions continue to face economic consequences long after they've completed their sentence – or even when they were never convicted.

The Clean Slate Initiative's report, The Economic Losses from Arrest and Conviction Records, analyzes people who experienced legal system contact in early adulthood and have remained crime-free for more than a decade.

Individual losses translate into major economic impact as 1 in 3 adults have an arrest or conviction record in the United States. We estimate that arrest and conviction records are associated with

$440 billion in lost annual earnings nationwide.



The findings underscore that economic exclusion linked to arrest and conviction records is not limited to incarceration or conviction.

Even non-conviction records, where no guilt was established, are associated with meaningful and lasting financial harm.

For individuals, expected annual earnings are reduced by:

$	$ $	$ $ $	$ $ $ $
$4,400 / yr	**$6,400 / yr**	**$9,300 / yr**	**$9,800 / yr**
14.9%	**17.8%**	**31.8%**	**36.7%**
for people with arrest or non-conviction records	for people with misdemeanor convictions	for people with non-violent felony convictions	for people with violent felony convictions

These earnings losses stack up over 14 prime working years (from ages 26 to 40).

They limit the ability to build savings and assets, invest in education, support a family and prepare for retirement — shaping household stability and generational wealth.

$72k is comparable to a down payment on a home

$102k approaches the cost of a four-year college degree

$150-160k are comparable to more than a decade of retirement savings.

And the losses keep adding up beyond those prime working years, too.

Every state contributes to these losses

Nearly all states are associated with over $1 billion in estimated annual earnings losses linked to arrest and conviction records, and **eight states make up the top of that list, accounting for 50% of total 440B: California, Florida, Texas, New York, Georgia, Arizona, Pennsylvania, and New Jersey**.

<$1B

VT

$1 - $7B

ND DC SD DE ME RI MT WY WV AK NH HI NE KS ID MS UT
OK AL IA CT NM AR SC MD NV OR MI IN MA WA MN LA KY

$8B - $15B

VA TN WI MO CO NC OH IL NJ PA AZ

$16B - $31B

GA NY

$32B - $64B

TX FL CA

The burden is widespread — but not evenly shared

RECORD-RELATED PENALTIES DEEPEN RACIAL INEQUITIES IN THE LABOR MARKET

44.2%
of Earnings Lost

Black respondents with records earn substantially less than their white counterparts with the same record. Black respondents with non-violent felony convictions lost almost half (44.2%) of their expected earnings between ages 26 and 40, compared with 32.6% among white respondents with the same record type — those losses operate on top of pre-existing inequities in the broader labor market.

Black respondents often lose as much as or more than white respondents over their prime working years despite earning substantially less throughout those years.

RECORDS COMPOUND SEX*-BASED EARNINGS GAPS

50 - 53¢
for Every Dollar

Female respondents with conviction records earned roughly half as much as male respondents (50 - 53 cents of every dollar) with the same record type.

Across every category, female respondents had lower employment rates, worked fewer weeks and lost a larger share of expected earnings than male respondents.

**This study uses the sex variable available in the NLSY97, which identifies respondents as male or female — we use these categories while acknowledging that respondents may identify with any gender.*

Clean Slate can reopen doors and support our economy

Clean Slate policies seal eligible arrest and conviction records through an automated process once legal requirements and waiting periods are met. Automation removes the need to discover eligibility, navigate a complicated petition process or pay for legal help.

At a minimum, Clean Slate policies must include arrest and misdemeanor conviction records, but The Clean Slate Initiative strongly recommends including at least one felony record.

Sealing limits public access to eligible old records so they are less likely to block employment, housing and education. **It cannot erase every consequence of legal system contact or eliminate structural discrimination, but it can help people who have remained crime-free move forward.**

The Clean Slate Initiative works to pass and implement these policies and to ensure eligible records are restricted across relevant databases so government and commercial background checks are accurate.

> After more than a decade without further legal system contact, people are still being punished economically. Reducing the impact of old records is not only a matter of fairness — it is an economic imperative.

A note about our methodology

THE CLEAN SLATE INITIATIVE

This analysis uses National Longitudinal Survey of Youth (NLSY) 1997 data and propensity score matching to compare people who experienced legal system contact in early adulthood and remained crime-free for more than a decade with statistically similar peers who reported no legal system involvement. Results describe associations between records and employment or earnings — not causation. State estimates do not account for all state-specific policy effects. Figures are rounded.