

February 10, 2025

*RE: Small Business Majority Support for House Bill 953*

Dear Chair Gallick, Vice-Chair Thompson and Members of the House Committee on Economic Development,

Small Business Majority writes again to respectfully express our support for Clean Slate Missouri (HB 953), common-sense legislation that would grow Missouri's workforce, strengthen the economy and support the thousands of small business owners across the state. We are a national small business organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. With a network of more than 85,000 small businesses and 1,500 business and community organizations, we help deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth.

At Small Business Majority, we know that small businesses are the heart of America and nowhere is that more evident than in Missouri, where they make up more than [99%](#) of all businesses in the state. Unfortunately, Missouri businesses of all sizes are facing an ongoing labor shortage with [53 available workers for every 100](#) open jobs. This has an enormous impact on the state's workforce and economy.

This labor shortage is further exacerbated by the reality that [1 in 3](#) American adults—and nearly [two million](#) Missourians – have some form of a criminal record. For these individuals, having a record—even when it is decades-old – can present significant barriers to meaningful employment, housing, education, occupational licensing, and other critical services. It can also severely limit a person's ability to start a new business. As employers seek to fill these vacancies and Missouri looks to strengthen its economy, we should be working to ensure that people who want jobs and are ready to work can enter the workforce.

Clean Slate would help remove unnecessary barriers, and small business owners across Missouri would benefit. In 2022, we polled small business owners across the country, and found [overwhelming support](#) for reforms that would remove barriers to employment or entrepreneurship opportunities for formerly incarcerated individuals. In fact, 84% of small business owners agreed that Clean Slate policies would open up a pool of applicants that have earned a second chance. This would benefit small businesses in their efforts to hire and recruit employees by tapping into a vast, underutilized and productive workforce.

The impact on employment prospects and earning potential can also hardly be understated. A study in Michigan found that automatic record sealing increases wages by more than [20 percent](#) within one year alone; without being burdened by a criminal record, justice-impacted individuals can earn significantly more. Further, [employers who hire justice-impacted workers consistently report](#) that their turnover rates are notably lower and the quality of work of individuals who have a criminal record are on par with or better than their peers. For small business owners, these benefits are anything but small.

Clean Slate would help small businesses flourish, all while bolstering the workforce and strengthening the economy. Small Business Majority urges the legislature to pass Clean Slate (HB 953).

Sincerely,

Awesta Sarkash  
Public Policy Director  
Small Business Majority