

City of Philadelphia



(Bill No. 130769)

AN ORDINANCE

Amending The Philadelphia Code by replacing the term “ex-offender” with the term “Returning Citizen,” and by making conforming changes, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 9-3507 of The Philadelphia Code is hereby amended as follows:

§ 9-3507. Fair Criminal Record Screening Advisory Committee.

* * *

(2) Members. The Committee shall be composed of nine (9) members, (5) appointed by the Mayor and (4) appointed by City Council, provided that at least two appointees shall be people with criminal records, no more than four (4) appointees shall be members of the business community and at least one appointee must be appointed to represent the office of Inspector General and one appointee must be appointed to represent the Mayor's Office of [Reintegration] *Re-Integration* Services [for Ex-offenders] (R.I.S.E.).

SECTION 2. Chapter 17-1800 of The Philadelphia Code is hereby amended as follows:

CHAPTER 17-1800. PHILADELPHIA RE-ENTRY EMPLOYMENT PROGRAM ("PREP") FOR [EX-OFFENDERS] *RETURNING CITIZENS*

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§ 17-1802. Duties of City Contractors and Those Receiving Financial Assistance.

(1) No Contract shall be awarded, no Financial Assistance shall be provided, and no tax abatement with respect to a construction project with a value of more than \$1 million shall be provided, unless the person awarded the Contract, or receiving the Financial Assistance or tax abatement agrees in writing:

(a) To identify potential job opportunities that may be available for ex-offenders, based on the matrix of job titles and work categories developed by the Personnel Director under § 20-1702(2), and to report to the City on such person's

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employment practices and experience with respect to the hiring of [ex-offenders] *Returning Citizens*, as that term is defined in Section 19-2604(9), including: (i) a monthly tally of [ex-offenders] *Returning Citizens* hired and currently working, or an explanation as to why no [ex-offenders] *Returning Citizens* have been hired; and (ii) an explanation as to why any [ex-offender] *Returning Citizen* who applied for employment was refused employment;

(b) To cooperate with the City in addressing the goal of securing employment for [ex-offenders] *Returning Citizens*;

* * *

SECTION 3. Section 19-2604 of The Philadelphia Code is amended as follows:

§ 19-2604. Tax Rates, Credits, and Alternative Tax Computation.

* * *

(9) Philadelphia Re-Entry Employment Program for [Ex-offenders] *Returning Citizens* ("PREP") Tax Credit.

(a) Definitions.

(i) [Ex-offender] *Returning Citizen*. A person previously convicted of a felony, or who was incarcerated for any conviction, or who is currently on probation or parole for any conviction.

(ii) Qualifying Employee. For any given tax year, [an Ex-offender] *a Returning Citizen* is a "Qualifying Employee" of a business if he or she is either a Part-time or a Full-time Qualifying Employee, and meets all of the following criteria:

* * *

(iii) Qualifying Full-Time Employee. For any given tax year, [an Ex-offender] *a Returning Citizen* is a "Qualifying Full-Time Employee" of a business if he or she is employed by the business during the tax year for at least thirty-seven and one-half hours per week.

(iv) Qualifying Part-Time Employee. For any given tax year, [an Ex-offender] *a Returning Citizen* is a "Qualifying Part-time Employee" of a business if he or she is employed by the business during the tax year for at least twenty hours per week, but fewer than thirty-seven and one-half hours per week.

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* * *

(vi) R.I.S.E. The Mayor's Office of Re-Integration Services [for Ex-Offenders] ("R.I.S.E."), or such other agency or office as the Mayor shall designate to perform the functions assigned to R.I.S.E. by this Section.

* * *

(d) Certification of Qualifying Employees; Maximum Number Permitted.

* * *

(ii) R.I.S.E. shall certify all persons who meet the definition of Qualifying Employee, except:

(.1) The number of certified Qualifying Employees at any one time shall not exceed 1,000, provided that if the City administers a program that provides employers based upon their employment of [ex- offenders] *Returning Citizens* under terms and conditions which the Revenue Commissioner finds are substantially equivalent to the terms and conditions of the PREP Tax Credit provided under this Section, then the total number of certified Qualifying Employees plus the total number of employees under such grant program shall not exceed 1,000 at any one time; and

(.2) R.I.S.E. shall not certify [an Ex-offender] *a Returning Citizen* as a Qualifying Employee if it finds any of the following:

(A) the hiring of the [Ex-offender] *Returning Citizen* is displacing another employee of the business, and that the primary reason for such displacement is to obtain PREP tax credits;

(B) the Qualified Exempt Organization to which a contribution has been made under § 19-2604(9)(b)(i)(.2) would hire the [Ex-offender] *Returning Citizen* notwithstanding receipt of the contribution.

* * *

(e) PREP Employee's Agreement. To be a Qualifying Employee, [an ex-offender] *a Returning Citizen* must have executed an agreement with the City that sets forth:

(i) A package of basic education and job training and retention and support services that the City has designed for the [ex-offender] *Returning Citizen*;

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(ii) The [ex-offender's] *Returning Citizen's* agreement to participate in life skills and basic financial management training, as well as meet all of his or her outstanding child support and other legal obligations;

SECTION 4. Chapter 20-1700 is hereby amended as follows:

CHAPTER 20-1700. PHILADELPHIA RE-ENTRY EMPLOYMENT PROGRAM ("PREP") FOR [EX-OFFENDERS] *RETURNING CITIZENS*

§ 20-1701. Duties of the Managing Director.

* * *

(2) By July 1 of each year, the Managing Director shall submit a written annual report to the Mayor, with a copy to the President and Chief Clerk of Council, which shall include the following information for the prior calendar year:

* * *

(ii) A summary and evaluation of the efforts of City contractors and recipients of financial assistance to cooperate with the City in providing employment opportunities for [ex-offenders] *Returning Citizens*, as that term is defined in Section 19-2604(9), as required by Chapter [17-1500] 17-1800.

* * *

§ 20-1702. Duties of the Personnel Director.

(1) Within forty-five days after this Section becomes law, the Personnel Director shall transmit to the Mayor, the President of City Council, and to the Civil Service Commission recommended guidelines for the City's hiring of [ex-offenders] *Returning Citizens*, and recommendations for increasing public, private and non-profit sector employment of [ex-offenders] *Returning Citizens*, including identifying barriers to such employment and ways to remove such barriers.

(2) In developing the recommendations required by subsection (1), the Personnel Director shall first develop, in cooperation with the Director of R.I.S.E. (as defined in § 19-2604(9)(a)(vi)), the Philadelphia Prison System, the Department of Human Services (DHS), Community Behavioral Health (CBH), the First Judicial District of Pennsylvania, any other appropriate city, state or federal agencies, the Philadelphia Workforce Development Corporation, chambers of commerce, other business advocacy organizations throughout the City, and organizations that provide re-entry/[ex-offender] *Returning Citizen* services, a matrix of job titles and work categories matched to [ex-offender] *Returning Citizens* criminal offenses and work skills that can be used to help

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the City and other employers identify jobs appropriate for potential employees with criminal records.

§ 20-1703. Duties of the Commissioner of the Philadelphia Prisons System.

(1) The Commissioner of the Philadelphia Prisons System, in concert with the Director of R.I.S.E. (as defined in § 19-2604(9)(a)(vi)), shall ensure that the Philadelphia Prisons System and R.I.S.E. carry out the following program for each [prisoner] *Returning Citizen* who was a Philadelphia resident and is to be released from a period of sentence in the Philadelphia Prison System:

(a) Each such [prisoner] *Returning Citizen* shall, at least three months prior to release, be advised of the opportunity to participate in the Philadelphia Re-Entry Employment Program set forth in § 19-2604(9).

(b) Every [prisoner] *Returning Citizen* who expresses an interest in participating shall be given a pre-release assessment of his or her current education, job training level and future job prospects, physical and mental health status, and the housing and family circumstance to which he or she expects to return to in Philadelphia upon release, and based on that assessment, an individualized package of basic education, job training and retention, financial and life skill management training, and other support services will be designed to assist the prisoner in securing employment, housing or other life improvement services as soon as possible after release.

(c) A PREP Employee's Agreement will be prepared in accordance with § 19-2604(9)(e).

(2) In consultation with the Commissioner of the Philadelphia Prisons System, the Director of R.I.S.E. (as defined in § 19-2604(9)(a)(vi)) shall seek to enter into cooperative arrangements with federal, state and other non- City correctional facilities located in the Commonwealth of Pennsylvania, through which the same program set forth in subsection (1) will be provided to [prisoners] *Returning Citizens* who were Philadelphia residents and who are to be released from a period of sentence in such facilities.

SECTION 5. Section 19-2604 of The Philadelphia Code is hereby amended as follows:

§ 19-2604. Tax Rates, Credits, and Alternative Tax Computation

* * *

(7) Credit for New Job Creation.

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(a) Definitions. For purposes of this subsection, the following definitions shall apply.

* * *

(3) New Job. A full-time job, the average hourly rate, excluding benefits, for which must be at least 150% of the federal minimum wage, created within the City and County of Philadelphia by a company within five (5) years from the start date. Employment opportunities for [ex-offenders] *Returning Citizens* must be contracted for a minimum period of at least 180 days.

* * *

(10) [Ex-offender] *Returning Citizen*. A person previously convicted of a felony, or who was incarcerated for any conviction, or who is currently on probation or parole for any conviction.

* * *

(d) Tax Credits.

(1) (i) Basic Maximum Amount. A business may claim a tax credit in an amount equal to two percent of the annual wages paid for each new job, or \$1,000 per new job created (or \$5,000 per new job created in the case of new employment opportunities for [ex-offenders] *Returning Citizens*), whichever is higher, up to the maximum job creation amount specified in the commitment letter. The Department shall establish by regulation a methodology by which the annual wages paid by each new job are to be determined.

* * *

(e) Prohibitions

* * *

(2) Allocations. Twenty-five percent of all tax credits available in any year under subsection (7)(d)(5) shall be available for commitment under subsection (7)(c)(3) to businesses with fewer than 25 employees or to create employment opportunities for [ex-offenders] *Returning Citizens*.

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Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on November 21, 2013. The Bill was Signed by the Mayor on December 4, 2013.



Michael A. Decker
Chief Clerk of the City Council