

SUBSTANCE USE RECOVERY TASK FORCE

Minutes of the 3rd Meeting of the 2020 Interim

September 8, 2020

Call to Order and Roll Call

The 3rd meeting of the Substance Use Recovery Task Force was held on Tuesday, September 8, 2020, at 3:45 PM, in Room 171 of the Capitol Annex. Senator Ralph Alvarado, Chair, called the meeting to order, and the secretary called the roll. The minutes from the task force's August 11, 2020 meeting were approved.

Present were:

Members: Senator Ralph Alvarado, Co-Chair; Representative Russell Webber, Co-Chair; Senators Julie Raque Adams, and Johnny Ray Turner; Representatives Danny Bentley, Joni L. Jenkins, and Lisa Willner.

Guests: Kate Shanks, Vice President of Public Affairs, Kentucky Chamber of Commerce; Tiffany Cardwell, HR Advisory Principal, MCM CPAs & Advisors; Michael Rodenberg, CEO, Murakami; Rob Perez, Owner, DV8 Kitchen; Jamie Johnson, Vice President, Kentucky Operations, Dorman Products; Ashley McCarty, Business Liaison, Kentucky's Strategic Initiative for Transformational Employment, Kentucky Chamber of Commerce

LRC Staff: Ben Payne, and Christina Williams

Kate Shanks, Vice President of Public Affairs, Kentucky Chamber of Commerce, stated the Kentucky Chamber of Commerce is committed to helping businesses become transformational or fair chance employers to help those who are in recovery or formerly incarcerated due to substance use issues. She stated the Chamber began this initiative a few years ago after observing low workforce participation rates with formerly incarcerated and/or addicted individuals. Ms. Shanks stated as policies and programs were developed to address the issue, there was a realization that relative to other states, addiction was one of the drivers of low workforce participation rates in Kentucky. She also stated there was a realization that many employers were navigating addiction issues in the workplace and finding their own ways to connect with recovery service providers in their communities. Ms. Shanks stated that the chamber discovered with the right combination of programming and policy these employers could be helped and possibly recruit new employees. She stated that ultimately having a job is a critical piece of the recovery equation.

Ms. Shanks stated progress was made for a while and Kentucky moved from 47th in the nation on workforce participation rates to 40th. Unfortunately, due to the Covid - 19 pandemic, there have been some setbacks and Kentucky now ranks 49th in the nation for workforce participation among addicted and/or formerly incarcerated individuals. She stated the size of Kentucky's workforce has decreased significantly since February. Kentucky's labor force in July was down 222,000 workers since before the pandemic. There has also been an increase in overdose deaths since a previous decline in 2018.

Ms. Shanks stated at the end of the 2020 Regular Session of the General Assembly, despite the challenges with the pandemic, Senate Bill 191 was passed. It was originally sponsored by Senator Castlen as SB 173. The bill calls on the Cabinet for Health and Family Services to establish a framework for fair chance employers to adapt, and in return they receive protection from certain liabilities related to negligent hiring, retention, and supervision. Ms. Shanks thanked members of the General Assembly for supporting SB 191.

Ms. Shanks stated the Kentucky Chamber of Commerce started a who is hiring campaign that now includes nearly 90,000 searchable job openings across the state to find employers that will hire people in recovery or those who are formerly incarcerated. She added that as the virtual environment is taken advantage of, it is the goal to reach expanded audiences through programs offered.

Ashley McCarty, Business Liaison, Kentucky's Strategic Initiative for Transformational Employment, Kentucky Chamber of Commerce, gave a brief presentation on recovery in the workforce. Ms. McCarty stated that the efforts in recovery while in the workforce would not be possible without many partners. Those partners include the Kentucky Cabinet for Health and Family Services, the Office of Drug Control Policy, the Kentucky Justice and Public Safety Cabinet, the Kentucky Chamber of Commerce Workforce Center, Kentuckiana Health Collaborative, and the Eastern Kentucky Concentrated Employment Program (EKCEP).

Ms. McCarty stated that since the program's inception in June of 2019, the team has made over 160 presentations to over 3,100 individuals through technical workshops, webinars, and symposiums.

Ms. McCarty shared personal experiences in the perception of individuals who have become addicted and in-turn incarcerated because of their addiction. She shared her personal story of addiction, incarceration, her recovery, and second chance at life and employment.

In response to a question asked by Chairman Alvarado, Ms. McCarty stated one recommendation to help reduce barriers for reentry into the workforce for people who have substance use disorders, is for employers to not look at the person as their disease. She

added more education is necessary on the opioid epidemic and prescription drug use, adding that the utilization of Ibuprofen or like pain killers, and chiropractic care are alternative options for managing pain.

Ms. McCarty stated that individuals can get a job, but that it is meaningful employment that is helpful to a person in recovery. She added that available transportation as well as housing are important factors in aiding recovery and finding meaningful employment.

In response to a question asked by Chairman Alvarado, Ms. McCarty stated that it is very important for follow-up on individuals that a company knows might have just had surgery or if they have recently been prescribed opioids. She added that follow-up on an individual's risk is critical.

In response to a question asked by Chairman Alvarado, Ms. McCarty stated within the programs offered, specific mental health indicators are discussed, and recommendations are given to employers on how to address those issues with individuals. She also added that employers and employees are told about the benefits of seeking help.

In response to a question asked by Representative Jenkins, Ms. McCarty stated that wraparound services are very important.

Rep. Bentley raised the concern of employers paying minimum wage to second chance employees. He stated the possibility is there for the recidivism and relapse rate to raise due to the amount of money that could be made in drug issuance.

Tiffany Cardwell, Human Resources (HR) Advisory Principal, MCM CPAs & Advisors spoke to the task force on second chance employment. She stated she been a HR leader for over 25 years and currently works with private and public companies as well as nonprofit organizations on all their various HR needs. She stated she also currently serves as the Director of Wellness for the local HR Association in Louisville, a Board Member for the Worksite Wellness Council of Louisville, and has worked with the first Kentucky Opioid Task Force, and the Kentucky Health Collaborative on various initiatives surrounding health, wellness and hiring talent.

Ms. Cardwell stated when it comes to second chance employment, the HR community has outdated and restrictive policies that need to be changed. She stated initiatives like "Ban the Box" were implemented in Kentucky to help with second chance employment. She stated by simply removing the conviction history question from job applications, employers are now able to consider a job candidate's qualifications first without the stigma of a conviction or arrest record, (and delaying background checks until later in the hiring process.) There is now opportunity for employers to consider the job-

relatedness of a conviction, time passed, and any mitigating circumstances or evidence of rehabilitation.

Ms. Cardwell stated statistics show that being a second chance employer benefits everyone, not just the individuals with records. It is good for families, local communities, and the overall economy. Ms. Cardwell stated a meaningful job makes all the difference and that when someone is given a chance, he or she becomes a part not only of that company, but also part of the community that is being served.

Ms. Cardwell stated that in our work environment today, there is a lot of stigma placed on talking about an employee recovering from a drug addiction or any type of substance abuse. She added that when an employee confides in HR about a disease that they are fighting such as diabetes or cancer, ways are always found to accommodate and provide the time off to take their insulin or to go for chemotherapy treatments. To that point, she questioned why the same should not be done for someone recovering from substance abuse, has gone through recovery, and is doing their best to come back into the workforce. She stated that a disease is a disease and there needs to be equality across the board on treatment of those diseases and treatment of employees with those diseases.

Ms. Cardwell added that the unfortunate reality is that those presenting and sharing their experiences in front of the task force are in the minority championing for this cause. She stated help is needed to create not only legislation supporting incentives for employers interested in hiring second chance employees, but also assistance is needed in helping to drive and implement programs to educate owners and senior leaders that second chance employment is a win-win for each organization.

Ms. Cardwell stated that one major policy that needs to be changed in current employee handbooks is the language on “zero tolerance.” She stated that zero tolerance makes it very difficult for companies to become second chance employers.

Michael Rodenberg, CEO, Murakami, addressed the task force on recovering the workforce. Mr. Rodenberg is also the Chairman of the Kentucky Chamber of Commerce Workforce Center, as well as the Chairman of the Education and Workforce Council for the Kentucky Chamber of Commerce. Mr. Rodenberg stated that Murakami is a tier one automotive manufacturer established in 2000, and located in Campbellsville, Kentucky. He added that the Campbellsville plant consists of approximately 250 team members. Mr. Rodenberg was given the opportunity to join Murakami in 2011, just as a turn-around initiative for the company was taking place. He added at that time, Murakami was known in the community as one of the worst places to work, as well as one of the worst suppliers to their customer base. Mr. Rodenberg reported that Murakami has now been voted investor of the year by a local chamber and they were recognized as the best manufacturing place to work by the local newspaper. Mr. Rodenberg stated Murakami has gone from the worst,

to one of the best places to work. In 2016, Murakami started actively seeking people for employment that were in need of a second chance. Several examples of team members successful second chance employment with Murakami were given.

Mr. Rodenberg stated Murakami has a direct relationship with The Healing Place, a local rehabilitation center. Working with The Healing Place has helped identify individuals that are in the rehab process and are in a place where employment with Murakami is possible. The Healing Place helps these individuals with transportation to and from their employment site.

Mr. Rodenberg stated in Murakami's application process, they review each application individually and take into account each applicants personal journey. Mr. Rodenberg stated the onsite manager that is responsible for contract team members has discovered that nearly 75 percent of applicants have had some type of drug offense. Mr. Rodenberg also mentioned that although there have been many successes with second chance employees, there is still a reality that all situations may not end positively and individuals may be lost to relapse. Mr. Rodenberg stated that in order to be a second chance employer, you must be willing to care enough about the individual to be willing to take a chance on them and possibly get hurt.

Mr. Rodenberg suggested the development of legislation to encourage businesses to work with individuals in need of a second chance, and to try to help reduce the risk that the employer faces by taking second chance employees on. He also suggested educating government agencies on bettering their work relationship with businesses in order to be able to utilize all resources that are available. In conclusion, Mr. Rodenberg stated in order help individuals on the path to recovery, business leaders must be proactive.

In response to a question asked by Chairman Alvarado, Mr. Rodenberg stated the biggest barrier that he observed when Murakami first began second chance employment, was the lack of education of substance use issues. He further stated in the company policies, there were things that were restrictive, such as a zero tolerance policy. He stated the company took a step back and tried to educate themselves on trying to be positive and to help individuals that had past substance use issues. He added that there was a mindset change that occurred.

In response to a question asked by Chairman Alvarado, Mr. Rodenberg clarified he is not advocating for government to tell business what to do and how to change their policies, rather, he is advocating for the legislature to support the Kentucky Chamber of Commerce in helping to educate businesses on the substance use issues and the workforce.

Chairman Alvarado suggested a possible consideration of a resolution calling on the Kentucky Chamber to discuss certain workforce development policies.

Rob Perez, Owner, DV8 Kitchen, shared his personal story of substance use, recovery, and second chances. Mr. Perez stated there have been many honors bestowed upon DV8 Kitchen, but one of the most notable honors was being named by Yelp! as 40th in America of top places to eat. Mr. Perez gave credit to his wife for the startup of DV8 Kitchen.

Mr. Perez stated that in the course of hiring employees, he has had many successes and some failures. He stated that in his way of thinking, he was using the excuse that he couldn't know them personally, or know their personal story in order for the business to be a success. He stated he fell into an environment where he felt he could take no risk or chance when leading his business. He stated he believed he had to protect the business, and admitted that was the wrong way to approach starting DV8 kitchen. He stated his wife's thinking is what turned it all around for him. Mr. Perez stated most business are 100 percent transactional, however the key to being a successful, transitional, second chance employer, is to become relational. He also reiterated that he does not violate any laws, or rules, but that he has had to become creative in how he relates to his employees, essentially highlighting the need to think outside of the box. In doing that, often times Mr. Perez shares his own story and creates and fills out extra forms for the employee. Mr. Perez stated he is not interested in hearing what is done in addiction, rather, he is interested in what his employees are doing in recovery. He stated once the employees knew that he was invested in their recovery and held employees accountable, it was easier to retain hard-working, determined individuals.

Mr. Perez encouraged the legislature to explore a path to support businesses, and to encourage career paths for individuals that are in need of second chances.

In response to a question asked by Chairman Alvarado, Mr. Perez stated one of his biggest fears in taking on second chance employees was the fear of losing money and being able to keep his business afloat. A second fear was how to honestly broach the subject of substance use and sobriety, and for honesty about where each person was in their journey to be had.

Jamie Johnson, Vice President, Kentucky Operations, Dorman Products, briefed the task force on Dorman Products and their take on second chance employment. Mr. Johnson stated that Dorman Products is an automotive aftermarket supplier, shipping products not only nationwide, but across the world. Mr. Johnson stated that Dorman Products is a second chance employer.

Mr. Johnson shared his personal story of the adoption of his daughter, Alexis who was removed from her home due to both parents having substance use and addiction issues. Because of those issues, Mr. Johnson started attending meetings and researching how he could be of help to people with substance use problems. Mr. Johnson stated he attended a regional event including people from West Virginia, Tennessee, Kentucky, and Indiana.

At that regional event Jim McClelland stated there is a need for better wrap around programs. After that event, Mr. Johnson held a meeting with all 580 contributors of his company and approximately 30 percent of the 580 people noted that they had been impacted by the opioid epidemic in some way. The determination was made after that meeting that the company was going to figure out how to help people battle addiction.

Mr. Johnson stated after consulting several people who have dealt with addiction issues, it was determined that there were four main components to helping battle substance use. Those four main components are support, prevention, awareness, and reach (SPAR). Mr. Johnson stated that we need to reach those individuals that are struggling, support them through the recovery process, address preventative concerns, and increase awareness.

Mr. Johnson stated that employee engagement programs build purpose, and community stewardship builds pride in the workplace. He added that employee led committees empower the team to escalate the speed at which the organization can change. Mr. Johnson stated that he learned that second chance opportunities are not diametrically opposed to success. Since becoming a second chance employer, Dorman Products' worker's compensation claims today are a fraction of the baseline, there has been favorable reaction by customers and communities, exponential growth at the Dorman Products site in the last six years, and the cost of operations continues to shrink year after year.

Mr. Johnson stated that a challenge facing businesses today is the belief that addiction recovery equates to unreliability. Mr. Johnson added that turnover rates have proven consistent in both addicted and non-addicted populations, and incentives for second chance employment has improved workforce participation rates. Another challenge facing businesses is that the average relapse occurrence before maintaining sobriety is seven years. Mr. Johnson asked how state agencies and businesses can partner to better detect relapse. A third challenge facing businesses is the belief that second chances equate to less safety. Mr. Johnson stated there needs to be independent research done to educate the business community on the facts. Lastly, he added that policies and practices must assume drug abuse exists as a constant.

In response to a question asked by Chairman Alvarado, Mr. Johnson stated the reduction in workers compensation claims rings true for Doorman Products, but he cannot speak for other businesses. He added that he is not saying because of the program at Doorman, they have a lower safety incident rate, and he is not saying it will reduce the rate. He stated that it should not be a conclusion that a company will increase their incident rate by affording people a second chance. Chairman Alvarado suggested a study on worker's compensation claims and second chance employers and employees.

Chairman Alvarado asked for recommendations on ways to further assist the efforts of recovery and reentry of individuals in the workplace. Ms. Shanks stated a report was published in 2019 on opioid abuse as well as other substance abuse in Kentucky. Ms.

Shanks stated she will share that report with the task force, as it includes recommendations on dealing with substance use disorder. She added one recommendation that was made, was the need to understand the risk that is involved and who is at risk. Also included in the report are recommendations on criminal justice reform issues. She stated that it is not always the case that someone who suffers from substance use disorders are justice involved.

In closing, Ms. Shanks highlighted the importance of Senate Bill 191 from the 2020 Regular Session. She also stated that the Kentucky Chamber of Commerce is committed to educating employers on substance use, recovery, and second chance employment. She urged members to look at [Kentuckycomeback.org](https://kentuckycomeback.org) which is about the chamber's programmatic focus and policy focus. Ms. Shanks stated it is a substantial resource guide is available for employers to follow and continue to spread knowledge of second chance employment and substance use.

With no further business to come before the task force, Chairman Alvarado adjourned the meeting at 5:15 P.M.