



**Media Contact:** Jessica Fletcher  
Communications Manager  
Kentucky Chamber  
jfletcher@kychamber.com  
502-848-8731 (office)  
859-539-0511 (cell)

## **Kentucky Chamber: Skyrocketing inmate costs hurt school funding**

FRANKFORT, Ky. (Aug. 7, 2009) – Kentucky’s corrections budget is growing much faster than total state government spending, reflecting the state’s shifting priorities away from investments in education, the head of the Kentucky Chamber of Commerce told a legislative committee Friday (August 7, 2009).

Dave Adkisson, the Chamber’s president and CEO, addressed the General Assembly’s Interim Joint Committee on the Judiciary and offered to partner with legislators to help find solutions to the problem of rising corrections costs. Adkisson based his comments to the committee on the following points.

### **THE PROBLEM**

- **Corrections Costs Skyrocketing:** Recent research by the Chamber on state budget trends revealed that Kentucky’s corrections budget is growing much faster than total state government spending. Since 2000, Kentucky’s total General Fund spending has increased by 33%, compared to a 44% increase in corrections (from \$619 million in FY 2000-02 to \$894 million in FY 2008-10).<sup>1</sup>
- **More Spending on Inmates than Students:** Kentucky is spending an average of \$52.14 a day to house an inmate in a state-operated facility. That means it costs taxpayers more than \$19,000 per year to keep one inmate locked up.<sup>2</sup> Compare that to how much tax money Kentucky spends on a student in elementary or secondary education – just over \$9,200 a year<sup>3</sup> – or on a full-time higher education student – just under \$7,000 a year.<sup>4</sup> The point makes itself – Kentucky is spending more to address the costs of failing to invest in education than it is on the students who represent its hopes for the future.
- **Shift in Priorities:** The increased spending on corrections isn’t entirely responsible for our shifting priorities. Growth in Medicaid and public employee benefits clearly outpace corrections spending. But the Chamber believes the redirection of tax money is cause for alarm. In terms of the state budget, education’s share is getting smaller and smaller. K-12 education’s share of General Fund appropriations has declined from a high of 48.2 percent in FY 1986-88 to 43.8 percent in the current fiscal year.<sup>5</sup> Postsecondary education’s share declined from 16.9 percent 1986-88 to 13.7percent in the current fiscal year.<sup>6</sup>
- **Fastest Growth in Nation:** Meanwhile, Kentucky has the fastest growing prison population in the country, according to a 2008 report by the Pew Center on the States.<sup>7</sup> From 1987 to 2007, Kentucky’s imprisonment rate grew nearly 250 percent, from well below the national average in 1987 to above the national average in 2007.<sup>8</sup> Kentucky’s prison population has surged since 2000, increasing by 50 percent to 22,000 inmates.<sup>9</sup>

- **Low Crime Rate:** Although Kentucky's rate of incarceration has increased dramatically, Kentucky has a relatively low crime rate compared to other states. In fact, while Kentucky's incarceration rate was growing at a faster rate than the nation's, both its violent and property crime rates fell, by 13 and 14 percent respectively.<sup>10</sup> According to FBI crime reports, Kentucky ranked 40<sup>th</sup> in the rate of violent crime in 2006, the most recent year data is available.<sup>11</sup>
- **What is Wrong With This Picture?:** These statistics raise a very basic question: Why is Kentucky, with a relatively low violent crime rate, putting people in prison at a rate faster than any other state in America?

## POTENTIAL SOLUTIONS

Potential solutions to stemming these costs lie in some of the reasons identified in the Pew report for their rapid increase:

- **Persistent Felony Offender Law:** The Pew report found Kentucky's prison growth has been fueled in part by a series of "tough-on-crime" measures such as the state's persistent felony offender law, under which offenders receive mandatory sentences for repeated offenses.<sup>12</sup> This law should be reviewed to determine if the number of offenses required to trigger the statute is too low, and whether it is too broad in terms of including offenses for non-violent crimes.
- **Classification of Offenses:** Another factor identified by the Pew report is that in the 1990s a number of measures elevated some misdemeanors to felonies, reclassified some offenses as higher level felonies and enhanced the penalties for a variety of crimes.<sup>13</sup> The result is that more people went to jail without a corresponding increase in the crime rate.
- **Underinvestment in Community Corrections:** Pew found Kentucky has spent only 10 percent of new corrections dollars on probation and parole. Considering one in six of Kentuckians on parole in 2007 returned to prison for committing a new crime or violating their parole, Pew suggests that a stringent community supervision system could have prevented some of these parolees from returning to prison at a fraction of the cost.
- **Attacking Drug Abuse:** Statistics from the Kentucky Department of Corrections show that 25 percent of our inmate population is incarcerated for a drug-related offense.<sup>14</sup> This is another significant reason for our increased prison growth. The Kentucky General Assembly is to be commended for passing Senate Bill 4 earlier this year that allows people charged with a felony to be treated for substance abuse problems before their trial and allows judges to order treatment as a condition of bail.<sup>15</sup> Finding additional approaches to address the problem of substance abuse among criminal offenders could go a long way toward addressing our corrections problem.
- **Increased Privatization:** The current average daily cost of incarceration in Kentucky is \$19,031 for the 13 state-operated facilities and \$16,494 for the three privately-operated facilities.<sup>16</sup> The lower cost of private facilities suggests Kentucky should consider expanding the use of private facilities where possible.

## THE BOTTOM LINE

The current rate of growth of putting people in prison in Kentucky is not sustainable. The potential solutions are not about being soft on crime, but are about rethinking how we deal with offenders in a way that lowers cost without jeopardizing public safety. Failure to do so will make it

increasingly difficult to invest adequately in improving the educational attainment of Kentuckians, the one area that holds promise to prevent crime, increase income and improve the quality of life at all levels.

The Chamber does not think its role should be limited to just identifying problems. The organization is very concerned about spending priorities shifting away from education and stands ready to be a partner with the General Assembly in efforts to address the spiraling costs of our corrections system to make sure Kentucky is making the wisest possible investments of its tax dollars.

---

<sup>1</sup> Overview: Kentucky State Government Budgets, Fiscal Years 1986-88 through 2008-10, Taylor-Gray Associates, September 2008

<sup>2</sup> Kentucky Department of Corrections, Cost to Incarcerate, FY 08

<sup>3</sup> National Center for Education Statistics, Digest of Education Statistics

[http://nces.ed.gov/programs/digest/d08/tables/dt08\\_185.asp](http://nces.ed.gov/programs/digest/d08/tables/dt08_185.asp)

<sup>4</sup> <http://www.higheredinfo.org/dbrowser/index.php?submeasure=67&year=2007&level=nation&mode=graph&state=0>

<sup>5</sup> Overview: Kentucky State Government Budgets, Fiscal Years 1986-88 through 2008-10, Taylor-Gray Associates, September 2008

<sup>6</sup> Ibid

<sup>7</sup> *One in 31: The Long Reach of American Corrections*, The Pew Center on the States, 2008

<sup>8</sup> Ibid

<sup>9</sup> Ibid

<sup>10</sup> Ibid

<sup>11</sup> Crime in the United States, 2006, Federal Bureau of Investigation

<sup>12</sup> *One in 31: The Long Reach of American Corrections*, The Pew Center on the States, 2008

<sup>13</sup> Ibid

<sup>14</sup> Kentucky Department of Corrections, Annual Report, 2005

<sup>15</sup> 09 RS SB 4, Kentucky General Assembly

<sup>16</sup> Kentucky Department of Corrections, Cost to Incarcerate, FY 08