

Written Testimony of William C. McGahan  
Chairman and Founder  
Georgia Works!

Committee on Oversight and Government Reform  
2157 Rayburn House Office Building  
Washington, DC 20515

Criminal Justice Reform and Efforts to Reduce Recidivism  
Hearing: Wednesday June 28, 2017 at 1pm.

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Chairman Gowdy, Ranking Member Cummings,

My name is Bill McGahan and I am the Founder and Chairman of a non-profit called "Georgia Works!".

Georgia Works helps formerly incarcerated and homeless men become productive citizens. Since our founding in 2013 we have helped 311 men get jobs, remain clean, and get an apartment, and virtually all have not returned to prison. We have an additional 170 men in the program today who are all working toward full time employment.

When a man comes to our voluntary program we ask him to do three things: 1) be clean of alcohol and drugs (we drug test everybody weekly), 2) not take handouts from the government or anyone else, and 3) to work.

Over the course of 6 to 12 months we work with each of clients on their "obstacles" to employment: the lack of a driver's license, wage garnishments, criminal history, a lack of a high school diploma, past due fines, lack of a bank account, just to name a few.

But more importantly, we work with each client on the underlying cause of their problems, which is typically an addiction, past abuse, or a psychological problem. Each person is assigned to a case manager who they meet with daily. We have in-house AA/NA meetings, GED classes, one on one counseling, anger management classes, healthcare, and financial planning courses, among others.

The key thing that makes us different is that we run a staffing business within Georgia Works! Georgia Works! contracts directly with 30 to 40 businesses around Atlanta for their labor needs, and over 100 our men go to work for these employers every day while they are living at our facility. The staffing business is a way for employers to "try out" an employee in a low-risk way.

Most of the people in our program end up getting full time job offers from the private employers that are customers of our staffing business, and the rest get jobs in the market place.

So, while a man is at Georgia Works he is learning how to be a valuable employee at a private business, he eliminating the obstacles that might prevent him from being employed, and he is working on his addiction or other problem that is the root cause of his problems. He is also making money through his own work, not through a handout. We have a mandatory savings program, and most participants save between \$2000 to \$3000 by the time they leave.

We are funded completely by private sources (including me), we take no government funding of any kind, I take no salary or reimbursement for any expenses, and our staffing business funds almost the entire cost of running the entire operation.

There are several things that I have learned since I founded Georgia Works! that I want to specifically address:

1. There is no shortage of jobs. (According to [snagajob.com](http://snagajob.com), there are 30,000 jobs in available in Georgia). In fact, there is a labor crisis in some sectors, including construction, food and beverage, commercial truck driving, auto repair, etc..etc.. These sectors simply can't find the labor to fill their open positions.
2. The people in our program range from poorly educated to very smart. We have people who stopped school in the 8th grade, and others with PhD's. So, we don't need just low skill jobs or high tech jobs - we need a menu of all types of jobs that fit each particular type of person.
3. Individuals don't need to be highly trained to get a job with career prospects. Many men leave our program and begin full time work in the \$13 to \$15 range without any training at all. Employers will train the people so long as they perceive them to be worth the investment.
4. The biggest problem is bad habits, not a lack of intelligence, or poor schooling. The scarce commodity is the individual, regardless of their past, who works hard, takes direction well, has good habits, and who will stay on the job past the first few paychecks.
5. Many formerly incarcerated returning citizens and former homeless people are terrific employees. They are eager to get their lives moving in the right direction and they know that they don't have a lot more chances. Many former drug dealers are entrepreneurial, creative and personable, and our employer customers tell us that they are some of their most valuable employees.

Georgia Tech did a study on our program that found that we saved our community \$6 to \$11 for every dollar invested in our program mostly due to the fact that our graduates don't go back to prison, and recidivism drops like a stone. Georgia Works! can graduate an individual to self-sufficiency and being a tax payer for under \$2500 an

individual, compared to a cost of about \$20,000 a year to incarcerate a person in the State of Georgia.

Where state and federal governments can help the most are in three areas:

1. Stop taking away driver's licenses for anything other than poor driving. Driver's licenses are suspended in some states for drug offenses, failure to pay child support, and for other reasons. Most jobs require an individual to have a driver's license.
2. Wage garnishments, particularly for past due child support, are crippling poor men and ex-offenders. A man with a low hourly wage simply cannot support himself with significant wage garnishments, almost forcing him to work in "under the table" jobs or illegal activity.
3. Promote programs for returning citizens and homeless people (like Georgia Works!) that ready people for work, change bad habits, eliminate barriers, and provide employment opportunities.

Today, I am in a working group with Georgia Justice Project, The Georgia Department of Community Supervision, The Georgia Department Corrections and other organizations to come up with specific policy recommendations in Georgia to eliminate barriers to employment for ex-offenders.

I want to thank the committee for focusing on this important issue on the Federal level.

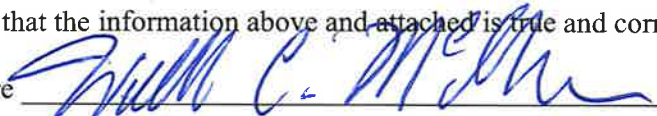
**Committee on Oversight and Government Reform  
Witness Disclosure Requirement — “Truth in Testimony”**

Pursuant to House Rule XI, clause 2(g)(5) and Committee Rule 16(a), non-governmental witnesses are required to provide the Committee with the information requested below in advance of testifying before the Committee. You may attach additional sheets if you need more space.

Name: **William C. McGahan**

1. Please list any entity you are testifying on behalf of and briefly describe your relationship with these entities.					
Name of Entity	Your relationship with the entity				
Georgia Works!	Chairman and Founder				
2. Please list any federal grants or contracts (including subgrants or subcontracts) you or the entity or entities listed above have received since January 1, 2015, that are related to the subject of the hearing.					
Recipient of the grant or contact (you or entity above)	Grant or Contract Name	Agency	Program	Source	Amount
None					
2. Please list any payments or contracts (including subcontracts) you or the entity or entities listed above have received since January 1, 2015 from a foreign government, that are related to the subject of the hearing.					
Recipient of the grant or contact (you or entity above)	Grant or Contract Name	Agency	Program	Source	Amount
None					

I certify that the information above and attached is true and correct to the best of my knowledge.

Signature 

Date: Jun 25, 2017

Page 1 of 1

# William C. McGahan

## EXPERIENCE

### **Georgia Works!, Chairman and Founder, Atlanta, Georgia — 2013 - Present**

Founder of work based program that assists chronically homeless, ex-offenders obtain self-sufficiency. This 170 man program requires participants to be alcohol and drug free, and to work. Georgia Works! has over 300 graduates, Graduates have a very low rate of criminal recidivism, and the vast majority are drug free, employed and housed.

### **From Houses to Homes, LLC. Board President, Antigua, Guatemala — 2011 - 2013**

Non-profit that has built over 1100 homes, two schools and a medical clinic for the rural poor in Guatemala.

### **Reit Management and Research, Honolulu, Hawaii, and Atlanta, Georgia — 2004 to 2009**

Senior officer of management company which is responsible for managing 5 public companies: Commonwealth REIT, Hospitality Properties Trust, Senior Housing Properties Trust, Five Star Quality Care and Travel Centers of America. Asset classes included office buildings, hotels, assisted living facilities and industrial land. Responsibilities included running 2 regions of the company with over \$4 billion of real estate.

### **UBS Securities, Vice Chairman, Managing Director, New York— 1999 to 2003**

Global Co-Head of the Health Care Group, Member Investment Banking Management Committee. Responsible for co-managing the firm's largest investment banking group with 200+ professionals. Group generated over \$300 million annual in revenues. On many key committees running the investment bank.

### **Citibank, Managing Director, New York — 1989 to 1999**

Worked on hundreds of investment banking transactions worth billions of dollars.

### **Citizens and Southern Bank, Lending Officer, Atlanta Georgia — 1984 to 1987**

Officer development program. Top student in bank's credit school.

## EDUCATION

### **University of Virginia, Darden Graduate School of Business, Charlottesville, Virginia — MBA, 1989**

Recipient of the Faculty Award for Academic Excellence. Graduated in the top 5% of class.

### **Southern Methodist University, Dallas, Texas — Bachelor of Science, 1984.**

Major in Economics, Minor in Math.

### **The Westminster Schools, Atlanta, Georgia — High School Graduate, 1980.**

## OTHER

- \* Endowed a global service program that has brought over 200 High School students on 13 trips from Atlanta to Guatemala to build homes for the rural poor. Have built over 35 homes since 2008.
- \* Involved in many non-profit board of directors, including the Atlanta Co-Chair for Governors Office of Transition, Support and Reentry; The State Housing Trust Fund for the Homeless; The Howard School; The Atlanta Academy, and many others.
- \* Have summited six of seven summits, including Kilimanjaro, Elbrus, Denali, Kosciuszko, Vinson Massif and Aconcagua. Climbed to Camp III on Everest (23,000 Feet) in May, 2011.
- \* Five time state champion high school assistant coach in Football and golf.