VERA INSTITUTE OF JUSTICE

CENTER ON SENTENCING AND CORRECTIONS

The Fiscal Crisis in Corrections

Rethinking Policies and Practices

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Executive Summary

States across the United States are facing the worst fiscal crisis in years. Declining revenues are forcing cuts across virtually all government functions, including corrections, which for many years had been considered off limits. The budgets of at least 26 state departments of corrections have been cut for FY2010, and even those whose budgets have not been cut are reducing expenditures in certain areas. This report, drawing on a survey of enacted FY2010 state budgets and recent legislation, looks at how officials are responding to these reductions and how others are mobilizing to find efficiencies and savings.

Most of the activity is occurring in three areas:

OPERATING EFFICIENCIES: Though many state corrections departments squeezed out efficiencies during the last recession, they are trying to eke out even more savings now. States are reducing healthcare services or joining in purchasing agreements to lower the cost of inmate pharmaceuticals. Many states have reduced corrections staff, instituted hiring freezes, reduced salaries or benefits, and/or eliminated pay increases. Others are consolidating facilities or halting planned expansions. Still others are eliminating or downsizing some programs.

RECIDIVISM REDUCTION STRATEGIES: High rates of failure among people on probation and parole are a significant driver of prison populations and costs in most states. To cut down on new offenses and the incarceration of rule violators, several states are strengthening their community corrections systems. Many states began these efforts in the past few years as part of the national emphasis on helping people successfully return to the community following their release from prison. States are now bolstering both their reentry programs and community supervision programs and working to improve outcomes for people on supervision.

RELEASE POLICIES: The biggest budget savings come from policy changes that impact how many people come into prison and how long they stay. Staffing typically accounts for 75 to 80 percent of corrections budgets, so substantial cost reductions can be achieved only when the prison population shrinks enough to shutter a facility—whether a single cellblock or an entire prison. In FY2010, states looking for large cuts have turned to release policies and found that they can identify some groups of people who can be safely released after serving shorter terms behind bars.

Given that current state budget deficits are expected to continue and possibly increase over the coming years, states will need to continue to find ways to control corrections costs. Each year, the decisions will become more difficult. Management strategies may extend operating efficiencies, but the resulting cost savings are likely to fall short of what states will need to make ends meet. When deeper cuts are required, states will have to shift expenditures from costly prisons to far more economical investments in community corrections and confront controversial questions about which people really need to go to prison and how long they should stay. State governments are beginning to rise to the challenge of cutting corrections costs while maintaining or even boosting public safety. This paper highlights some of the innovative and creative ways they are doing so.

FROM THE CENTER DIRECTOR

The story of the rise in incarceration rates in the United States and the associated increase in corrections expenditures is not new. In most states, prisons are full or overcrowded and corrections absorbs significant resources—more than $50 billion in 2008. What is new is the states' recent focus on cutting corrections costs and improving criminal justice outcomes.

This report, from Vera's Center on Sentencing and Corrections, examines how states are responding to the current fiscal crisis and attempting to make changes in their criminal justice systems that will not only reduce costs but also enhance public safety and reduce recidivism.

This report could not be more timely. Political leaders on both sides of the aisle are looking for cost-effective ways to increase public safety. Fortunately, for the past number of years, researchers and practitioners around the country have developed and tested new and innovative criminal justice policies that work to reduce recidivism. And these policies are gaining support at all levels of the government—from state governments to the Department of Justice, where Attorney General Eric Holder has repeatedly supported using modern, evidence-based methods for developing policy.

As policymakers navigate their budget shortfalls this year and next, we hope this report provides them with useful evidence-based options for cutting costs and increasing public safety.

Peggy McGarry
Director, Center on Sentencing and Corrections

Introduction

As their 2009 legislative sessions ended, many states were still working to balance their budgets. Deficits that affected a handful of states in FY2008 had become widespread: Forty-three states were facing an aggregate budget gap in FY2009 of more than $100 billion, undermining funding for essential services such as education, health care, and corrections. More shortfalls were projected for FY2010, and at least 31 states had forecast budget gaps for FY2011.[1] These gaps would be even greater without the availability of federal stimulus funds.

Second only to Medicaid, corrections has become the fastest growing general fund expenditure in the United States.[2] Two million three hundred thousand people in the U.S. are now in prison or jail—more than one in 100 adults.[3] On any given day 7.3 million adults are under federal, state, or local correctional control (including those on probation, parole, and other forms of supervision)—one in 31 adults.[4] In FY2008, the most recent year data are available, states spent an estimated $47 billion of general funds on corrections, an increase of 303 percent since 1988. They spent an additional $4 billion in special funds and bonds and $900 million in federal funds, bringing total corrections expenditures to nearly $52 billion. With one in every 15 state general fund dollars now spent on corrections, officials have little choice but to look there for savings. In doing so, however, they must be careful to find cuts that will not compromise public safety.

This report, based on a survey of enacted FY2010 state budgets and other recent sentencing and corrections legislation, found that at least 26 states have reversed the trend of recent decades and cut funding for corrections.[5] The report examines the form of these cuts: reductions in operational costs, strategies for reducing recidivism, and reforms in release policies. It also highlights a number of innovations that states are pursuing for long-term cost reductions.

The Effect of the Fiscal Crisis on Corrections

States have responded to the budget shortfalls in different ways. In some cases, policymakers have made no cuts to corrections budgets. Often this is because legislators and/or governors want to insulate public safety agencies from statewide cuts. In Indiana, for example, where most executive branch agency budgets were reduced by 8 percent, public safety was named one of four priority areas and the Department of Correction's FY2010 budget was increased by more than 6 percent from FY2009. Arkansas and Texas also saw increases of greater than 5 percent.

Most states, however, cut their corrections budgets. Corrections spending decreased in 26 of the 37 states for which numbers were available. Seven states—Georgia, Idaho, Illinois, Kansas, Montana, Nebraska and Washington—saw double-digit decreases.[6]

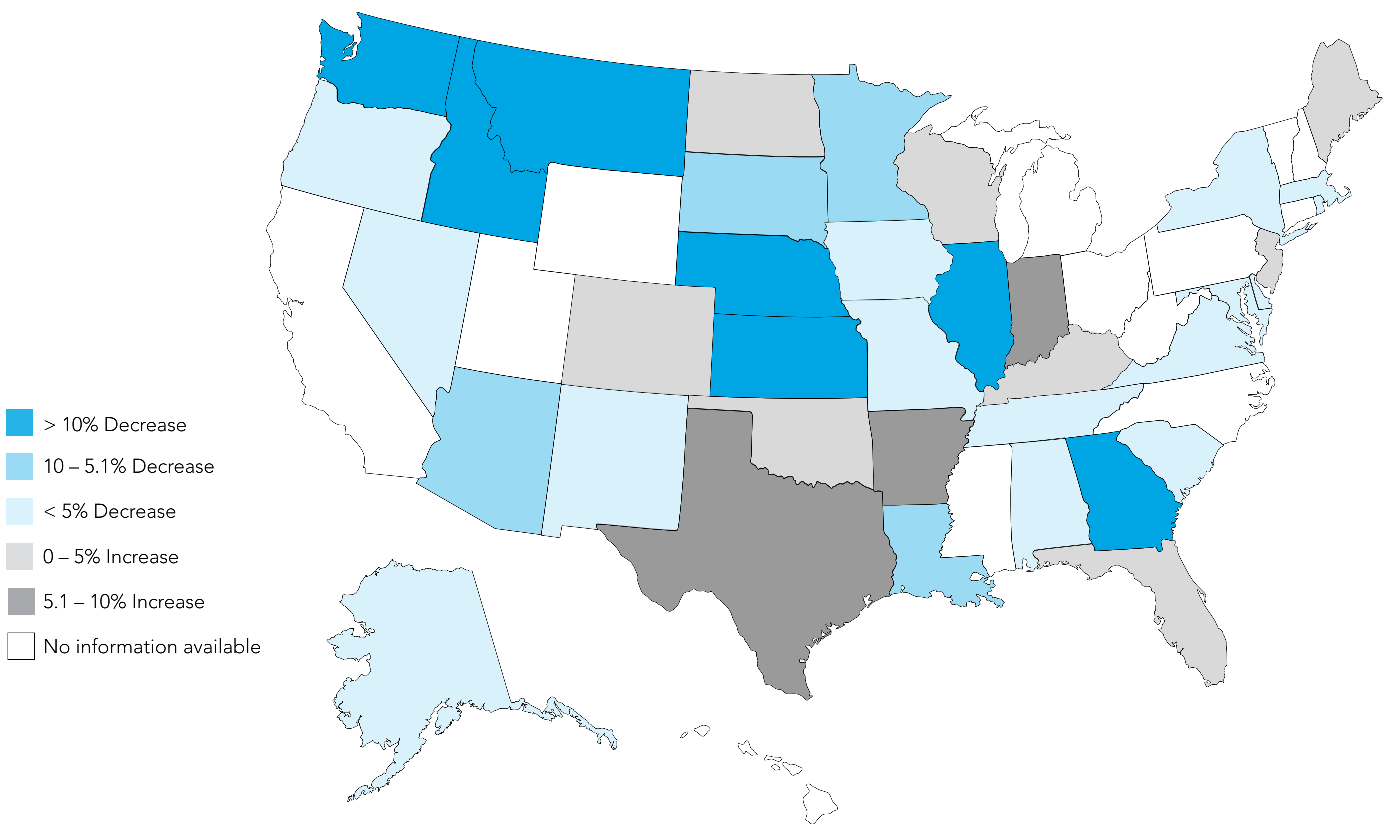
Whether their corrections budgets are up or down, some states are investing for long-term savings. Wisconsin, for example, which is facing a $6.6 billion deficit over the next two years, increased its corrections budget by more than 3 percent, including an appropriation of $10 million to expand community-based treatment for people on community supervision. This investment is expected to yield lower costs in years to come.

Table 1, opposite page, summarizes the actions taken by the states that responded to the survey.

Seeking Operating Efficiencies

State agencies faced with imminent cuts often find reducing operational costs to be the quickest and easiest step to take. During the budget

Changes in Corrections Budgets FY2009-FY2010



Note: States for which no information is available are states that have yet to enact FY2010 budgets or that did not respond to our survey.

Table 1: Corrections Budget Changes and Cost-Saving Efforts in Fiscal Year 2010

State	CORRECTIONS BUDGET CHANGES		COST-SAVING EFFORTS IN FY2010 BUDGETS						
	Initial FY2010 general fund appropriations (in millions)	% change in initial general fund appropriations from FY2009 to FY2010	Decrease health services (medical, mental health, or dental)	Reduce food services	Eliminate pay increases, reduce benefits, or decrease overtime	Staff reductions or hiring freezes	Eliminate or reduce programs or discontinue/ renegotiate contracts for programming	Close facilities or reduce beds	Delay expansion or construction of new facilities
AL	$366.2	-1.13			x	x			
AK	$212.4	-0.16					x		x
AZ	$876.3	-7.51	x		x	x	x	x	x
AR	$290.4	5.31							
CO	$677.6	0.38			x	x		x	x
DE	$249.5	-3.71		x	x	x	x		x
FL	$2,297.9	1.64	x	x		x	x		
GA	$986.6	-14.77			x	x	x	x	
IL	$1097	-17.42			x	x	x	x	
ID	$150.7	-14.35			x	x		x	x
IN	$678.8	6.38			x	x			x
IA	$356.5	-4.31			x			x	
KS+	$215.1	-21.98	x		x	x	x	x	
KY	$440.4	3.73			x	x		x	x
LA	$604.4	-7.63			x	x	x	x	x
ME	$165.3	3.49	x	x	x	x	x		
MD	$1,049.6	-4.59			x	x			
MA	$521.1	-1.78	x		x	x	x	x	
MN	$430.9	-8.75	x			x	x		
MO	$656.9	-1.48			x	x	x		
MT	$167.4	-11.19							
NE+	$120.8	-18.06							
NV	$257.7	-0.08			x	x	x	x	x
NJ	$1,052.1	1.50			x	x	x	x	
NM	$284.6	-4.21	x	x	x	x	x	x	x
NY	$2,300.9	-3.76			x	x	x	x	
ND*	$70.5	1.29							
OK	$503	0				x			
OR*	$604.7	-4.63			x	x	x	x	x
RI	$177.4	-0.69			x	x	x	x	
SC	$330	-1.97			x	x	x		
SD+	$75.9	-8.51	x	x	x	x			
TN	$667.3	-1.90		x		x			x
TX	$2791.5	6.66							
VA	$973.4	-4.22		x	x	x	x	x	
WA*	$1,555.7	-10.37	x		x	x		x	x
WI	$1,123.9	3.49			x	x			

Note: Corrections budgets are given for informational purposes only. Some budgets include appropriations for probation, parole, and/or juvenile corrections, while others only include adult corrections expenditures.

Sources: Enacted budgets; interviews with state departments of corrections officials.

At time of printing, three states—Connecticut, Michigan, and Pennsylvania—had not passed budgets for FY2010.

*FY2009-2011 Biennium. Figure for North Dakota's FY2010 is an estimate provided by the North Dakota DOC. Figure for Oregon's FY2010 estimated by the Oregon DOC at 48 percent of the agency's biennial budget. The Washington DOC was unable to provide a figure for FY2010.

+ Officials in Kansas, Nebraska, and South Dakota reduced initial general fund appropriations for their departments of corrections knowing that a portion of the reductions would be made up by federal stimulus funds. In addition to the $215.1 million in general fund appropriations, the Kansas DOC initial FY2010 operating budget includes $40.5 million in federal stimulus funds; thus the actual operational impact on the Kansas DOC budget is a decrease of 7.28% from FY2009. Similarly, the Nebraska DOC's FY2010 budget replaced approximately $35 million of general funds with federal stimulus funds with the result that its FY2010 operational budget increased by 5.67% from FY2009. South Dakota added $8 million in federal stimulus funds to its DOC budget making its FY2010 operating budget $83,861,452, an effective increase of 1.1% from FY2009.

shortfalls that occurred earlier this decade, most states followed this path by consolidating facilities or reducing beds, reducing personnel costs, or eliminating programs.[7] They are taking similar actions for FY2010. Almost every state that responded to our survey (32 of 37), including those whose corrections budgets were not reduced, has adopted such cost-cutting measures.

The specific strategies for finding such savings vary, however. Healthcare costs associated with corrections have been a common target. Maine, for example, renegotiated the contract with its healthcare provider and also changed the way it dispensed medications to inmates. More controversially, a few states have reduced the food services provided to inmates: Georgia, for example, reduced the number of meals provided to inmates, (while still providing the same number of calories). Some states, including Kansas and New York, have postponed planned expenditures and put holds on technology upgrades. However, the most common cost-cutting measures for FY2010 fall into three broad categories: reducing personnel costs, downsizing programs, and closing facilities.

PERSONNEL SAVINGS

At least 31 states have reduced staff, instituted hiring freezes, reduced salaries or benefits, and/or eliminated pay increases. Alabama eliminated merit and cost-of-living pay raises and froze hiring of all corrections personnel except correctional officers. New York extended an existing hiring freeze and eliminated nonessential administrative positions. Idaho's Department of Corrections recently announced plans to cut 38 jobs and require all workers to take unpaid furloughs over the course of the fiscal year. Nevada and New Mexico are among several states that passed increases in medical insurance costs on to their employees.

DOWNSIZING PROGRAMS

In recent years, many states strengthened their community supervision services by expanding treatment and other programs. Unfortunately, budget deficits have forced many states to make some cuts to these programs. At least 20 states have eliminated or reduced programs or discontinued or renegotiated contracts for programming. Most of these states have been able to cut costs without eliminating any programs entirely. For example, Louisiana consolidated some programs while New Mexico halted proposed expansion of reentry and other prison programs. Other states have made more significant cuts. Delaware reduced funding for some substance use and community treatment programs while Colorado reduced some parole services. Kansas, one of the national leaders in community corrections, saw some of the worst cuts. Treatment programs in the community were severely impacted with 80 percent of substance abuse treatment slots and over half of sex offender treatment slots eliminated. Some in-prison academic and vocational education programs were also eliminated. The state is attempting to restore funding for some of these programs by shifting some financing from the general fund to federally funded Byrne Grants. The fear is that the gains in recent years will be reversed when the programs are eliminated. However, at least one state used the need to cut programs as justification for eliminating ineffective practices. New York recently ended its Prison Farm operations in recognition of the fact that its usefulness as a vocational tool has diminished. It also eliminated a drug treatment program—Road to Recovery—that was underutilized and had a low completion rate.

CLOSING PRISONS

Despite opposition from corrections unions, local businesses, some lawmakers, and others, several states elected to close facilities. Hit especially hard by the economic crisis and facing a $1.7 billion budget deficit in FY2010, Michigan governor Jennifer Granholm announced that she would close three prisons and five prison camps (laying off up to 500 employees) to save $118 million annually. This is in addition to two prisons and one prison camp that have already been closed this year.[8] Similarly, New York plans to close three minimum security correctional camps and parts of seven more facilities. These closures are expected to save more than $50 million over the next two fiscal years.

Other states have halted expansion or delayed the openings of new facilities. Alaska, for example, will save more than $700,000 in FY2010 by freezing prison system expansion. Colorado delayed opening one prison and delayed the staffing and expansion of another. All told, at least 22 states have shut facilities, reduced beds, halted expansions, or delayed the opening of new facilities. It bears noting, however, that not all states are in a position to take such actions. Only those that have engaged in policy reforms that lowered their prison populations can take this step. Some of these successful policy changes are discussed below.

Reducing Costs Associated with Recidivism

A growing body of research suggests that improving community supervision and helping formerly incarcerated people reintegrate into society can save money and, in many cases, also increase public safety. Over the past decade, more and more states have begun to focus on these strategies. Actions taken during recent legislative sessions show an increased willingness to invest scarce resources in evidence-based programs and initiatives in these areas.

IMPROVING COMMUNITY SUPERVISION

Given that more than five million people in the United States are on probation, parole, or post-prison supervision and that many of them will return to prison for failing to comply with their conditions of supervision, states are looking for ways to reduce both the cost of supervision and the number of technical violations that return people into custody—violations of conditions of release, such as not attending meetings with parole officers or failing drug tests. The costs of technical violations are huge: more than one-third of prison admissions are the result of a parole violation.[9]

An increasing number of states are relying on "evidence-based" policies and practices, which have been shown by research to reduce recidivism among individuals on community supervision. These include using graduated responses to violations, eliminating or minimizing supervision requirements for lower-risk people, using positive reinforcements, and adopting incentive funding. (Many of these strategies are described in the sidebar on page 12.)

GRADUATED RESPONSES. Graduated responses represent a range of actions, each more emphatic than the former, that provide supervision officials with alternatives to revocation. Since 2007, nine states have established formal graduated response grids, providing a set of options for responding swiftly and certainly to both compliant and non-compliant behavior. New York and Wyoming are currently considering response grids like this. Two other states, Missouri and Arkansas, are developing technical violator centers, an additional graduated response involving short-term intensive residential programming to serve as a last resort before returning a violator to prison.

REDUCING SUPERVISION REQUIREMENTS. To reduce supervision costs and focus scarce resources on those who are most at risk of violating or committing a new offense, some states are shortening periods of supervision; others are reducing, or eliminating, supervision requirements for certain populations altogether. Virginia now requires judges to remove from supervision people who have been supervised for at least two years and have satisfied all conditions except the payment of restitution, fines, or costs. Washington eliminated supervised probation of people convicted of misdemeanors and some low-level felonies. Texas has reduced the maximum probation terms for people convicted of certain property or drug offenses from 10 to five years, allowing officials to focus supervision resources on the early years after release, when research shows people are most likely to commit new crimes. The Washington Department of Corrections is also preparing to end supervision of low-risk people (except those convicted of a sex offense), and Wisconsin's department of corrections may discharge people from community supervision if they have completed 50 percent of the probation period.

POSITIVE REWARDS. Some states are increasing the use of positive rewards. At least two states have established or expanded earned compliance credits for people on community supervision. Arizona passed legislation last year that allows some people on probation to reduce their supervision term by up to 20 days for every 30 days they comply with the terms of their release and are current in payments of victim restitution. Nevada passed a similar provision in 2007, increasing the credits earned by parolees who are current with supervision fees and restitution

REENTRY/TRANSITION PLANNING EFFORTS

CALIFORNIA: Despite an overall reduction in expenditures, California's proposed budget includes $47.2 million to pay for the activation of the Northern California Reentry Facility. This is a former women's prison that has been converted to a 500-bed secure reentry facility that will house male inmates for up to 12 months prior to parole. The facility will provide programs and services to people returning to three Northern California counties. These programs and services will include intensive substance abuse treatment, vocational training and job placement, academic education, housing placement, anger management classes, family counseling, and other targeted services to ease the transition to the community. In addition, the California Department of Corrections and Rehabilitation is engaging in ongoing communication with local stakeholders to ensure continuity of service after people leave the facility.

COLORADO: The FY2010 Crime Prevention and Recidivism Reduction Package establishes and provides $160,000 in funding for community corrections discharge planning. This includes discharge planning services for people with mental health and substance abuse needs who are transitioning into community corrections. The package also provides more than $1.2 million to continue a pre-release program initiated in FY2009. This program provides discharge planning to inmates within four months of release through individualized education modules and detailed transition planning.

CONNECTICUT: Governor Jodi Rell's proposed FY2010 budget would reinstate and expand the commissioner of correction's authority to place inmates on reentry furloughs. The reentry furlough will release people from prison up to 45 days early and provide accountability, support, and aftercare services to released individuals for a period of community supervision and is estimated to save more than $5 million each year.

LOUISIANA: In March 2009, Governor Bobby Jindal announced the establishment of a program designed to prepare state prison inmates for release and reentry into society. The program will be piloted in two parishes at a cost of $1.1 million in FY2010 and will eventually expand to 10 regional offices. Inmates will be evaluated medically, mentally, and educationally when they enter prison and will undergo three to six months of pre-release training on topics such as communication skills, money management training, housing resources, and succeeding on parole.

MARYLAND: The FY2010 budget for the Division of Probation and Parole contains funds to expand the state's Violence Prevention Initiative (launched in FY2009). This initiative aims to reduce reoffending among the state's most violent supervisees and uses techniques such as stricter supervision, follow-up counseling, and GPS monitoring.

MICHIGAN: Although the proposed FY2010 budget for the state's department of corrections was cut by almost 3 percent from FY2009, funding for the Michigan Prisoner Re-entry Initiative was expanded by $23.4 million to $56.6 million. This initiative aims to reduce the state's costly recidivism rate by better preparing inmates for release.

MISSOURI: The FY2010 budget provides $3 million to expand the community reentry grants program, which makes funds available to local agencies and nonprofit organizations to support reentry. The budget also provides $900,000 for ongoing funding of the St. Louis reentry program, a pilot being converted to a permanent program.

MONTANA: Montana's FY2010 budget provides almost $1 million to add 33 beds to the Great Falls Pre-Release Center, a facility that serves mentally ill and aging/disabled inmates as they transition from secure custody to community placements.

TEXAS: Legislation in 2009 (HB 1711) requires the Texas Department of Criminal Justice to establish a comprehensive reentry plan for people leaving correctional facilities. The goal is to reduce recidivism and ensure the successful reentry and reintegration of inmates into the community. This will be accomplished with needs assessments, new programs, including a network of transition programs, and information sharing across agencies and with private providers. The act also establishes a multi-agency Reentry Taskforce, which will identify gaps in services and coordinate with providers.

payments. These provisions provide incentives for people to complete the terms of their probation and parole supervision, saving states money in both the short and long term.

INCENTIVE FUNDING. Finally, some states are adopting incentive funding to improve the performance of county systems. Both Kansas and Arizona recently adopted legislation that provides counties with incentives to adopt evidence-based practices and programming to reduce the rate of probation or community corrections revocations in their jurisdictions. In the first year of implementation in Kansas, community corrections revocations dropped statewide by 21.9 percent.[10] This year, the Illinois General Assembly passed the Crime Reduction Act, which directs state funds toward locally based sanctions and treatment alternatives if the local jurisdiction successfully reduces the number of people entering local or state incarceration facilities.[11] Similar performance incentive funding is under review in California.

REENTRY AND REDUCING RETURNS TO PRISON

People returning from prison face a variety of challenges. These include reconnecting with family and peers, finding housing and employment, and more generally, avoiding criminal activity. There is growing, nationwide interest and support for comprehensive reentry planning and services—with the understanding that these must begin when an individual enters prison. There is also a recognition that these services, by reducing the likelihood that a person will return to prison, can help save states money.

Colorado was in the vanguard of this trend in 2007, when it adopted the Crime Prevention and Recidivism Reduction Package, authorizing the use of evidence-based, cost-effective reforms aimed at reducing recidivism. Despite limited funds, Governor Bill Ritter extended this effort into FY2009-10 with an additional $9.5 million appropriation to fund a series of reforms that are expected to save the state more than $380 million over the next five years.[12]

Other states are also considering developing or expanding reentry programs. Connecticut, for example, recently established reentry furloughs that not only accelerate prison releases, but also provide aftercare services to people transitioning from prison to community supervision. The aftercare provision is supported by evidence-based research that clearly demonstrates that a period of community supervision and targeted interventions after release lower the risk of recidivism.

To reduce the second highest recidivism rate in the country, Louisiana's governor, Bobby Jindal, recently established a program to prepare people in prison for release and reentry into society. Inmates will be evaluated when they enter prison for their educational, health, and mental health needs, and participants will undergo three to six months of prerelease programming. The program will be piloted in two parishes and then expanded to 10 regional offices.

Maryland and Michigan are expanding their existing reentry initiatives. Proposed funding for the Michigan Prisoner Re-entry Initiative more than doubled between FY2009 and FY2010, in large part due to the role it is has played in reducing that state's prison population.[13] (Details on these initiatives as well as other state activity in this area are highlighted in Reentry/Transition Planning Efforts, opposite page.)

Accelerating Prison Releases

Many states are facing the increased fiscal consequences from years of harsher policies—such as truth-in-sentencing requirements, "three strikes" laws, and mandatory minimum sentences—that have resulted in long sentences. While there is wide consensus that tougher penalties are necessary and appropriate for those convicted of serious violent or sex offenses, many policymakers are questioning the need for long prison terms for people convicted of less serious crimes such as nonviolent drug offenses. Some of these provisions were reversed during the fiscal crisis earlier this decade, but many remain, resulting in severe prison overcrowding in some states.[14] States are also presented with a growing number of elderly and chronically ill prisoners whose ongoing care requires significant resources. To address these issues, officials have added or modified the laws and policies that determine the amount of time people spend in prison. These changes have the potential to lower prison populations,

SYSTEMATIC REFORM: SENTENCING COMMISSIONS AND TASK FORCES

To ensure that policy reforms are systematic and sustainable, many states have established sentencing commissions or other task forces to plan their sentencing and corrections strategies or to address particular areas of concern.

Sentencing commissions typically are designed to be neutral permanent bodies that analyze data and research to inform sentencing and corrections policies. In the past, most sentencing commissions were established and charged with developing some form of sentencing guidelines. Recent trends, however, indicate that many states are now creating or expanding commissions to address broader criminal justice policy agendas. Colorado, Nevada, New York, and Vermont all created sentencing commissions in 2007, none of which were primarily charged with implementing sentencing guidelines.[15] The trend continues this year with the passage in Illinois of legislation to establish a Sentencing Policy Advisory Council. This council will collect and analyze data from local criminal justice agencies and provide policymakers with the information they need to make sound planning decisions. Connecticut will be considering a similar sentencing commission, recommended by its bi-partisan Sentencing Task Force, during its special budget session.

Other states are establishing task forces to deal with specific issues. For example, in 2009, Colorado's legislature passed a bill mandating the study of sentencing in Colorado by the Commission on Criminal and Juvenile Justice (CCCJJ). The CCCJJ was set up in 2007 to enhance public safety, ensure justice, and protect the rights of victims through the cost-effective use of public resources. The 2009 legislation directs the CCCJJ to focus specifically on sentencing reform.

Virginia, which has had a sentencing commission for many years, recently established the Alternatives for Nonviolent Offenders Task Force. This body is charged with developing recommendations to expand the use of alternative methods of punishment for nonviolent, lower-risk individuals who have been sentenced by a court to a term of incarceration. The state's goal is for these recommendations to inform legislation that would reduce the growth in the number of nonviolent, lower-risk individuals entering state correctional facilities, thus saving the state money.

allowing states to close facilities and reduce corrections expenses in the longer term.

GOOD TIME/EARNED TIME

Many states are considering or have increased the amount of good time (days off for good behavior) or earned time (days off for doing something productive) available to inmates:[16]

- Colorado recently increased earned time for eligible inmates from 10 to 12 days per month. It also provided for early parole release of up to 60 days for certain inmates.
- The Illinois Department of Corrections is weighing reinstituting an early release program for people convicted of low-level and nonviolent drug offenses.
- Ohio is considering a seven day earned credit policy that would cut seven days from the sentence for every month that a person is engaged in prison treatment or programs, yielding projected annual savings of $11,407,009.
- Oregon recently enacted legislation increasing the amount of earned time people may accumulate from 20 percent of their sentence to 30 percent of their sentence.

AVAILABILITY OF PAROLE

Other states have focused on increasing the availability of parole:

- Governor Jennifer Granholm of Michigan expanded the parole board from 10 to 15 members so that it can expedite the review and possible parole of 12,000 inmates who have served their minimum sentences.

- Idaho's department of corrections will provide resources to the state's Pardons and Parole Commission to reduce the number of inmates incarcerated past their parole eligibility dates.

- To reduce severe overcrowding, California prison officials have granted early releases (of up to 60 days) to some people serving prison time for parole violations or who are in prison awaiting a hearing on a parole violation. All people released were screened and approved by the parole board.

- Mississippi is enhancing coordination between the department of corrections and the parole board and recently provided the parole board with a list of 2,900 nonviolent inmates for consideration of parole.

MEDICAL OR GERIATRIC PAROLE

Providing health care to the growing number of elderly and chronically ill people in prison presents states with a significant financial burden. A number of states have proposed new, or modified existing, medical or geriatric release provisions to avoid sole responsibility for these costs. By releasing this population and placing them in the community, states can share the medical costs with the federal government under Medicare and Medicaid rules. In 2008, at least seven states established medical or geriatric parole, or expanded already existing provisions.[17] Several other states have followed their lead this year:

- New York expanded the eligibility requirements of the current medical parole policy for a projected cost savings of $2 million annually.

- Washington projects $1.5 million in savings from its new geriatric and medical parole release policy, which allows early release for adult inmates who are chronically or terminally ill and 55 years or older.

- Wisconsin's Earned Release Review Commission (formerly the Parole Commission) was given the authority to release inmates with extraordinary health conditions to extended supervision as long as public safety is maintained.

RISK-REDUCTION SENTENCES

Risk-reduction sentences are a sentencing option recently adopted in two states, Pennsylvania (2008) and Wisconsin (2009), that give inmates an incentive to participate in pre-release programs designed to reduce recidivism. At sentencing, people convicted of some low-level offenses may be eligible to receive two minimum sentences: the regular minimum and a shorter, risk-reduction incentive minimum. If the inmate completes programming required by the department of corrections based on a risk/needs assessment and also demonstrates satisfactory institutional behavior, he or she will be released after serving the risk reduction minimum. The fiscal benefits to this policy are twofold. Not only does it reduce the length of stay for participants, but by encouraging participation in programs designed to meet their criminogenic needs, it reduces the likelihood that they will return to prison after release.

REDUCING PRISON ADMISSIONS BY STRENGTHENING COMMUNITY CORRECTIONS

Given the high rates at which people on probation, parole, and post-prison supervision are incarcerated for failing to comply with the conditions of their release or for committing new offenses, community corrections is an area ripe for policy change. Reducing these failure rates could decrease the overall corrections populations, which is key to saving states money. Some of the most promising strategies for reducing failure rates are collected in the Pew Public Safety Performance Project's *Policy Framework to Strengthen Community Corrections*.

In 2008, the Public Safety Performance Project of the Pew Center on the States brought together leading policymakers, practitioners, and researchers to create a policy framework for strengthening community corrections.[18] The framework includes five innovative policy options that have already been implemented in several states:

> Evidence-based practices

> Earned compliance credits

> Administrative sanctions

> Performance incentive funding

> Performance measurement

Although each of these policies has the potential to reduce recidivism and control corrections costs on its own, they promise an even greater impact when implemented together. The initial expenditure associated with some of the elements is typically limited and far outweighed by the potential long-term cost savings they can generate.

Several states have already begun to adopt the framework. Illinois's Crime Reduction Act, for example, establishes three of the five policy options as part of package of criminal justice reforms undertaken this year. The legislation, which was passed unanimously by both houses of the General Assembly and is awaiting the governor's signature, calls for implementing evidence-based practices such as:

> using a risk and needs assessment tool to assign individuals to supervision levels and programs,

> developing individualized case plans to guide case management decisions,

> implementing a system of graduated responses to guide responses to violations, and

> providing professional development services to support staff in deploying these practices.

The legislation also establishes Adult Redeploy Illinois, a program that directs state funds toward local efforts at rehabilitation. This system of incentive funding will be used to support locally based sanctions and treatment alternatives that reduce the number of people entering local or state incarceration facilities.

A Look Toward the Future: Sustainable Policy Changes that Cut Costs

A series of sentencing policies enacted over the past three decades—including mandatory minimums, habitual offender laws, enhanced sentences for drug offenders, and truth in sentencing—have helped generate the high incarceration rates that many states face today.[19] Even though most states have stopped enacting such policies, and some have begun to repeal earlier legislation, their corrections systems must still contend with the costs these policies incurred. Fortunately, new and innovative policies implemented over the past 10 years suggest that states can both save money by slowing the growth of their prison populations and, in the process, also increase public safety—a combination formerly considered inconceivable.

Despite facing severe budget cuts, many states continue to invest in these new policies. Yet such investments cannot be taken for granted. Over the past decade, Kansas made huge improvements in its community supervision practices, becoming a national leader for achieving significant reductions in the number of people returned to prison from probation and parole. However, it recently made program cuts that jeopardize this progress. It is critical that other states consider the repercussions of cutting programs that have a positive impact on system and individual outcomes. Fortunately, sentencing commissions—independent, government-sanctioned bodies that inform sentencing and corrections policymaking—have also been established recently in many states. These bodies may help ensure that policy reforms are thoughtful and sustainable (see box on page 10).

The next several years will be difficult ones for the states as they continue to confront severe budget shortfalls. This analysis of current trends, drawing on FY2010 budgets and recent legislation, suggests that many states are not simply looking for operational efficiencies. Rather, they are taking advantage of the opportunity this crisis presents to invest in innovative, evidence-based options that have proven to cut corrections costs while maintaining or even improving public safety.

ENDNOTES

1 National Conference of State Legislatures, State Budget Update: April 2009.

2 All cost figures from the National Association of State Budget Officers, State Expenditure Reports.

3 Pew Center on the States, *One in 100: Behind Bars in America 2008*, (Washington, DC: Public Safety Performance Project ,The Pew Charitable Trusts, February 2008).

4 Pew Center on the States, *One in 31: The Long Reach of American Corrections* (Washington, DC: Public Safety Performance Project, The Pew Charitable Trusts, March 2009).

5 This report is based on FY2010 enacted budgets, other legislation, newspaper reports, and a survey of state departments of corrections budget officials. At press time, three states had not enacted budgets for FY2010. Of the remaining 47 states, 37 responded to our survey.

6 Officials in Kansas, Nebraska, and South Dakota made these cuts knowing that a portion of the decrease in general fund appropriations would be made up by federal stimulus funds. For detail, see Table 1. It is possible that other states also considered stimulus funds in their budget process but that information was not available to us.

7 Jon Wool and Don Stemen, *Changing Fortunes or Changing Attitudes? Sentencing and Corrections Reforms in 2003* (New York: Vera Institute of Justice, March 2004).

8 Michigan's fiscal year does not begin until October 1, so its FY2010 has not yet been enacted.

9 Heather C. West and William J. Sabol, *Prisoners in 2007* (Washington, DC: U.S. Department of Justice, 2008).

10 Kansas Department of Corrections, Community Corrections Services Divisions, *Kansas Community Corrections Statewide Risk Initiative Annual Report*, January 12, 2009.

11 At press time, the act was awaiting Governor Pat Quinn's signature.

12 Memorandum from Governor's Office of State Planning and Budgeting, November 1, 2008, available at http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1227118480154&ssbinary=true.

13 At press time, Michigan had yet to pass its FY2010 budget.

14 Daniel F. Wilhelm and Nicholas R. Turner, *Is the Budget Crisis Changing the Way We Look at Sentencing and Incarceration* (New York: Vera Institute of Justice, June 2002).

15 South Carolina is an exception to this rule and in 2008 established a Sentencing Reform Commission to review, study, and recommend legislation for sentencing guidelines, the parole system, and alternative sentencing procedures for nonviolent offenders.

16 For a recent review of earned time policies for state prisoners, see Alison Lawrence, *Cutting Corrections Costs: Earned Time Policies for State Prisoners* (Washington DC: National Conference of State Legislators, July 2009).

17 Alabama, Louisiana, Maryland, Mississippi, North Carolina, Pennsylvania and Wyoming.

18 Pew Center on the States Public Safety Performance Project, *Policy Framework to Strengthen Community Corrections*, December 15, 2008.

19 Don Stemen, Andres Rengifo, and Jim Wilson, *Of Fragmentation and Ferment: The Impact of State Sentencing Policies on Incarceration Rates, 1975-2002* (New York: Vera Institute of Justice, 2005).

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