

FAIR CHANCE HIRING

EMPLOYER GUIDEBOOK

FOR THE TOLEDO REGION

JANUARY 2026

The Toledo region continues to experience rapid shifts in workforce demand, driven by growth in logistics, business, financial, and engineering occupations, and ongoing retirements across multiple sectors. According to the region's **Talent Alignment Strategy**, the economy now generates over **20,000** annual job openings across all clusters. At the same time, many industries struggle to attract sufficient workers, particularly for entry-level technician and certificate-based roles, making access to talent a persistent challenge for companies striving to stay competitive.

Fair chance hiring, also called second chance hiring, is a strategy that expands access to talent by evaluating candidates with criminal records on their skills, experience, and readiness, rather than their past. This approach expands the labor pool, gives access to motivated workers, and can improve business performance. National research consistently shows that individuals with criminal records, when given an opportunity, demonstrate **higher retention rates**, **lower absenteeism**, and **lower turnover rates**. Individuals with past criminal convictions who are ready to work are one of the most overlooked yet highly motivated talent pools.



In response to member requests, the Toledo Regional Chamber of Commerce launched the **Re-Entry Development Initiative (REDI)** in 2017 to provide employers with tools for implementing fair chance hiring practices. REDI helps businesses expand access to talent. This effort supports the Chamber's broader mission to make the Toledo region a premier destination for diverse talent and economic opportunity.

This guidebook provides general information and should not be construed as legal or tax advice. Employers should consult legal and tax advisors to understand eligibility and ensure compliance with laws.

WHY FAIR CHANCE HIRING MATTERS

Fair chance hiring is a strategic move that strengthens business performance, reduces hiring challenges, and provides access to motivated workers. This impact is seen in several key ways:

- ▶ **Expands the talent pool** during chronic workforce shortages.
- ▶ **Improves retention** and **reduces turnover costs** as justice-impacted hires are less likely to leave their roles.
- ▶ **Supports inclusive economic growth** and **helps stabilize communities**.
- ▶ **Reduces recidivism** by connecting individuals to stable employment.
- ▶ **Minimizes economic loss** due to lost productivity and higher public expenditures.

Ohio loses an estimated **\$3.4 billion** annually in foregone wages when qualified individuals with records can't access jobs (Policy Matters Ohio, 2018)

THE BUSINESS CASE

Employers report fair chance employees often bring traits like **reliability**, **strong work ethic**, and **loyalty**. 85% of Human Resources leaders stated workers with criminal records perform **the same as or better** than their peers without records (SHRM, 2021). Fair chance hires have higher retention rates and longer job tenure which reduces turnover and **saves on recruitment and training costs**.

MYTH

People with criminal records are unreliable employees.

Employees with records are more likely to commit misconduct at work.

Hiring someone with a record increases employer legal risk.

People with records aren't motivated and won't stay long-term.

A criminal record predicts future behavior.

FACT

Workers with records have equal or better reliability and lower turnover.
Source: Northwestern University Kellogg School

Research shows no increase in misconduct; sometimes it is lower than peers.
Source: American Psychological Association

Following consistent, job-related EEOC screening practices minimizes risk; negligent hiring cases are rare.
Source: EEOC Enforcement Guidance

Fair chance employees often show higher motivation, loyalty, and retention.
Source: SHRM: Getting Talent Back to Work

Employment, stability, and support, not past convictions are the strongest predictors of future success.
Source: National Institute of Justice



UNLOCKING TALENT

Inclusive job postings, **thoughtful outreach**, and **fair screening** create a recruitment process that welcomes diverse talent. This foundation strengthens your culture and broadens your access to skilled candidates.

For **inclusive job postings**, use clear, welcoming language to encourage all qualified applicants, regardless of past convictions, to apply. For example, include a statement like “**We welcome applicants with past convictions and evaluate all candidates based on skills and qualifications.**” This signals openness and attracts qualified candidates who might otherwise self-select out.

Thoughtful outreach requires reaching beyond traditional recruitment channels and partnering with community organizations and reentry programs that serve justice-involved individuals. This targeted outreach connects your hiring efforts to candidates supported by workforce and social services who are helping individuals overcome complex challenges.

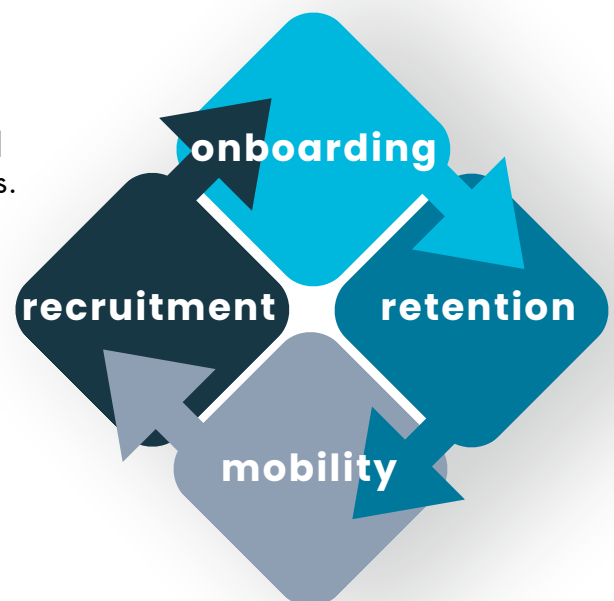
As part of your **fair screening** practices, implement consistent, job-relevant criteria when reviewing applications and conducting background checks. This ensures hiring decisions are grounded in candidate’s skills, not circumstances.

To build sustainable success beyond initial hiring, adopt strategies that proactively support candidate readiness and career growth:

- Use **skills-based hiring** to prioritize demonstrated abilities and experience over formal credentials or rigid requirements.
- Remove **credential barriers** that don’t affect job performance, but might exclude talented candidates.
- **Foster connections** to workforce development, education, and reentry support programs who help prepare candidates for employment and supporting their long-term success within your business.

TALENT LIFECYCLE

Fair chance hiring works best when employers support employees with past convictions throughout the talent lifecycle. This approach helps employees feel supported with provides opportunities to grow within your business. Each stage offers practical steps you can implement.



RECRUITMENT

Inclusive postings. Use welcoming, strengths-focused language that clearly communicates your organization considers all qualified applicants, including those with past convictions. Inclusive postings expand your talent pool and signal fairness from the start.

Manager training. Prepare hiring managers with the tools to conduct bias-aware, skills-based interviews. Training helps ensure consistent, equitable decision-making aligned with fair chance hiring practices.

RETENTION

Regular check-ins. Help employees feel supported with consistent one-on-one conversations that track progress and address small issues before they become barriers to success.

Feedback loops. Invite employees to share what is working and what isn't. Building feedback into your culture shows that their voice matters and helps refine fair chance practices over time.

Skill development. Offer opportunities to learn new skills, earn credentials, or take on stretch tasks. Investing in employee growth boosts motivation, loyalty, and long-term retention.

Employment rights. Provide clear information in your Employee Handbook about rights and protections for employees with criminal records.

ONBOARDING

Trauma-informed approaches. Recognize that new hires may carry stress from past experiences. Trauma-informed onboarding emphasizes clarity and supportive communication to create trust from day one.

Mentorship. Pair new employees with a peer or supervisor who can guide them through workplace expectations, culture, and processes. Mentorship strengthens retention and accelerates confidence on the job.

Job coaching. Provide early, structured coaching to build skills, reinforce expectations, and troubleshoot challenges. Job coaching supports long-term success and reduces early-stage turnover.

Clear communication of background check status. Be transparent about timelines and results. Fast, clear communication reduces anxiety and reinforces respect, especially for those worried their past will impact their job.

MOBILITY

Clear advancement pathways. Show employees the roles they can grow into and the skills needed to get there. Career mapping encourages long-term commitment and shows that advancement is possible.

Shadowing opportunities. Allow employees to observe new roles or departments. Shadowing expands career awareness and helps individuals envision a future with your business.

CERTIFICATE OF QUALIFICATION FOR EMPLOYMENT

The **Certificate of Qualification for Employment (CQE)** is a legal certificate established under **Ohio Revised Code 2953.25**. It helps individuals with felony or misdemeanor convictions overcome collateral sanctions, legal barriers that would otherwise prevent them from being considered for certain jobs or occupational licenses. How does a CQE benefit employers?

- The CQE allows employers to hire candidates who were previously barred from employment in certain fields due to their criminal records.
- It provides employers with negligent hiring immunity, legal protection showing the employer has conducted thorough and lawful hiring practices.
- The court finding confirms that hiring the individual does not pose an unreasonable risk to public safety.

A CQE does not guarantee a job or license, but it removes legal barriers and supports fair consideration.

FAIR CHANCE HIRING PRACTICES

To mitigate legal risk and ensure fair hiring, employers should follow these practices:

BACKGROUND CHECKS & FAIR SCREENING

Run background checks after a conditional job offer to ensure candidates are evaluated first on qualifications, skills, and interview performance. This helps reduce bias and aligns with best practices for fair, legally defensible hiring.

Use EEOC “Nature–Time–Nature” test when valuating criminal records in hiring decisions. The employer evaluates the offense based on its seriousness, how long ago it occurred, and how directly related it is to the specific duties of the job.

- Nature of the offense (What exactly happened?)
- Time since the offense (How much time has passed?)
- Nature of the job (Would offense affect job performance?)

Allow mitigation evidence. Candidates should have the opportunity to provide additional information about their criminal record. This might include context such as certificates of completed training or rehabilitation programs, letters of recommendation or references, or proof of steady employment. Providing this information helps employers consider the whole person, not just the record.

Avoid blanket bans which are policies that automatically exclude people with any conviction regardless of type, age, or relevance are discouraged and may violate federal guidance. Tailored evaluations protect employers while expanding access to qualified talent.

EMPLOYER INCENTIVES

Ohio employers who hire individuals facing barriers to employment, including those with criminal records, may qualify for valuable incentives.

MITIGATING LEGAL RISK

Use consistent screening criteria in order to provide the same fair, job-relevant screening process for every candidate. Consistency reduces the risk of discrimination claims and improves objectivity in decision-making.

Document each hiring decision, including how the Nature–Time–Nature factors and candidate mitigation evidence were evaluated. Strong documentation provides legal protection and shows due diligence.

Participate in fair chance hiring HR training. Hiring managers and HR staff should receive training on fair chance practices, implicit bias, EEOC guidance, and compliant screening. Well-trained staff help maintain equitable processes and reduce legal exposure.

Ensure FCRA compliance. When using third-party background check vendors, employers must follow the Fair Credit Reporting Act (FCRA).

Respect sealed/expunged records. In Ohio, employers cannot ask applicants or employees about criminal records that have been lawfully sealed, expunged, pardoned, or erased.

**Consult legal
counsel to ensure
compliance**



Work Opportunity Tax Credit: Federal tax credit for employers who hire individuals from targeted groups, including those with past convictions. This program is subject to federal reauthorization and employers should verify its current status. jfs.ohio.gov/wotc

Federal Bonding Program: Provides free six-month fidelity bonds that protect employers when hiring individuals with employment barriers, including those with records. <https://drc.ohio.gov/systems-and-services/3-education-and-training/workforce-development>

On-the-Job Training Reimbursement: Offers employers up to 50% wage reimbursement during a training period for qualified workers. <https://jfs.ohio.gov/job-services-and-unemployment/job-services/job-programs-and-services/on-the-job-training>



ACTION STEPS FOR EMPLOYERS

To get started with your fair chance hiring efforts, consider these key steps:

1. Review current hiring policies to ensure compliance with federal and state laws.
2. Add fair chance language in policies and job postings.
3. Conduct background checks post-offer.
4. Train hiring managers on fair chance practices, bias, and legal requirements.
4. Build community partnerships with those that serve reentry populations to connect with qualified candidates.
5. Pilot fair chance hiring to test and refine hiring practices.
6. Track hiring outcomes to support continuous improvement efforts.

COMMUNITY RESOURCES

Justice-involved individuals may face challenges beyond the workplace that may affect job success. Connecting them to community resources supports stronger, long-term employment.

Cherry Street Mission: Provides housing, case management, soft-skills training, transitional employment pathways, and wraparound support for individuals returning to the community. cherrystreetmission.org

Goodwill Industries of Northwest Ohio: Offers workforce readiness, job placement, coaching, and reentry services for individuals with convictions. goodwillnwohio.com/reentry-services

The RIDGE Project: Delivers reentry programs focused on fatherhood, relationship-building, job ethics, leadership development, and case management. theridgeproject.com

Reentry Coalition of Northwest Ohio (RCNWO): Coordinates regional reentry efforts, connecting returning citizens and families to employment and support services. Each month, hosts **First Wednesdays** (11 a.m.–1 p.m.) at the Government Center. reentry419.com

Ohio Department of Rehabilitation and Correction Reentry Services: Supports pre-release planning and connects returning citizens to resources and employment pathways. drc.ohio.gov/reentry

OhioMeansJobs Lucas County: Provides free job placement and employer services. Each month, hosts **3rd Wednesdays** (12 p.m. - 3 p.m.) for re-entry focused career support and community connections. ohiomeansjobs.ohio.gov/lucas-county

