

# Automatic Expungement Economic Impact

*Automatic expungement will have a tremendous economic impact on Oklahoma.*

Over 91,000 charges are eligible for relief based on the reforms of SQ 780 retroactivity from 2010-2021 according to an Open Justice Oklahoma analysis of court records from the OSCN counties. More than 100,000 Oklahomans would be eligible to seal criminal records when this system is fully implemented.

- Studies show that within 2 years of receiving an expungement, a person's likelihood of being employed increases significantly, and their personal income increases 25 percent.
- Underemployment of formerly incarcerated people costs our economy between \$78 to \$87 billion in GDP annually. Hiring will be robust after the crisis ends.
- The Unemployment rate for justice-involved Oklahomans is five times the state average.
- An automatic expungement system is estimated to help reduce unemployment for justice-involved Oklahomans by 2.8 percent when fully implemented according to the Oklahoma Policy Institute. This increase in employment could increase Oklahoma's GDP by up to \$10 billion annually.
- Studies show that only about 6.5 percent of the people eligible for expungement actually access relief without an automatic system.
- In 2018, Clean Slate legislation passed in Pennsylvania and automated sealing began last June in 2020. In only a year, nearly 35 million cases and 47.3 million offenses have been sealed from public view — opening the door to employment, educational, and professional opportunities for more than 1.15 million Pennsylvanians
- The economic, career-building, and housing impact of developing and tailoring this expungement technology system in Oklahoma would be transformative for thousands of families across the state.

**More than  
100,000  
Oklahomans**

would be eligible to seal criminal records when this system is fully implemented.

**This increase in employment  
could increase Oklahoma's  
GDP by up to**

**\$10 billion  
annually.**

**Only about 6.5%**

of the people eligible for expungement actually access relief without an automatic system.

# Automatic Expungement Cost

*Automatic expungement will have a tremendous economic impact on Oklahoma.*

The initial estimated cost to build an automatic expungement system in Oklahoma is \$3-5 million. This cost estimate was compiled by analyzing fiscal notes from other states which have previously deployed Clean Slate systems and assessing potential systems costs until 2026. The American Rescue Plan has provided Oklahoma with \$1.87 billion in statewide fiscal relief. These federal funds will allow the state to build out this automatic expungement system entirely with federal relief dollars at minimal cost to Oklahoma taxpayers. Relief funds must be allocated by the end of FY 24. Those funds must be spent by the end of 2026. This automatic expungement system would likely produce cost savings long term by reducing administrative and paperwork costs for courts once fully implemented.

As of April 2021, there were 8.2 million fewer American jobs than at the start of the pandemic. These detrimental economic impacts have produced particularly acute harm to justice-involved populations in Oklahoma. Prior to the pandemic, the unemployment rate for justice-involved Oklahomans was five times the state average. Building an automatic expungement system in Oklahoma would improve these individuals' access to employment and housing while supporting several of the Treasury Department's explicit goals for the funds' eligible use.

- "Eligible uses under section 601(c)(1)(A) and 603(c)(1)(A) provide flexibility to provide assistance to those households, businesses, and nonprofits in communities most disproportionately impacted by the pandemic."
- "Assistance to unemployed workers. This includes assistance to unemployed workers, including services like job training to accelerate rehiring of unemployed workers; these services may extend to workers unemployed due to the pandemic or the resulting recession, or who were already unemployed when the pandemic began and remain so due to the negative economic impacts of the pandemic."
- "Expenses to improve the efficacy of economic relief programs. State, local and tribal governments may use payments from the Fiscal Recovery Funds to improve the efficacy of programs addressing negative economic impacts, including through the use of data analysis, targeted consumer outreach, improvements to data or technology infrastructure, and impact evaluations."
- "Low-income communities, people of color, and tribal communities have faced higher rates of infection, hospitalization, and death, as well as higher rates of unemployment and lack of basic necessities like food and housing. Pre-existing social vulnerabilities magnified the pandemic in these communities where reduced ability to work from home and frequently denser housing amplified the risk of infection."

**Building an automatic expungement system in Oklahoma would improve these individuals' access to employment and housing while supporting several of the Treasury Department's explicit goals for the funds' eligible use.**