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USER
COST
OF
CRIME

THE COST OF CRIME: COULD THE STATE REDUCE FUTURE CRIME AND SAVE MONEY BY EXPANDING EDUCATION AND TREATMENT PROGRAMS ?

By Stephanie Martin and Steve Colt

Alaska's prison population is among the fastest-growing in the U.S., with five times more inmates in 2007 than in 1981. Spending for the state justice system has nearly doubled since 1981—but the crime rate has dropped only about 30%.

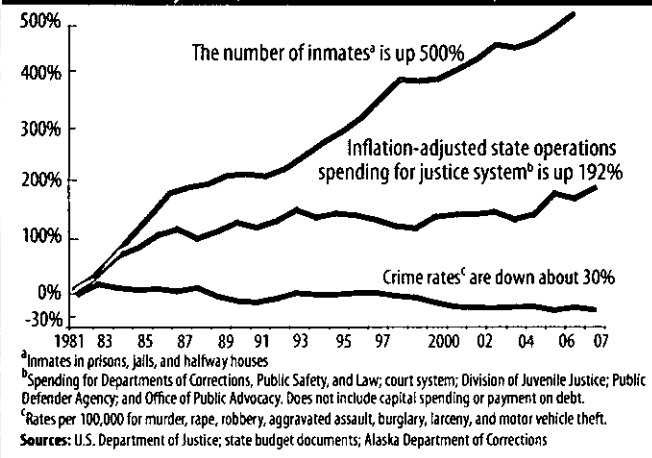
Here's the dilemma for the state, given the pattern shown in Figure 1: what can it do to hold down the number of inmates and stem the rising costs—while at the same time keeping the public safe and using tax dollars effectively?

Senator Hollis French asked ISER to project growth in the number of Alaska inmates and the associated costs—and then evaluate whether the state could reduce that growth by expanding intervention and prevention programs for people already in prison or at risk of ending up there. Alaska currently spends about \$17 million a year for such programs, but they aren't available to many of those who might benefit from them.

There are a wide range of such programs. But it is programs for adults who are already in prison or jail that have the most potential to save money and reduce crime in the next 20 years. That's because they can reach the most people.

We know that without any intervention, about two-thirds of those who serve their sentences and are released commit new crimes. Stopping at least some of them from committing more crimes would not only help improve public safety but also reduce growth in both the number of inmates and in spending.

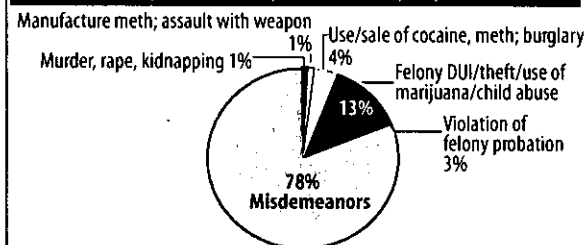
Figure 1. Percentage Changes in Alaska Crime Rate, Spending for Justice System, and Number of Inmates, 1981-2007



Also, most of those released committed misdemeanors (Figure 2). Those who commit the most serious crimes serve long sentences and make up a small share of those released in any given year.

To analyze which programs have the most potential to reduce crime and save the state money, we worked with the Alaska Criminal Justice Working Group and the Washington State Institute of Public Policy. That institute did a similar analysis for Washington state and provided us with data it collected from program evaluations nationwide (see back page). What did our study show?

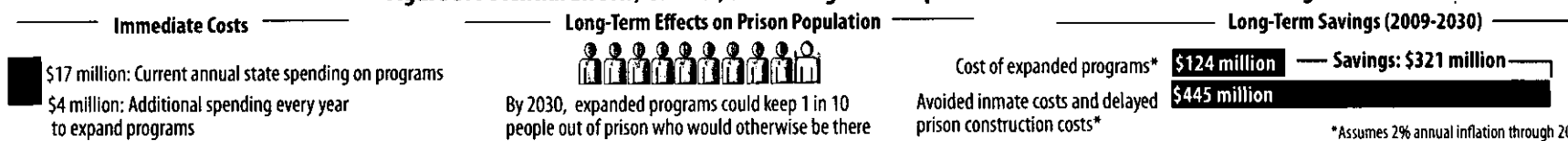
Figure 2. Who Gets out of Jail or Prison in Alaska?
(Total Releases, 2002-2007: 82,339)



Source: Alaska Department of Corrections

- With no change in policies, the number of Alaska inmates is likely to double by 2030, from 5,300 to 10,500.
- If the state spent an additional \$4 million a year to expand programs it already has, the prison population in 2030 might be 10% smaller than projected—about 1,050 fewer inmates.
- The state would spend about \$124 million for expanded programs through 2030 but would avoid \$445 million in costs—a savings of \$321 million. It would save money by incarcerating fewer people and by delaying prison construction costs. (Figures 3 and 8).
- Education and substance-abuse treatment programs—in prison, after prison, and instead of prison—save the state two to five times what they cost and reach the most people. Programs for teenagers are also very effective at reducing crime and saving money, but they reach fewer people.

Figure 3. Potential Effects, Costs of, and Savings from Expanded Prevention or Intervention Programs



*Assumes 2% annual inflation through 2030

WHY CONSIDER EXPANDING PROGRAMS?

In 1980, 2 in 1,000 Alaskans were behind bars; today that share is approaching 10 in 1,000. The sharp increase started in the 1980s, when the state government began collecting large oil revenues. The state used some of that money to expand police agencies, courts, and other parts of the criminal justice system statewide. Also in the 1980s, it made sentencing for the most serious felonies more uniform and stiffened sentences.

The crime rate in Alaska has declined since the 1980s. But the number of Alaskans in prisons, jails, and halfway houses has increased much faster, as have costs for the state justice system. Alaska's prisons are full, and the 1,500-bed prison scheduled to open in 2012 is projected to be full soon after it opens.

Locking people up is expensive, whether their crimes are major or less serious. Alaska spends on average \$44,000 a year per inmate in prisons, jails, and halfway houses. Adjusted for inflation, that's actually less than in the 1980s—but it's still a lot (Figure 4).

Studies in other states have shown that some intervention and prevention programs can help cut both costs and crime, either by keeping people who have served their sentences from committing new crimes after they're released, or preventing some people from going to prison in the first place.

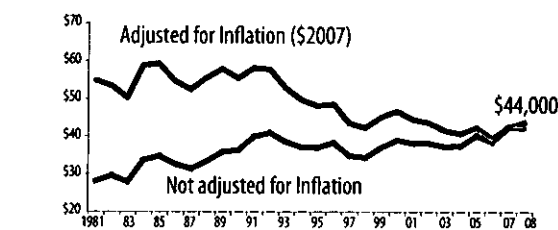
WHAT PROGRAMS DID WE ANALYZE?

The Alaska Criminal Justice Working Group gave us a list of programs to analyze. We looked for programs with the biggest potential payoff for the state—those that could reduce growth in both numbers of inmates and in spending for corrections, at a reasonable cost for the state.

Alaska already has a number of programs in place, and we found that expanding some of those would be most cost-effective. Table 1 lists the programs in our final analysis. As a guideline for what was a "reasonable" expansion, we used 10% to 20% of the eligible people not already served—except for very small programs that can't easily be expanded that much.

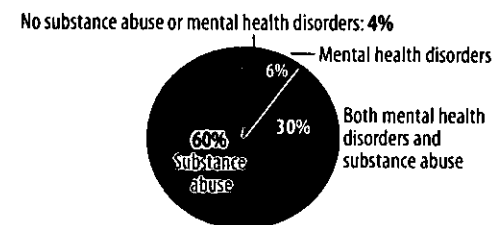
These programs would serve inmates, at-risk juveniles, and young children. They are all intended to reduce future crime in some way. Programs that treat substance-abuse or mental health disorders have been shown to reduce recidivism—and as Figure 5 shows, almost all current inmates have those disorders.

Figure 4. Annual State Costs Per Inmate,* 1981-2008
(In Thousands of Dollars)



*Average cost of incarcerating people in prisons, jails, and halfway houses.
Source: Alaska Department of Corrections

Figure 5. How Many Alaska Inmates Have Substance Abuse or Mental Health Disorders?



Sources: Alaska Department of Corrections; Alaska Mental Health Trust

Table 1. Current Size and Potential Expansion of Intervention and Prevention Programs^a

Programs	Currently serve	Reasonable expansion	Potentially eligible (2008)
Prison-based programs			
Education (adult basic; vocational)	More than 1,000	500	Almost all inmates (4,500)
Substance-Abuse (residential; intensive outpatient)	Close to 500	500	90% of inmates (approximately 4,000)
Sex-offender treatment ^b	0	50	10% of 500 eligible inmates
Transition from prison			
Transition for inmates with mental health disorders (Institutional Discharge Project)	70	100	36% of inmates (1,600)
Alternatives to incarceration			
Mental health, drug, alcohol courts; electronic monitoring; residential substance-abuse treatment	500	500	Approximately 5,000 ^c
Juvenile offenders			
Aggression replacement training; family therapy; residential treatment; institutional transition	Approximately 500	1,000	Approximately 3,000
Prevention			
Head Start for 3- and 4-year olds from low-income families ^d	3,025	450	Approximately 8,000 ^e

^aPrograms included in our final analysis are those for which we found evidence that expansion would have significant pay-offs for the state at a reasonable cost. We evaluated additional programs not included here, either because there wasn't sufficient evidence to assess their effectiveness or because they weren't feasible to implement in Alaska at this time.

^bTo effectively reduce crime, sex offender treatment programs need to be offered in both prison and the community. Treatment is currently available only in the community, so the number served in prison is currently zero—but there are proposals to add treatment in prison.

^cPeople facing low-level charges and with substance-abuse problems.

^dHead Start is a federal program, but the state supplements federal money and Governor Sarah Palin has proposed additional state funding.

^eWe assume all children from families with up to double the poverty-level income would be eligible.

We looked at but excluded other programs from our final analysis. The criminal justice working group decided that a few programs, while effective elsewhere, wouldn't be feasible to implement in Alaska at this time. For other programs, there wasn't enough available evidence to judge how effective they were in saving money or reducing crime, or the available evidence showed them to be largely ineffective.

HOW DO THE PROGRAMS COMPARE?

As Figure 3 (front page) shows, expanding programs to serve more of the eligible people would save the state about \$321 million and reduce the projected number of inmates 10% by 2030. Figures 6 and 7 show how the various programs contribute to costs, savings, and reductions in the number of Alaskans behind bars.

- *Education and substance-abuse treatment programs for inmates save two to four times what they cost, reduce recidivism by about four percentage points, and can reach the most people.*

- *Intervention programs for juveniles who have committed crimes are very effective at saving money and reducing recidivism, but they serve a much smaller number of people.*

- *Programs that set up transition services for inmates with mental-health disorders coming out of prison are among the most effective—but they can't readily be expanded to serve the many people who could benefit from them.*

- *Alternatives to prison for some people charged with lesser offenses save the state money right away, and almost all reduce recidivism. The exception is electronic monitoring, which is inexpensive but hasn't been shown to reduce future crime.*

- *Treatment programs for sex offenders do reduce crime, but they are very expensive and so don't save the state money.*

- *Programs that prevent future crime by helping very young at-risk children are the most effective. But the effects of spending for those programs aren't apparent until many years later.*

Figure 6. How Effective Are Various Programs at Saving Money and Reducing Crime?

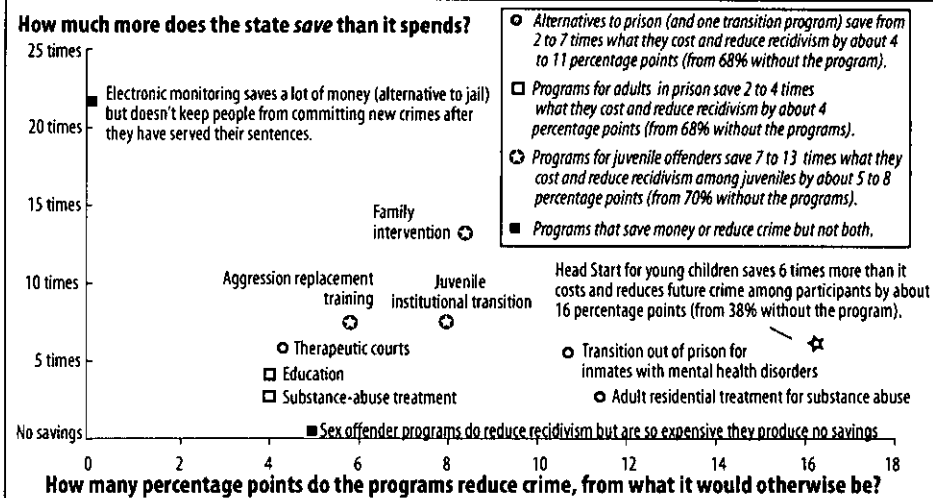
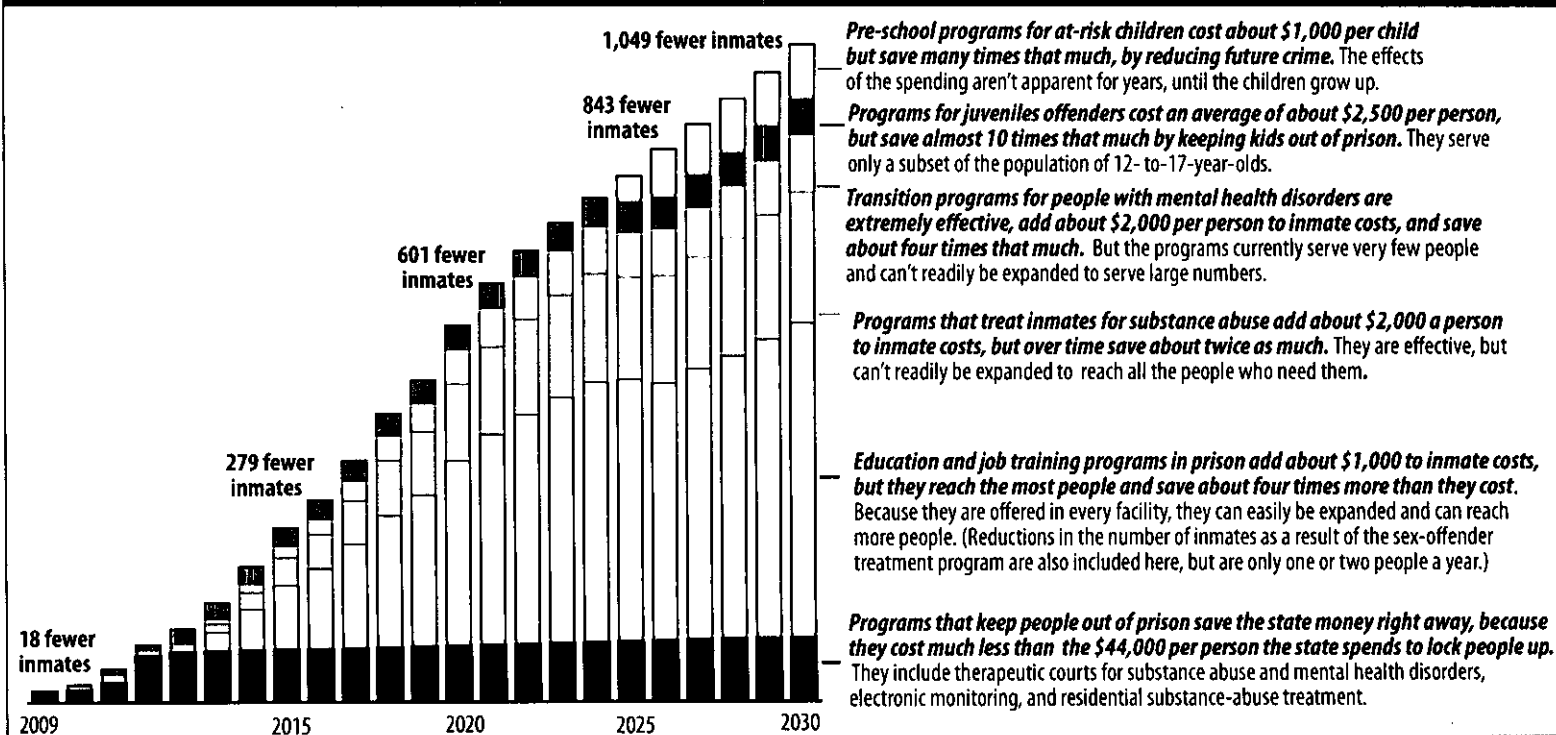


Figure 7. How Would Expanding Specific Programs Contribute to Reducing Growth in Numbers of Inmates?



CONCLUSION

In conclusion, Figure 8 shows how Alaska's corrections system got where it is and where it's likely to go—if intervention and prevention programs are kept at their current levels, and if the most effective programs are expanded to serve more of the eligible people.

We found that the state could both reduce the number of Alaskans in prison or jail and save considerable money over the next 20 years, by adding about \$4 million a year to the \$17 million it currently spends to keep people from returning to prison—or prevent them from ever going there at all.

Spending more for these programs even as oil prices and state revenues are falling may not seem like a good idea. But Alaska also needs to look to the future—and over time the benefits of strategically expanding those programs that reduce crime and keep more Alaskans out of prison far outweigh the costs.

METHOD OF ANALYSIS

Our job was to assess whether specific programs could reduce long-term state spending for corrections by reducing growth in the number of inmates. As a starting point, we needed evaluations of how effective various programs are at reducing future crime.

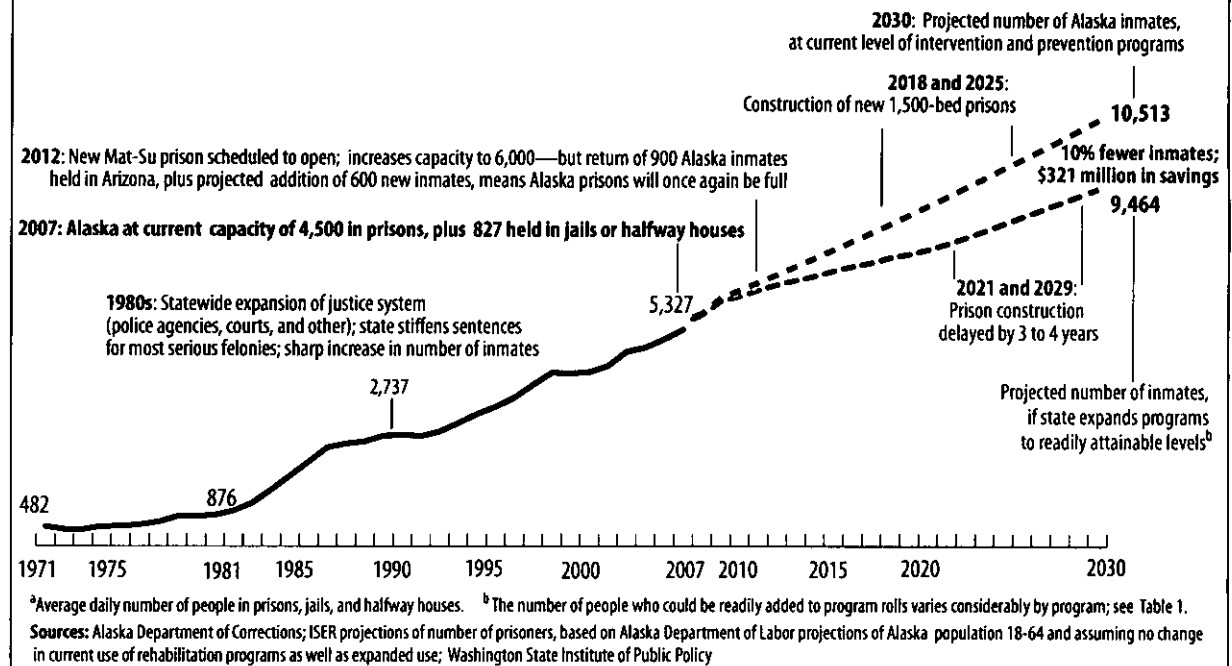
But except for some of the therapeutic court programs, most programs in Alaska have not been rigorously evaluated. Therefore, we used results of a Washington state assessment that systematically reviewed 571 program evaluations from around the country.

To be included, evaluations had to have carefully designed control groups, replicable results in multiple settings, and long-lasting effects. This method is evidence-based public policy, which merges research and practice. It is similar to clinical trials in medicine. Keep in mind that this is a new field, and only about 10% of programs in place nationwide have been evaluated at this standard.

With data from rigorous evaluations, the Washington State Institute of Public Policy created a model that estimated the effects of programs on recidivism—and then combined those results with a cost-benefit analysis to estimate the long-term effects on state spending and inmate populations.

We combined the institute's estimates of recidivism with Alaska data on program costs, eligible groups, and state population to estimate long-term effects on crime and state spending.

Figure 8. Average Number of Alaska Inmates,^a 1971-2007, and Projected Number, 2008-2030



The authors thank the members of the Alaska Criminal Justice Working Group for their help in identifying programs to evaluate and for comments on drafts of this publication. The Alaska Legislature funded this group in 2007 and authorized the Alaska Judicial Council to act as its staff.

The group is chaired by a justice of the Alaska Supreme Court and Alaska's lieutenant governor. Other members include top policymakers from the departments of Corrections, Public Safety, Health and Social Services, and Law, as well as the Alaska Mental Health Trust Authority; the heads of the Alaska Public Defender Agency and the Office of Public Advocacy; the administrative and deputy directors for the Alaska Court System; the executive director of the Judicial Council, the U.S. attorney, and Anchorage's police chief.

This group meets monthly to talk about long-term justice issues, as well as to resolve any inter-branch issues that come up among the many agencies and organizations that deal with aspects of Alaska's justice system.

The authors also thank Elizabeth Drake and Steve Aos of the Washington State Institute of Public Policy for developing the methods and models we used and for helping us apply them to Alaska. For more information go to www.wsipp.wa.gov.

This research summary and many other publications on a wide range of topics are available on ISER's Web site:

www.iser.uaa.alaska.edu

Criminal Justice Working Group

1029 W. Third Avenue, Suite 201, Anchorage, AK 99501



Co-Chairs

Lt. Governor Sean Parnell
Justice Walter Carpeneti

January 30, 2009

Senator Hollis French
Senate Judiciary Committee Chairman
Room 417
State Capitol
Juneau, Alaska 99801-1182

Representative Jay Ramras
House Judiciary Committee Chairman
Room 118
State Capitol
Juneau, Alaska 99801-1182

Dear Mr. Chairmen:

As you know, the Criminal Justice Working Group is an interagency, inter-branch group that collaborates to improve Alaska's criminal justice system. For the past year, the group has been meeting monthly to resolve day-to-day operational issues, and to focus on longer term improvements. This letter summarizes the group's work in the past year.

Following the models of similar groups over the past thirty years, the present CJWG includes the commissioners of the state departments of Corrections, Health and Social Services, Public Safety, and Law; the Administrative Director of the Alaska Court System and the Deputy Court Directors; the Judicial Council Executive Director; the Director of the Mental Health Trust Authority; the heads of the Public Defender and Office of Public Advocacy agencies; and the Chief of the Anchorage Police Department. The group includes the Directors of the Divisions of Juvenile Justice and Behavioral Health. For the first time, the group is co-chaired by the Lieutenant Governor and a Justice of the Alaska Supreme Court.

The legislature provided funding to the Alaska Judicial Council to staff the CJWG, providing meeting coordination, doing research, and developing materials for use by the committees. The group adopted as its mission statement the constitutional directive (Article 1, Section 12) that "Criminal administration shall be based upon . . . the need for protecting the public, community condemnation of the offender, the rights of victims of crimes, restitution from the offender, and the principle of reformation."

The CJWG's two committees – Efficiencies in the Criminal Justice Process, and Prevention and Recidivism – started by establishing baseline arrest rates and recidivism for both the adult and juvenile systems. The work broke new ground by relying on extensive cooperation among agencies to make use of their combined data, and by analyzing existing data for the juvenile system in ways similar to those commonly used in the adult system. The committees then undertook separate projects focused on issues of concern to their members:

Efficiencies Committee: The committee's members have done extensive work to identify and address the causes of delay in the criminal justice process. At the group's direction, the Judicial Council examined the need for a system to electronically exchange discovery materials. Council staff interviewed prosecutors, defense attorneys, judges, and police officers in Anchorage and Fairbanks. The Council published its report at the end of 2008. Based on the report, the committee agreed to pursue the project. The legislature provided funding to the MAJIC group that will be used to retain technical assistance in designing and implementing a system that will enable electronic exchange of discovery. The committee also asked the Council to examine possible delay associated with presentence reports, by analyzing data from the Alaska Court System and the Department of Corrections, and by interviewing judges about their reasons for ordering presentence reports.

Prevention and Recidivism Committee: This committee's goal is to identify ways to reduce criminal activity and recidivism. The committee began its work by identifying existing or proposed programs for adults and juveniles that could be shown, on the basis of evidence, to reduce recidivism. The Prevention and Recidivism subcommittee has assisted the Institute for Social and Economic Research in completing its report on cost-effective approaches to crime. A copy of ISER's report is enclosed.

ISER found a number of approaches that effectively reduce crime and recidivism. Each is already in place in Alaska. Based on ISER's findings, the Criminal Justice Working Group recommends that the legislature consider the following policy approaches:

Early Childhood Education: Maximum cost effectiveness occurs when future possible crimes are prevented. Early childhood education programs are among the best ways to reduce crime in the long run, despite the fact that the payoff occurs ten to twenty years after the children are served. Studies suggest that pre-kindergarten education for 3 and 4-year-olds lowers crime by about 16%, and saves the state six times in future expenditures compared to the amounts spent for the programs. The governor has proposed new funding for early childhood education in her FY 10 budget.

Intervention for At-Risk Youth: Intervention programs for at-risk youth and for juvenile offenders also carry high cost/benefit ratios. A 1999 report from the Office of Juvenile Justice and Delinquency Prevention in the U.S. Department of Justice stated that "Allowing one youth to leave high school for a life of crime and drug abuse costs society \$1.7 – 2.3 million." Aggression replacement training, family therapy and institutional transition programs all have been shown to reduce recidivism by 8% to 9%, while saving the state about ten times in future expenses what they cost to operate. More importantly, Alaska must do more to keep our youth in school and off the streets, BEFORE criminal activity occurs. In this regard, school resource officers in Anchorage have

been shown to reduce crime. We must encourage cooperation between schools, neighborhoods and community-based organizations to expand mentoring, tutoring and community building opportunities for our youth who need them.

Prisoner Transition: For the 5,300 incarcerated offenders in Alaska's institutions, and the 6,000 felony offenders on probation and parole, reducing recidivism means providing them with the tools to make the transition to a law-abiding productive life. Proven programs to help in prisoners' re-entry into society and success on probation and parole include substance abuse treatment while offenders are incarcerated and afterwards, education, therapeutic courts, vocational training and job placement. These programs can reduce recidivism by 4% to 5%, while saving the state two to four times in future expenses what they cost to operate. In addition, monitoring of offenders also reduces recidivism by keeping offender problems in check and by helping offenders recognize that they will be held accountable for their behavior.

The committee work we've described represents our long-term projects. However, the group also sets aside time at each meeting to work out immediate problems between the agencies and branches of government. These have included providing access for defense counsel to offenders at institutions, improvements to courthouse security, better access to committing magistrates for bail and warrant decisions, and addressing delays in recording judgments in APSIN. Many such issues have been resolved after discussion at the meetings.

The Criminal Justice Working Group members plan to focus their efforts in the coming year on a more in-depth look at these emerging issues, and at aligning more private sector effort with public policy initiatives. The Working Group will also pay special attention to programs that can help reduce the numbers of chronic inebriates, whose disproportionate use of resources reduces the state's ability to serve others.

We are happy to report on the Criminal Justice Working Group's accomplishments and we look forward to continued collaboration.

Sincerely,



Sean Parnell
Lieutenant Governor



Justice Walter Carpeneti
Alaska Supreme Court

cc: Legislators

Alaska State Legislature

Senator Hollis French, Chair
State Capitol, Room 417
Juneau, Alaska 99801
Phone: (907) 465-3892
Fax: (907) 465-6595



Committee Members:
Senator Bill Wielechowski
Senator Kim Elton
Senator Lesil McGuire
Senator Gene Therriault

Senate Judiciary Committee

MEMORANDUM

February 3, 2009

TO: All Legislators

FROM: Senator Hollis French

A handwritten signature in black ink, appearing to be "HF", enclosed in a hand-drawn oval.

RE: ISER Research Summary: "Cost of Crime: Could the State Reduce Future Crime and Save Money by Expanding Education and Treatment Programs?"

Attached is a Research Summary recently released by ISER. This study was funded by the legislature and the Mental Health Trust Authority last year to take an evidence-based look at which rehabilitation programs offered by the Department of Corrections actually work to reduce recidivism. As you may know, over 65 percent of Alaskan inmates return to prison within 3 years of their release. Even small changes in the numbers of prisoners who do not reoffend make a substantial difference over time to Alaskans, both in terms of prison costs and, more importantly, in terms of public safety.

This study is not meant to be an exhaustive list of programs that work. In cooperation with the administration's Criminal Justice Working Group, the study focused on programs that currently exist within the Department of Corrections to determine the cost-effectiveness of each program as measured by reductions in recidivism. In other words, ISER looked at national studies to see if the programs actually affected behavior once the inmate was released.

I hope you will find the study of interest. ISER staff presented this information in a hearing on February 2, and can be contacted for further information.

The Cost of Crime:
Alternatives to Incarceration to Lower Costs
and Keep Crime Rates Going Down

Research Proposal

submitted to:

Office of Senator Hollis French
Alaska State Senate

submitted by:

Institute of Social and Economic Research
University of Alaska Anchorage

Steve Colt, principal investigator
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907-786-1753

Stephanie Martin, Co-PI
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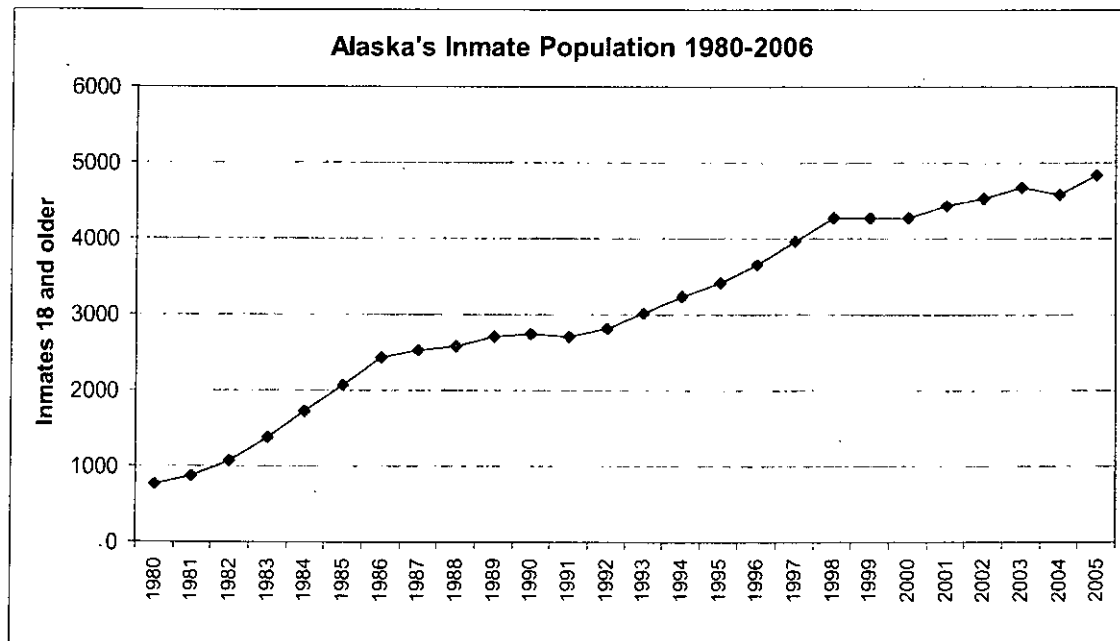
4 March 2008

Abstract

Alaska's prison population continues to grow. Although an effective measure for reducing crime, incarceration is expensive. Other states are considering expanding prevention and intervention programs as a means to curb the growth in prison populations while continuing to lower crime rates. Would similar measures work in Alaska? Could we reduce the future need to build new prisons and save money, while continuing to lower crime rates? The Institute of Social and Economic research proposes to forecast growth in Alaska's prison population and prison expenditures, and to evaluate the potential for expanding prevention and intervention programs in Alaska in a way that saves money, curbs prison growth, and continues to reduce crime.

Problem statement

According to Alaska Department of Corrections, the state's inmate population¹ has risen by over 600% over the past 26 years, increasing from fewer than 800 in 1980 to almost 5,000 in 2006. Currently, one out of every 100 Alaskan adults is incarcerated². Researchers estimate that by 2011 Alaska can expect 1 new inmate for every three currently in the system³.

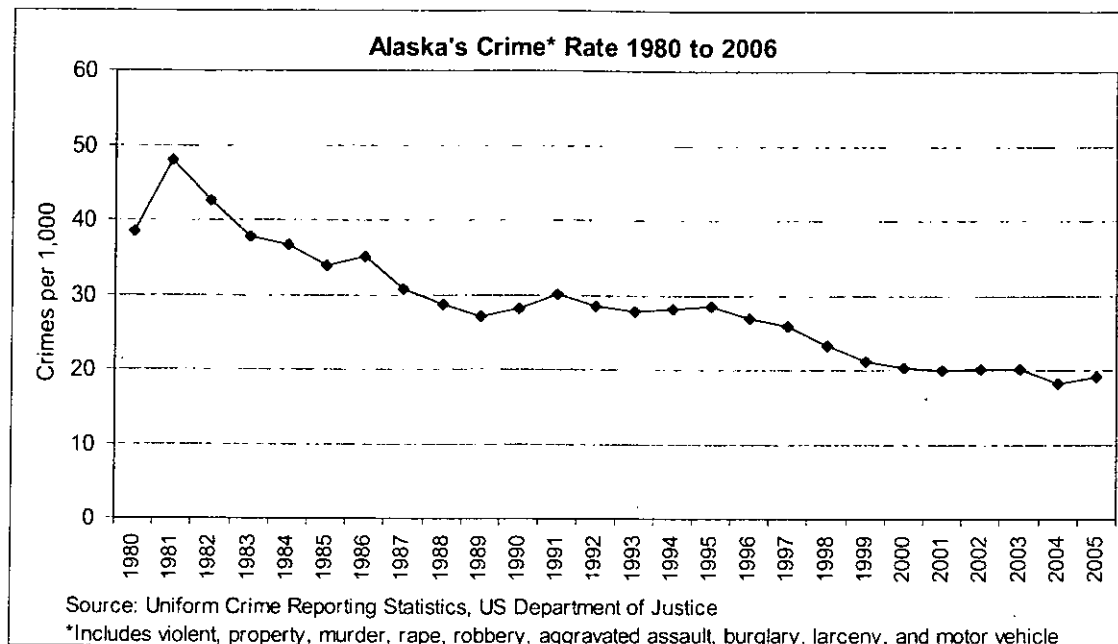


¹ Source: Alaska Department of Corrections

² Alaska's incarceration rate equals the number of people in state facilities (including Correctional Centers and Community Residential Centers) on any given day divided by the population age 18 and older.

³ Public Safety Performance Project, 2007, *Public Safety, Public Spending: Forecasting America's Prison Population*. Pew Charitable Trusts

As incarceration rates have gone up, crime rates have gone down. Other studies estimate⁴ that increasing incarceration rates by 10 percent reduces crime rates by 2 to 4 percent. Results vary by state. Incarceration is more effective for reducing certain types of crime.



Reducing crime by increasing incarceration comes at a cost. Alaska's justice operating expenses⁵ increased from \$101 million in 1981 to almost \$479 million in 2006.⁶ After adjusting for inflation, expenses nearly tripled during this period. These do not include capital expenditures. In 2001, Alaska's cost per inmate was \$36,730⁷. The estimated cost to build a new prison in the Mat-Su borough is \$330 million dollars.⁸ In addition, the crime-reducing effect of incarceration can logically be expected to run into diminishing returns as more and more criminals are locked up.

⁴ Aos, Steve, Marna Miller and Elizabeth Drake. 2006. *Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rates*. Olympia: Washington State Institute for Public Policy;

Aos, Steven. 2003. *The Criminal Justice System in Washington State: Incarceration Rates, Taxpayer Costs, Crime Rates and Prison Economics*. Olympia: Washington State Institute for Public Policy.

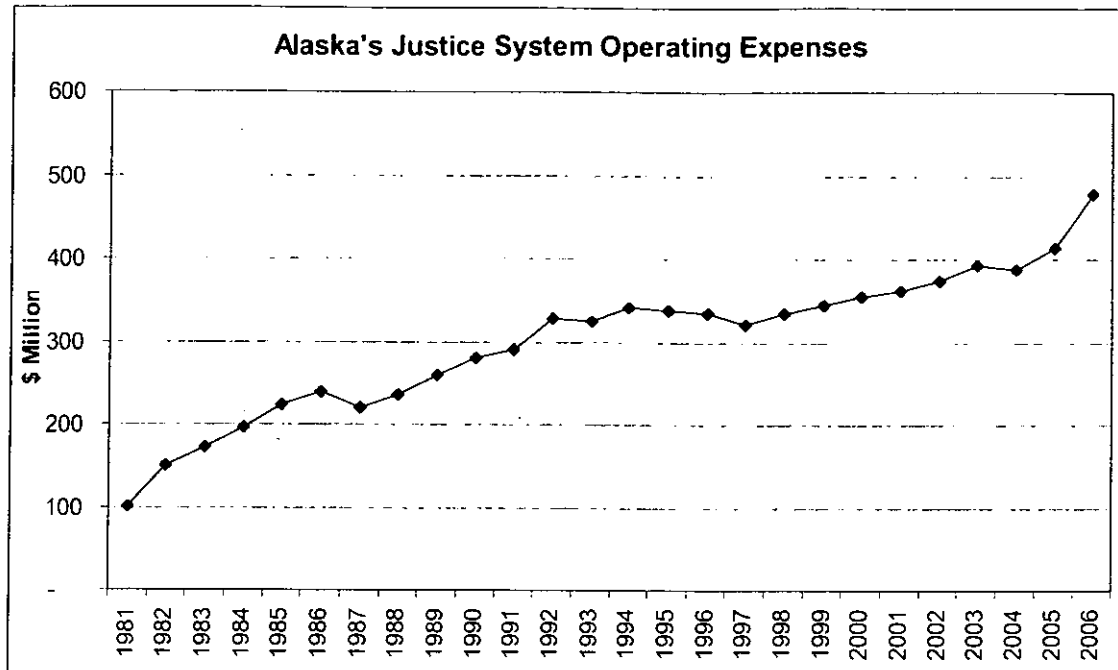
⁵ Justice system operating expenses include operating budgets from the Dept. of Corrections, Dept. of Public Safety, Dept. of Law, Alaska Court System, Public Defender Agency and Office of Public Advocacy. These figures do not include capital expenditures or local costs.

⁶ Alaska Justice Forum. 2007. *Justice System Operating Expenses*. University of Alaska, Anchorage. 23:4. State of Alaska Budget 1981-2005.

⁷ *Overview of Alaska's Correctional System*. National Institute of Corrections.

<http://www.nationalinstituteofcorrections.gov/Features/StateStats/?State=AK> accessed 2/28/2008.

⁸ The initial cost to be paid by Mat-Su Borough revenue bonds but the facility will be transferred to the state through a lease/buy agreement.



In a recent study, the Washington State Institute for Public Policy estimated that by expanding crime prevention and intervention programs, the State of Washington could save as much as \$1 billion over the next 25 years and avoid building two new prisons. These savings could occur without increasing the crime rate. Could Alaska benefit in a similar way by expanding crime prevention and intervention programs? A recent evaluation of Alaska's therapeutic court programs showed that graduates of the programs had lower recidivism rates than comparison groups who did not attend programs.⁹ The report recommends extending the analysis to understand the costs and benefits of Alaska therapeutic courts.

We propose an analysis for Alaska, similar to that done in Washington State¹⁰. Results could provide Alaska legislators and policy makers with new options for lowering or stabilizing criminal justice costs while maintaining or further reducing crime rates.

Research Questions

- How fast is Alaska's incarcerated population expected to grow?
- At what point(s) in the future will Alaska need to build new prisons?
- By how much does incarceration reduce crime in Alaska?
- How does this vary by type of crime?
- What programs have been shown to work to reduce crime rates?
- How do these compare to similar programs in place in Alaska?
- How many people would be eligible for prevention and/or intervention programs?

⁹ Alaska Judicial Council. 2007. Recidivism in Alaska's Therapeutic Courts.

¹⁰ Aos, Steve, et al. 2006.

- Could Alaska save money and reduce crime by expanding existing programs and implementing new ones?

Research tasks

- Forecast Alaska's prison population.
- Determine capacity of current correctional facilities.
- Estimate the cost of housing additional inmates.
- Estimate the relationship between incarceration and crime in Alaska and for different types of crime.
- Compare programs shown to be effective with those in place in Alaska.
- Estimate the share of the population who could benefit from such programs.
- Estimate the cost savings to Alaska of implementing additional crime prevention and invention programs.

Research Team

Dr. Steve Colt (Ph.D., Economics) will serve as Principal Investigator. Dr. Stephanie Martin (Ph.D., Political Economy) will serve as Co-PI. Rosyland Frazier (M.P.H.) will serve as principal research analyst. ISER Editor Linda Leask will prepare an executive summary for policymakers and general public distribution.

Timetable

Assuming a start date of approximately 15 July, we propose to complete a draft report by about 15 October and a final report two weeks after receiving comments on the draft.

Budget

The total proposed budget for the project is \$50,000. The travel item is for ISER researchers to consult with Steve Aos at the Washington Institute for Public Policy.

The following table shows budget details:

Salaries & Wages	Rate	Hours	Amount	
Colt		62.08	100	\$6,208
Martin		41.01	200	\$8,202
Frazier		30.33	240	\$7,279
Leask		29.74	65	\$1,933
Leave Allowance	Rate	Base	Amount	
Colt	17.50%	\$6,208		\$1,086
Martin	1.40%	\$8,202		\$115
Frazier	21.40%	\$7,279		\$1,558
Leask	20.70%	\$1,933		\$400
Total Salaries & Wages				\$26,781

Staff Benefits	Rate	Base	Amount	
Colt	33.10%	6,208		\$2,055
Martin	36.50%	8,202		\$2,994
Frazier	48.70%	\$7,279		\$3,545
Leask	48.70%	1,933		\$941
Total Staff Benefits				\$9,535

Total Personnel **\$36,316**

Travel

Anch-Olympia

	People	Days	Rate	
Airfare		2	\$800	\$1,600
Hotel		2	\$120	\$480
Per diem		2	49	\$294
Car rental	1 Trip		105	\$315
Total Travel				\$2,689

Contractual

Phone	\$200
Printing	\$500
Postage	\$200
Duplication	\$95
Total Contractual	\$995

Total Direct Cost **\$40,000**

Facilities and Admin @ State of AK 25% rate \$10,000

Total Project **\$50,000**

Evidence-Based Policy Options
**To Reduce Prison Construction,
Criminal Justice Costs, and Crime Rates**

Senate Judiciary Committee
Juneau, Alaska
January 16, 2008

Steve Aos

Assistant Director

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Institute Publications: www.wsipp.wa.gov

Washington State Institute For Public Policy

Created by the 1983 Washington Legislature

Mission: carry out non-partisan research on projects assigned by the legislature or the Institute's Board of Directors

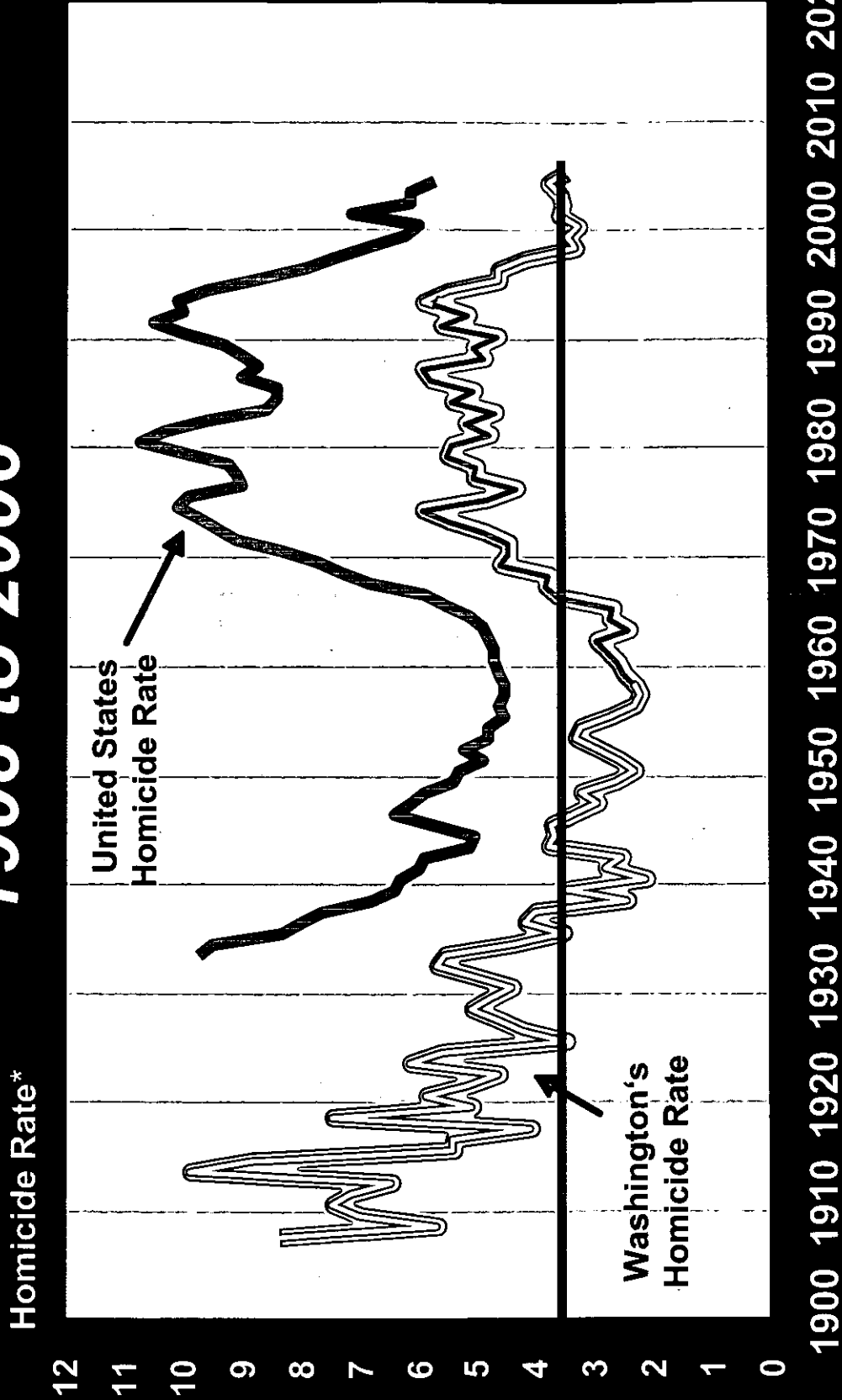
Topics

- 1. What Works? What's Economic?**
- 2. Results from Our 2006 Study & 2007 Washington Legislative Action**

The "Take Home" Message?

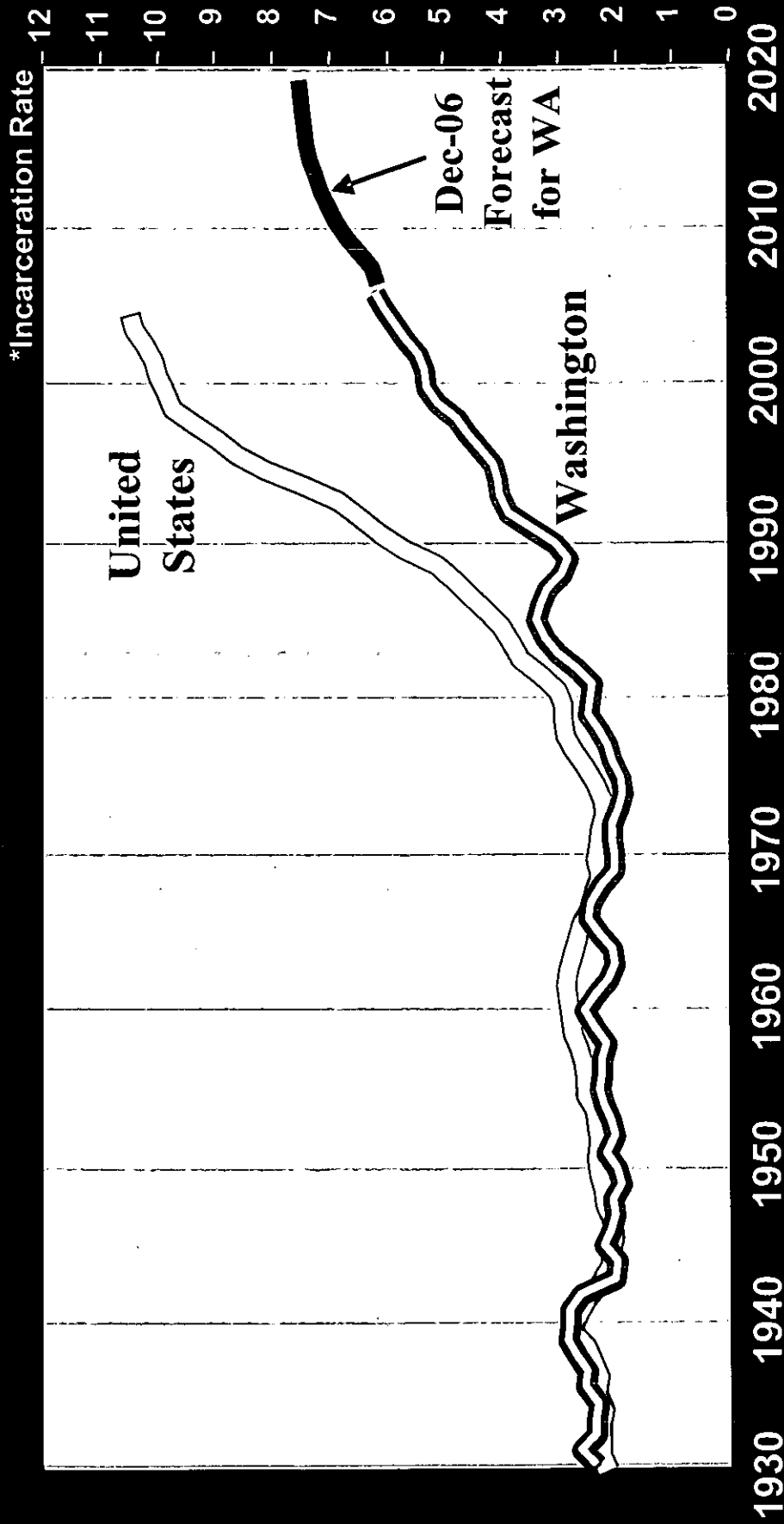
The "Magic" of
Compound Interest!
(Small gains, over time, matter a lot)

Homicide Rates: 1908 to 2006



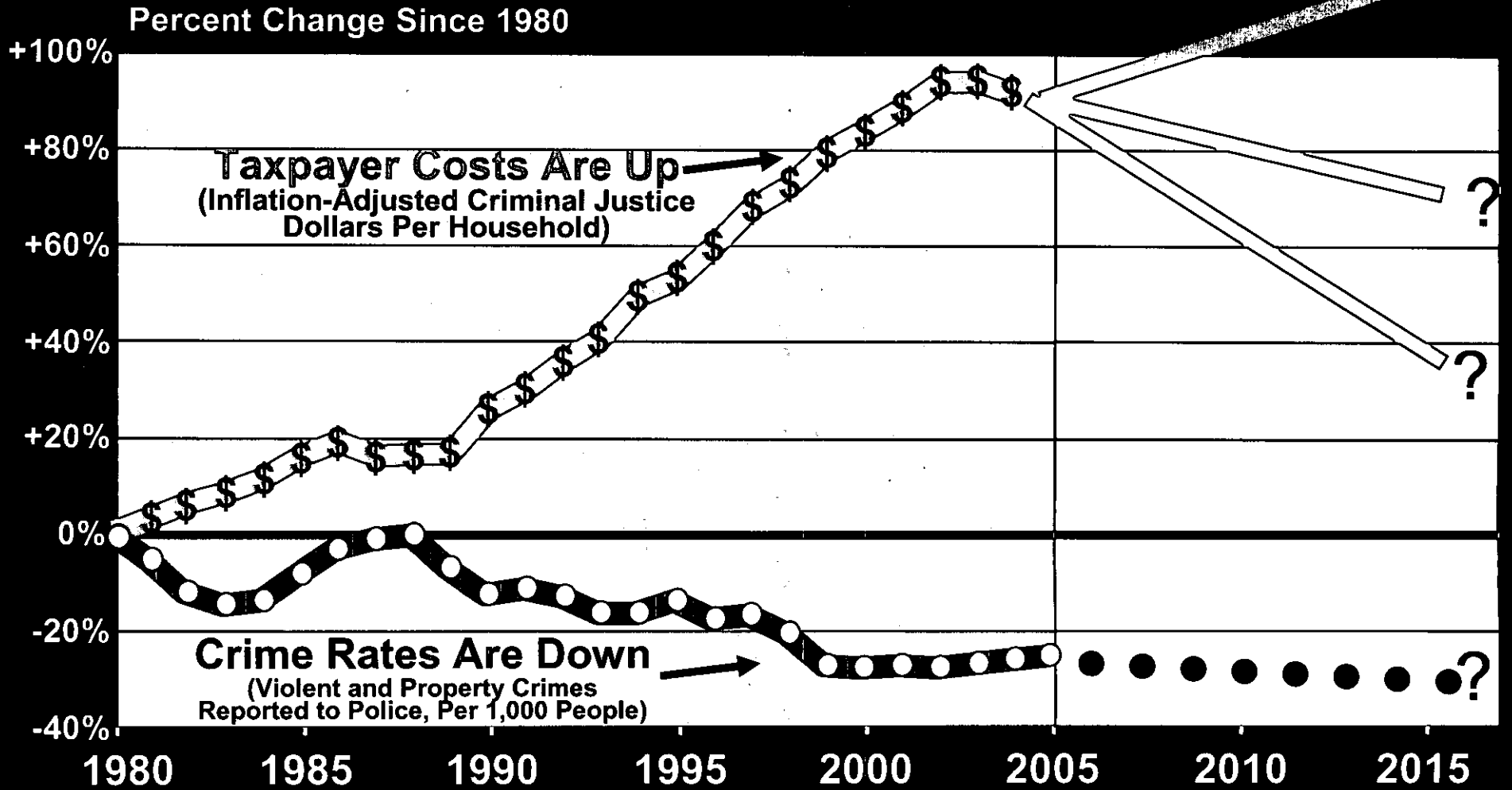
*Homicide rate defined as the number of deaths (classified as homicides by coroners) per 100,000 population.

Adult Prison Incarceration Rates: 1930 to 2005



*The incarceration rate is defined as the number of inmates in state prisons per 1,000 18- to 49-year-olds in Washington or the United States.

Crime Rates and Taxpayer Costs



All Data are for Washington State: 1980 to 2005

2005 Legislative Direction (ESSB 6094):

- ✓ ***“Study options to stabilize future prison populations.”***
- ✓ ***“Study the net short-run and long-run fiscal savings to state and local governments of implementing...
 - ***evidence-based treatment human service and corrections programs and policies, including prevention and intervention programs,***
 - ***sentencing alternatives,***
 - ***and the use of risk factors in sentencing.”******
- ✓ ***“Project total fiscal impacts under alternative implementation scenarios.”***

We published our report in October, 2006

Our Research Approach

3 Steps

1. What works & what doesn't?

- ✓ **We located 571 rigorous (comparison group), real world evaluations of adult and juvenile corrections programs, & prevention**

2. What are the economics of each option?

- ✓ **We estimated the taxpayer and crime victim benefits and costs to people in Washington**

3. How would alternative “portfolios” affect future prison demand, spending, & crime?

- ✓ **We assessed market potential & developed Current Level, “Moderate” & “Aggressive” portfolios**

“Evidence-Based” Public Policy Levers to Affect Crime

✓ Prisons/Jails

✓ Police

✓ Programs

All three cost money (no free lunch)

All three can be effective (or ineffective)

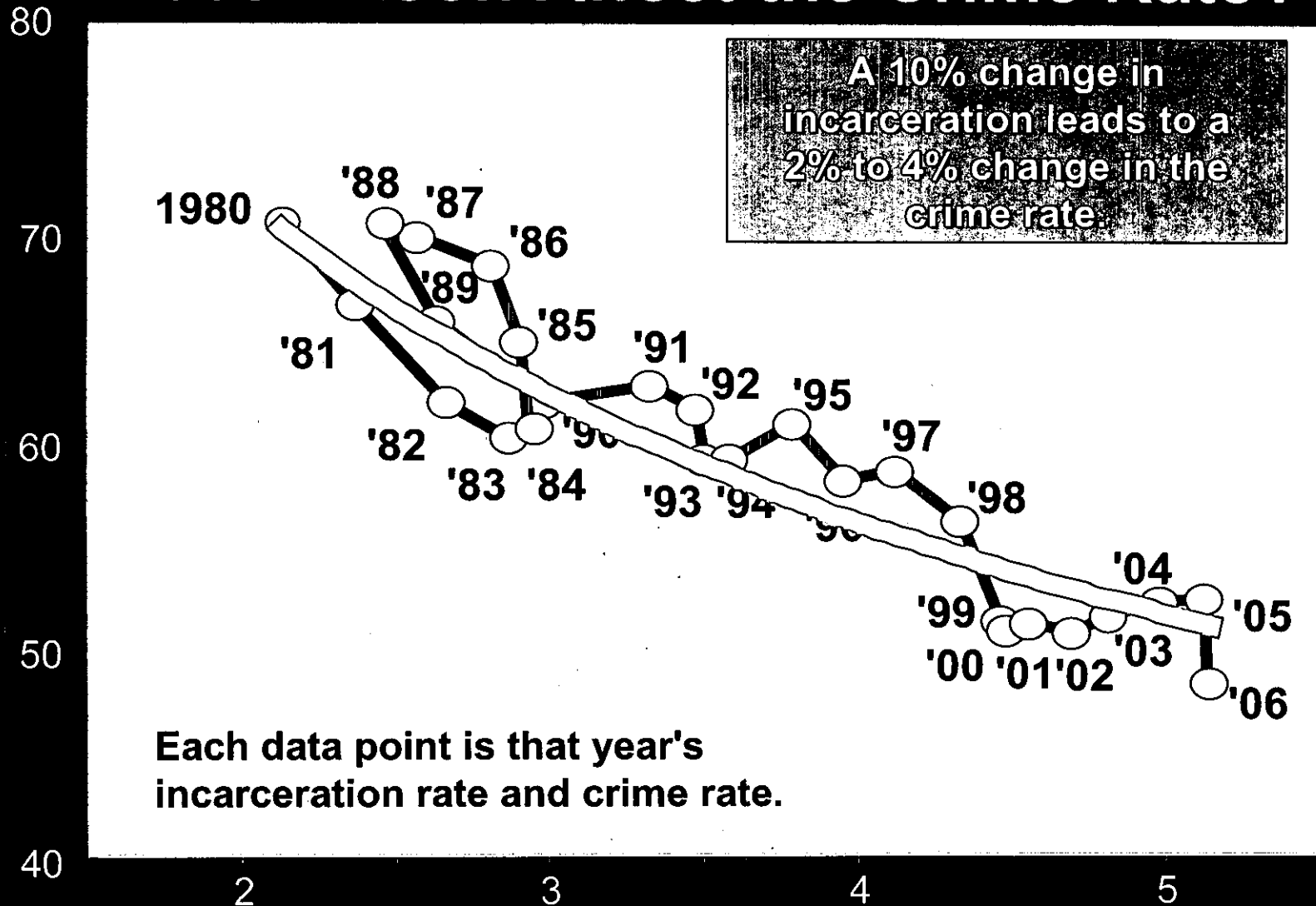
Therefore, → Portfolio

Slide 9

W2 demand for eb, market developing to meet it.
WSIPP, 5/23/2005

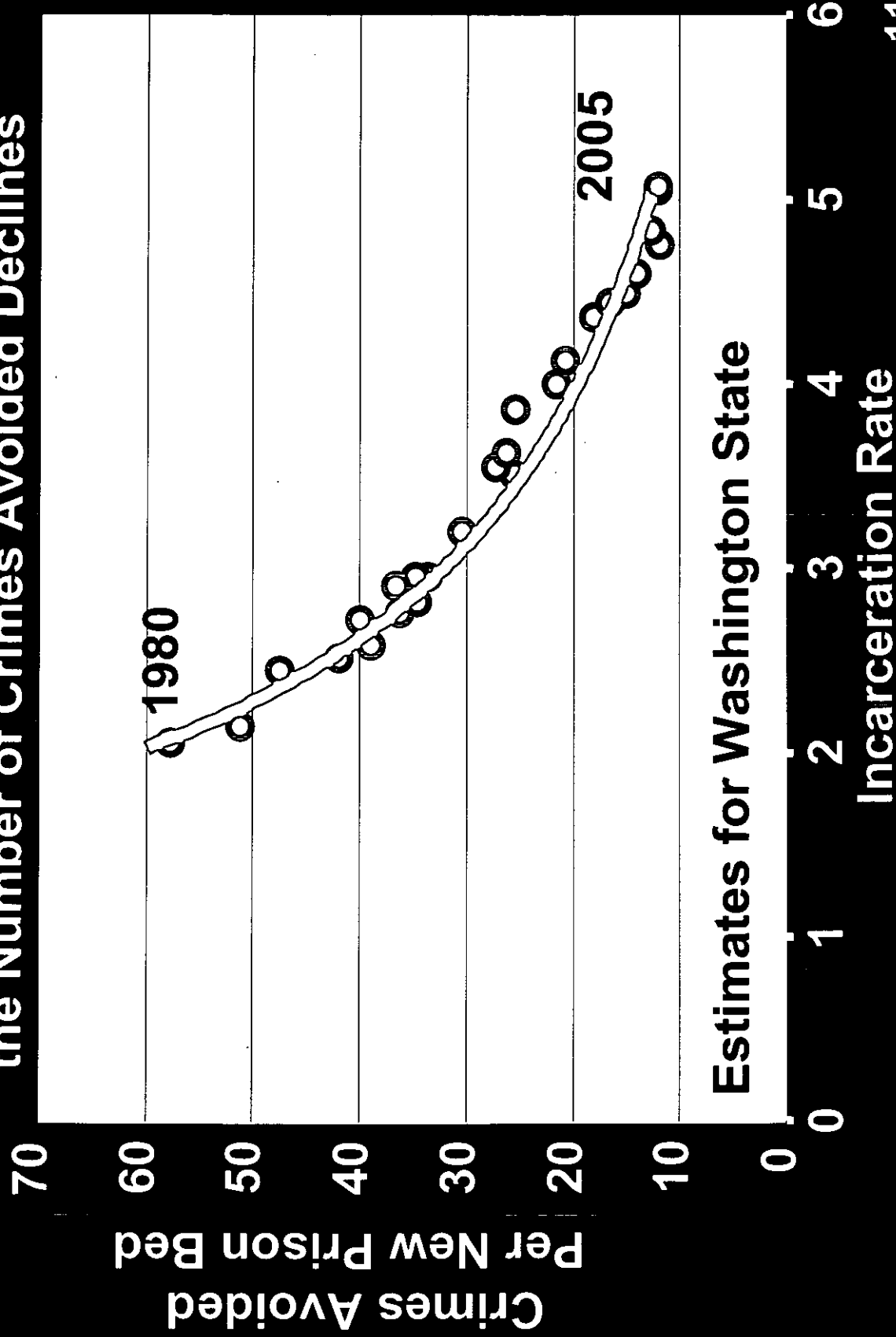
Prison Economics 101: Does Prison Affect the Crime Rate?

Washington's Crime Rate
(non-drug crimes per 1,000 pop)



Washington's Incarceration Rate (ADP per 1,000 pop) 10 of 16

Prison Econ. 102: Diminishing Returns: As Incarceration Rates are Raised, the Number of Crimes Avoided Declines



Slide 11

s8

talking generally about bc, but specifically following our recipe
saos, 5/13/2005

Our "Consumer Reports" List

1. What Works?
2. What Doesn't?
3. What Are the Benefits & Costs?

Exhibit 4
Reducing Crime With Evidence-Based Options: What Works, and Benefits & Costs

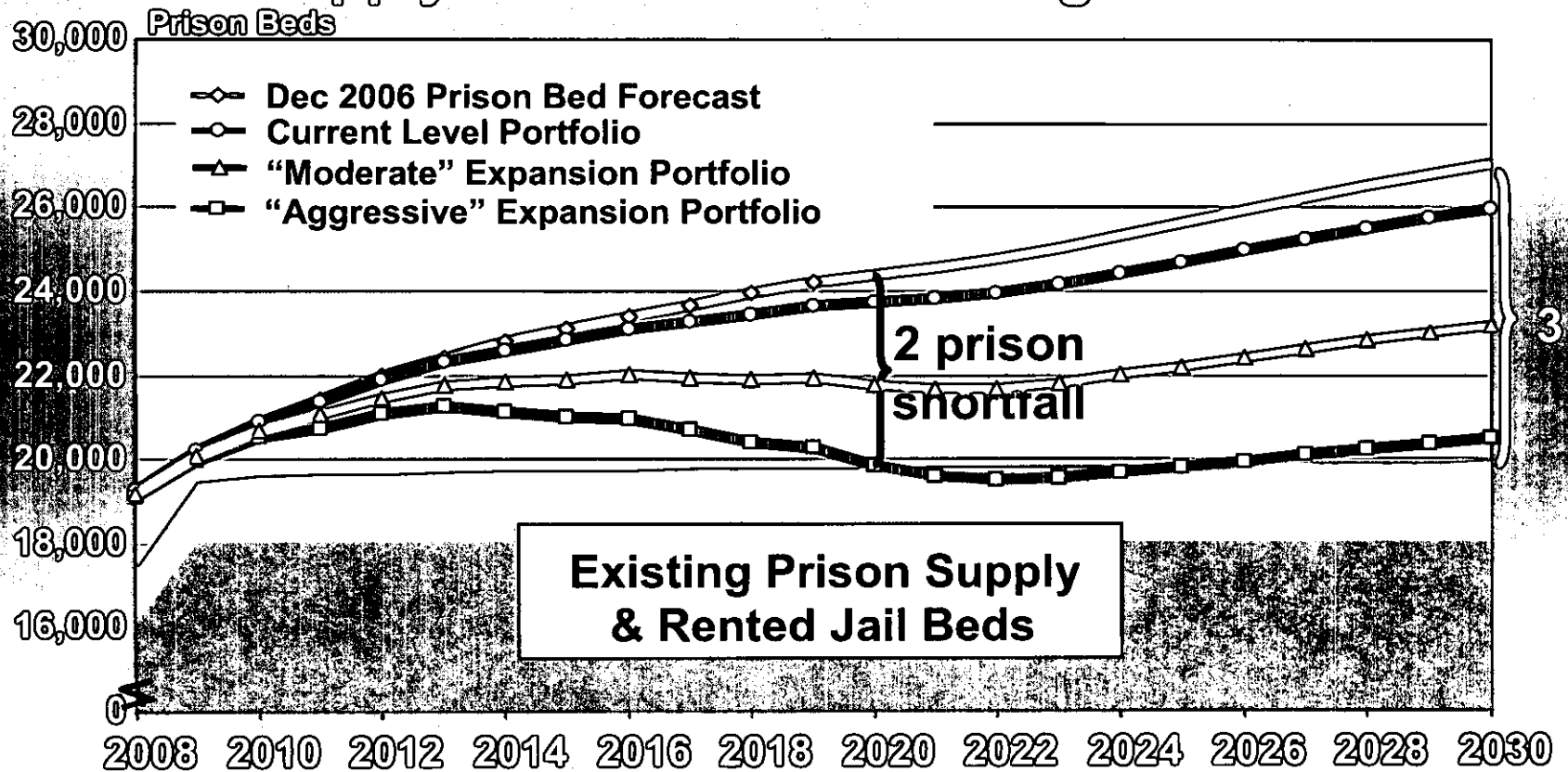
Washington State Institute for Public Policy Estimates as of October, 2006	Effect on Crime Outcomes	Benefits to Crime Victims in crime (in dollars)	Benefits to Taxpayers in crime (in dollars)	Benefits and Costs (net of program cost, compared to the cost of alternative)	Benefits (total) Minus Costs (per participant)
Notes:	(1)	(2)	(3)	(4)	(5)
Programs for People in the Adult Offender System					
Vocational education in prison	-9.0% (4)	\$8,182	\$8,898	\$1,182	\$13,728
General education in prison (basic education or post-secondary)	-16.7% (1)	\$9,360	\$9,360	\$7,124	\$11,943
Cognitive-behavioral therapy in prison or community	-7.0% (17)	\$9,325	\$5,306	\$982	\$10,689
Drug treatment in community	-6.3% (25)	\$5,658	\$4,748	\$105	\$10,299
Conventional industries in prison	-8.3% (6)	\$5,133	\$4,485	\$574	\$10,054
Drug treatment in prison (therapeutic communities or outpatient)	-5.8% (4)	\$5,380	\$4,496	\$417	\$9,439
Adult drug courts	-5.7% (20)	\$4,333	\$4,306	\$1,004	\$7,335
Employment and job training in the community	-4.5% (17)	\$4,392	\$2,396	\$400	\$4,380
Electronic monitoring to offset jail time	-4.0% (8)	\$0	\$0	-\$870	\$4,870
Sex offender treatment in prison with aftercare	-7.0% (6)	\$0,442	\$2,855	\$12,585	-\$3,258
Washington's Durgansky Mentally Ill Offender program	0% (23)	\$0	\$0	\$3,747	-\$3,747
Drug treatment in jail	-2.0% (1)	\$18,020	\$15,116	n/a	n/a
Adult boot camps	-4.5% (9)	\$2,481	\$2,656	n/a	n/a
Domestic violence education for jail offenders	0% (22)	\$0	\$0	n/a	n/a
Life Skills education programs for adults	0% (11)	\$0	\$0	n/a	n/a
Life Skills education programs for adults	0% (4)	\$0	\$0	n/a	n/a
Programs for Youth in the Juvenile Offender System					
Multidimensional Treatment Foster Care (v. regular group care)	-22.0% (3)	\$51,828	\$32,915	\$6,845	\$77,798
Adolescent Diversion Project (for lower risk offenders)	-19.6% (6)	\$24,328	\$19,208	\$1,913	\$40,823
Family Integrated Transitions	-13.0% (1)	\$30,708	\$19,502	\$9,665	\$40,845
Functional Family Therapy on probation	-15.8% (7)	\$19,528	\$14,617	\$2,325	\$31,821
Multisystemic Therapy	-10.3% (10)	\$12,855	\$9,822	\$4,694	\$14,153
Aggression Replacement Training	-11.1% (6)	\$9,907	\$4,238	\$936	\$14,494
Juvenile boot camp to offset institution time	0% (14)	\$0	\$0	-\$8,077	\$8,077
Sex offender cognitive-behavioral treatment	-10.2% (5)	\$32,515	\$8,377	-\$3,064	\$7,829
Restorative justice for low-risk offenders	-8.7% (21)	\$4,628	\$3,320	\$880	\$7,067
Intercity coordination programs	-2.5% (15)	\$3,084	\$2,308	\$205	\$5,186
Juvenile drug courts	-3.5% (16)	\$4,232	\$3,167	\$2,777	\$4,822
Regular surveillance-oriented parole (v. no parole supervision)	0% (3)	\$0	\$0	\$1,598	-\$1,598
Juvenile with needs challenges	0% (9)	\$0	\$0	\$3,085	-\$3,085
Juvenile intensive parole supervision	0% (10)	\$0	\$0	\$6,460	-\$6,460
Scared Straight	0% (10)	\$0	\$0	-\$8,253	-\$14,887
Counseling/psychotherapy for juvenile offenders	-8.8% (10)	\$23,126	\$17,309	n/a	n/a
Juvenile education programs	-18.9% (3)	\$41,181	\$29,153	n/a	n/a
Other family-based therapy programs	-17.5% (3)	\$39,751	\$25,131	n/a	n/a
Juvenile behavior modification	-10.5% (12)	\$37,359	\$41,131	n/a	n/a
Life skills education programs for juvenile offenders	-8.2% (4)	\$19,271	\$12,238	n/a	n/a
Diversion prog. with services (v. regular juvenile court)	-2.7% (20)	\$6,441	\$4,091	n/a	n/a
Juvenile cognitive-behavioral treatment	-2.7% (20)	\$1,441	\$1,034	n/a	n/a
Court supervision vs. simple release without services	-2.5% (8)	\$3,123	\$2,337	n/a	n/a
Diversion programs with services (v. simple release)	0% (9)	\$0	\$0	n/a	n/a
Juvenile intensive probation (as alternative to incarceration)	0% (2)	\$0	\$0	n/a	n/a
Grouped group instruction	0% (6)	\$0	\$0	n/a	n/a
Programs for Parolees and Probationers					
Nurse Family Partnership-Children	-56.2% (1)	\$11,531	\$8,181	\$5,409	\$14,283
Pre-K education for low income 3 & 4 year olds	-16.4% (1)	\$8,832	\$4,922	\$733	\$12,822
Seattle Social Development Project	-14.2% (6)	\$8,145	\$4,644	\$593	\$12,186
High school graduation	-18.6% (1)	\$1,605	\$4,341	n/a	n/a
Guiding Good Choices	-10.4% (1)	\$1,738	\$2,851	n/a	n/a
Parent-Child Interaction Therapy	-3.7% (1)	\$268	\$784	n/a	n/a
Program Types in need of additional research & development before we can conclude they do or do not reduce crime outcomes:					
Programs needing more research for people in the adult offender system					
Case management in the community for drug offenders	0% (13)	n/a	n/a	n/a	n/a
COSA (faith-based supervision of sex offenders)	-22.3% (1)	n/a	n/a	n/a	n/a
Day fines (compared to standard probation)	0% (2)	n/a	n/a	n/a	n/a
Drug courts	0% (2)	n/a	n/a	n/a	n/a
Faith-based programs	0% (6)	n/a	n/a	n/a	n/a
Intensive supervision of sex offenders in the community	0% (4)	n/a	n/a	n/a	n/a
Medical treatment of sex offenders	-21.4% (1)	n/a	n/a	n/a	n/a
Mixed treatment of sex offenders in the community	0% (2)	n/a	n/a	n/a	n/a
Regular parole supervision vs. no parole supervision	0% (1)	n/a	n/a	n/a	n/a
Restorative justice programs for lower risk adult offenders	0% (1)	n/a	n/a	n/a	n/a
Work-based programs for mentally ill offenders	-20.8% (2)	n/a	n/a	n/a	n/a
Programs needing more research for youth in the juvenile offender system					
Dialectical Behavior Therapy	0% (1)	n/a	n/a	n/a	n/a
Increased drug testing (on parole) vs. minimal drug testing	0% (1)	n/a	n/a	n/a	n/a
Juvenile curfew	0% (1)	n/a	n/a	n/a	n/a
Juvenile day reporting	0% (2)	n/a	n/a	n/a	n/a
Juvenile jobs programs	0% (3)	n/a	n/a	n/a	n/a
Juvenile therapeutic communities	0% (1)	n/a	n/a	n/a	n/a
Mentoring in juvenile justice	0% (1)	n/a	n/a	n/a	n/a

Evidence-Based Programs: Selected Results

	Change In Crime <i>(# of EB Studies)</i>	Benefits Minus Costs <i>(per-person, life cycle)</i>
<u>Adult Offenders</u>		
Adult Drug Courts	-8.0% (57)	\$4,767
Education Prgs., Prison	-7.0% (17)	\$10,669
Drug Tx in Prison (TC or out-patient)	-5.7% (20)	\$7,835
Cog-Behavioral Treatment	-6.3% (25)	\$10,299
ISP: surveillance	-0.0% (23)	-\$3,747
ISP: treatment	-17.1% (11)	\$11,563
Electronic Monitoring	-0.0% (9)	\$870
<u>Juvenile Offenders</u>		
Functional Family Thpy.	-15.9% (7)	\$31,821
Family Int. Transitions	-13.0% (1)	\$40,545
Aggression Repl. Trng.	-7.3% (4)	\$14,660
MDT Foster Care	-22.0% (3)	\$77,798
<u>Prevention</u>		
Pre-School* (low income)	-14.2% (8)	\$12,196
Nurse Family Partnership*	-36.3% (2)	\$27,105

Results for Three Example Portfolios of Evidence-Based Options

Prison Supply & Demand in Washington: 2008 to 2030



Taxpayer Summary Statistics

	Current Level	Moderate	Aggressive
Annual cost of portfolio	\$41 million	\$63 million	\$85 million
Long-run net taxpayer benefits	\$1.1 billion	\$1.7 billion	\$2.4 billion
Benefit-to-cost ratio	\$2.45	\$2.55	\$2.60
Return on investment	24%	27%	28%
Crime Rate in 2020 (2005 rate = 52)	48	48	49

Reducing Crime and Taxpayer Costs

- ✓ **COMPHENSIVE & LONG-TERM ...**
Adult offender programs and *juvenile* offender and *prevention* programs need to be in the portfolio.
Compound Interest: Small gains, over time, matter a lot.
- ✓ **ASSESSMENT ...**Use formal assessment tools to align the right criminal justice resource with the right offender.
- ✓ **STATE & LOCAL EFFORTS ...**Fiscal and policy coordination is vital for many adult, juvenile, and prevention options.
- ✓ **PROGRAM ACCOUNTABILITY ...**It's critical to implement programs with quality control ("*Starbucks*")
- ✓ **EXPERIMENT ...**Try some non "evidence-based" approaches as well; evaluate the results rigorously

October 2006

EVIDENCE-BASED PUBLIC POLICY OPTIONS TO REDUCE FUTURE PRISON CONSTRUCTION, CRIMINAL JUSTICE COSTS, AND CRIME RATES[‡]

Current long-term forecasts indicate that Washington will need two new prisons by 2020 and possibly another prison by 2030. Since a typical new prison costs about \$250 million to build and \$45 million a year to operate, the Washington State Legislature expressed an interest in identifying alternative "evidence-based" options that can: a) reduce the future need for prison beds, b) save money for state and local taxpayers, and c) contribute to lower crime rates.

The 2005 Legislature directed the Washington State Institute for Public Policy (Institute) to report, by October 2006, whether evidence-based and cost-beneficial policy options exist.

If economically sound options are available, then the Legislature also directed the Institute to project the total impact of alternative implementation scenarios.¹

This report describes our results to date. We begin by providing background information on historic and projected incarceration rates in Washington, as well as a history of crime rates and fiscal costs of the criminal justice system. We then describe the process we use to determine if evidence-based and economically sound options exist and we present our findings. This is followed by our projections of the impact of alternative implementation scenarios. We conclude by discussing some implications of the findings and next steps. For technical readers, appendices begin on page 18 and describe our research methods and results in greater detail.

[‡]Suggested citation: Steve Aos, Maria Miller, and Elizabeth Drake. (2006). *Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs, and Crime Rates*. Olympia: Washington State Institute for Public Policy.

Summary

Under current long-term forecasts, Washington State faces the need to construct several new prisons in the next two decades. Since new prisons are costly, the 2005 Washington Legislature directed the Washington State Institute for Public Policy to project whether there are "evidence-based" options that can:

- a) reduce the future need for prison beds,
- b) save money for state and local taxpayers,
- c) contribute to lower crime rates.

We conducted a systematic review of all research evidence we could locate to identify what works, if anything, to reduce crime. We found and analyzed 529 rigorous comparison-group evaluations of adult corrections, juvenile corrections, and prevention programs, most of which were conducted in the United States. We then estimated the costs and benefits of many of these evidence-based options. Finally, we projected the degree to which alternative "portfolios" of these programs could affect future prison construction needs, criminal justice costs, and crime rates in Washington.

We find that some evidence-based programs can reduce crime, but others cannot. Per dollar of spending, several of the successful programs produce favorable returns on investment. Public policies incorporating these options can yield positive outcomes for Washington.

We project the long-run effects of three example portfolios of evidence-based options: a "current level" option as well as "moderate" and "aggressive" implementation portfolios.

We find that if Washington successfully implements a moderate-to-aggressive portfolio of evidence-based options, a significant level of future prison construction can be avoided, taxpayers can save money, and crime rates can be reduced.

**Institute
Publications:
www.wsipp.wa.gov**