



Corrections Budget: A Failure to Plan for the Future

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Our priorities as a state are reflected every year in the enacted state budget. Investing in our communities on the front end benefits everyone by working toward an educated workforce, reliable infrastructure, safe neighborhoods and healthy families. These assets are essential to a good quality of life in Michigan, provide opportunities for all to succeed and attract investment to the state. A rising Corrections budget impacts all residents by shifting resources away from the public structures that provide education, and from health and employment opportunities that lead to greater economic security and mobility for all. Providing economic security and mobility expands job opportunities by providing people with the skills they need to be qualified for today's jobs.

The state budget and tax structure play an important role in quality of life and economic opportunity. The overarching goal of the Corrections budget is to provide for safe communities. Current and proposed budget proposals, however, represent a short-sighted and costly approach to accomplishing this goal. Failing to provide high quality education to all of its residents and investing too little in services that provide economic stability for families has forced Michigan to

spend too much of its limited resources on incarceration. Better choices are possible that would not risk public safety and would free up resources for higher priorities. For example, what does it say about the state's priorities when for every \$1 Michigan spends on higher education, the state spends \$1.19 on corrections?¹ Only one other state besides Michigan spends more on corrections than higher education. However, it was not until the last budget cycle that the Department of Corrections was targeted by the administration for an in-depth review, due to increasing health care and personnel costs.

The Corrections budget makes up 4 percent of the total state budget and nearly a quarter of the General Fund budget.² There has been nearly a 30 percent increase in state spending in the Corrections budget over the last 10 years.³ The General Fund makes up 96.8 percent of the Corrections budget, with 98.3 percent of that going toward salaries and wages.⁴ The Department of Corrections is the largest employer of state workers and has the greatest reliance on the General Fund for personnel costs.⁵ The enacted Corrections budget for FY12 totals \$1.94 billion, a decrease of 3.5 percent from the previous year budget.

¹ <http://www.pewcenteronthestates.org/uploadedFiles/One%20in%20100.pdf>

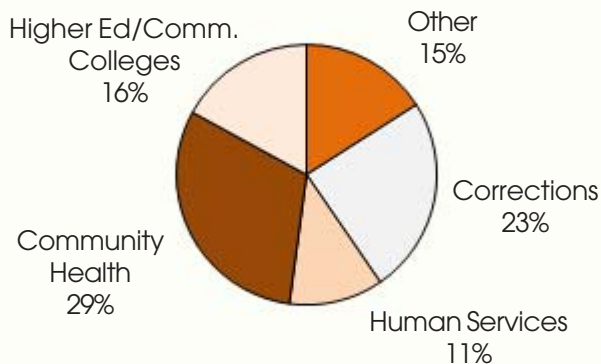
² <http://Corrections.crcmich.org/Guilfoyle.pdf>

³ Ibid.

⁴ Ibid.

⁵ Ibid.

General Fund Appropriations FY 2011



Source: Citizens Research Council of Michigan, 2011
Chart by Michigan League for Human Services

While Michigan has been noted nationally for lowering recidivism rates, the decreases in the prison population and staff have not offset the increasing costs of health care and mental health services for prisoners, and insurance and retirement benefits for staff. The number of inmates has declined by 8,513⁶ since 2007 and staffing has been reduced by more than 3,900 employees in the last 10 years, yet costs continue to rise.⁷

In order to make the best use of the state's limited resources, Michigan needs to shift resources to the front end—into public structures including education, health care, and employment opportunities—to prevent incarceration, produce the most savings and preserve the quality of life for all Michigan residents. Furthermore, communities of color have been hit even harder by budget cuts to public structures that help achieve and maintain economic security. Barriers to quality education, living wage employment and affordable health care make equitable access to

opportunity especially difficult for these communities and have led to their disproportionate representation in the corrections system.

Michigan's children are tomorrow's adults and it is crucial that they are provided with the tools for success so they can grow up to become contributing and active members of society. Budget cuts to public structures that provide children with opportunity decrease their ability to prosper as they grow. Prior to incarceration, many Michigan prisoners suffer from high rates of substance abuse and mental health problems, live in poverty, and lack a basic education. By leveling the playing field and providing everyone equitable access to a quality education, affordable health care and opportunities for living wage employment, the state could begin to break down barriers to success.

Shifting Resources Towards Healthy Families

Living in poverty and suffering from abuse and neglect as a child both increase the risk of becoming involved in violent crime later in life. Children who grow up living in poverty are 2.5 times more likely to become violent criminals than children not living in poverty.⁸ In 2010, 23.5 percent of children in Michigan lived in poverty and in 2009, more than 30,000 children were abused or neglected, a 25 percent increase in child victims since 2000.⁹ Being abused and/or neglected as a child also increases the chance that the cycle of violence will be passed on to their children. Additionally 2010 poverty rates are double for communities of color where over half of all African American children under the age of 5 live in poverty compared with 19.4 percent of white children.¹⁰ The poverty rate is also high for the Hispanic and Latino community where close to 40 percent of children under the age of 5 live in poverty. The disproportionate representation of children of color living in poverty further signifies the need to remove barriers to equitable opportunity and the need to invest in the earliest years of life.

⁶ <http://Corrections.crcmich.org/Guilfoyle.pdf> & MDOC Census Count, 12/11

⁷ <http://Corrections.crcmich.org/Guilfoyle.pdf>

⁸ Fight Crime: Invest in Kids, 2009. *Cutting Crime by Cutting Child Poverty*.

⁹ *Kids Count in Michigan Data Book, 2011*.

¹⁰ ACS, 3 year estimates, 2008-2010.

Resources for Michigan families, including the child tax deduction and home visiting programs have proven to reduce and prevent poverty, violent behavior, child abuse and neglect. One particular home visiting program, the Nurse Family Partnership, has demonstrated that it can prevent almost half of all cases of abuse or neglect of at-risk children.¹¹ A study by the Washington State Institute for Public Policy found a total of \$18,000 in savings by each family served by NFP from reduced crime, equating to \$3 dollars saved for every \$1 invested.¹² The cycle of violence can be stopped by preventing abuse through intervention and treating emotional and behavior problems, therefore mediating abuse, homelessness, and delinquency. By investing in families and children on the front end, criminal behavior can be reduced later in life.

Despite this, legislation was passed in 2011 to reduce the Earned Income Tax Credit by 70 percent and to eliminate the child tax deduction. Additionally, all Zero to 3 programming assisting families with young children at risk for abuse and/or neglect was also eliminated in the Department of Human Services FY12 budget. These disinvestments in families and children are short-sighted and could lead to increased corrections costs down the road.

Family preservation and home visiting programs, the Earned Income Tax Credit, and the child tax deduction all work toward economic security and mobility by reducing and eliminating poverty, promoting education, strengthening families, and preventing child abuse and neglect. However, the Michigan Legislature continues to reduce the resources that allow Michigan's children access to opportunity.

Shifting Resources Towards Prevention

By creating and nurturing healthy and supporting environments for children, the state can prevent and treat emotional and behavior problems at their onset, before they lead to illegal activity and violent crime in

adulthood. Children living in lower-income households are at particular risk for mental and physical health challenges, especially in cases of lead poisoning and emotional and behavior problems. Several studies have linked untreated mental health problems and toxic exposure to criminal activity in adult life.

Research has shown an association between blood lead concentrations and higher rates of arrests and/or offenses involving violence.¹³ In 2009, roughly 800 Michigan infants and toddlers under the age of 2 had elevated levels of lead in their blood.¹⁴ Funding for programs that addressed lead poisoning prevention and intervention have been substantially reduced in the FY12 state budget.

Additionally, the Childcare Expulsion Prevention Act, a unique program serving children up to age 5 by providing early childhood mental health consultation, was eliminated in the FY12 budget. This program and other positive behavior support programs worked to reduce negative behaviors and to promote positive outcomes for participants.

Nationally, the prison population suffers from high rates of mental health problems and substance abuse. The number of prisoners being treated for mental illnesses in Michigan is higher than it has been in years. As of March 2011, more than 8,000 prisoners were being treated for mental health related illnesses in Michigan.¹⁵ This does not include prisoners who have been misdiagnosed or not diagnosed at all. Per-prisoner costs for health care and mental health care increased by an average of 4.4 percent annually from 1997 to 2010 and by 7.3 percent from 2005 to 2010.¹⁶

The Department of Community Health provides a variety of programs that treat mental health illness and substance abuse in the general population. These programs have been impacted by funding cuts over the last several years. Programs that lost funding included substance abuse services, programs that treated close to 1,000 childless adults with serious mental illness, and

¹¹ Fight Crime: Invest in Kids, 2009. *Breaking the Cycle of Child Abuse and Reducing Crime in Michigan and Cutting Crime by Cutting Child Poverty*.

¹² Ibid.

¹³ PLOS Medicine Journal, 2008. *Association of Prenatal and Childhood Blood Lead Concentrations with Criminal Arrests in Adulthood*. Volume 5.

¹⁴ *Kids Count in Michigan Data Book, 2010*.

¹⁵ MI Department of Corrections. Average Mental Health Census Figures for March 2011, Lynda Zeller.

¹⁶ House Fiscal Agency, 2011. *Deconstructing the Corrections Budget*. March, 17, 2011: <http://corrections.crcmich.org/schneider.pdf>

mental health services to special populations. Additionally, Graduate Medical Education payments were reduced by 20 percent. These payments provide tuition reimbursement to medical students serving in lower-income and targeted neighborhoods.

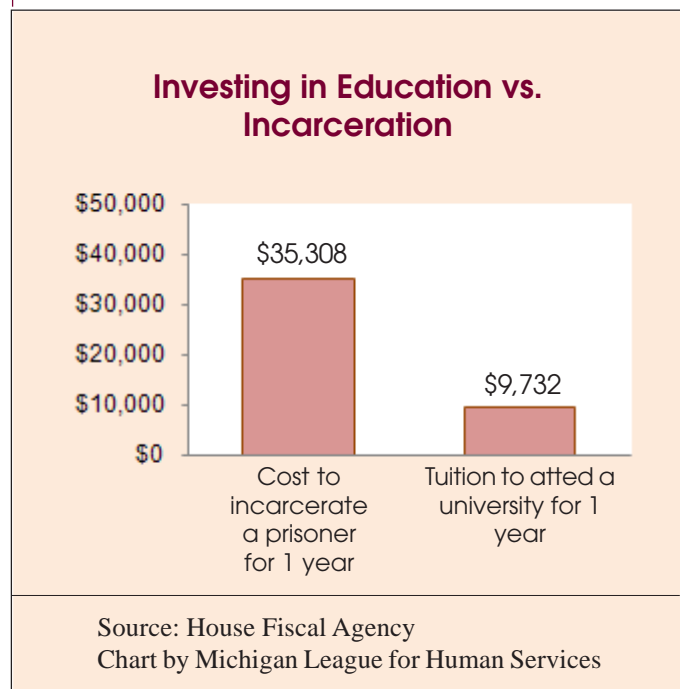
Shifting Resources Towards Education

Access to a quality education has been cited as the No. 1 preventive measure against crime and incarceration. A study in Ypsilanti found that quality education saves \$16 for every dollar invested.¹⁷ Early education programming reduces the need for special education services by reducing developmental delays and helping children learn social skills and self-control that reduce behavioral problems. As of 2009, 13 percent of the students in K-12 Michigan public schools were special education students.¹⁸ Michigan spends more than \$2.8 billion on special education annually.¹⁹ The federally funded Head Start program for children living in poverty, only serves half of eligible children nationwide due to inadequate funding.²⁰ At-risk children participating in quality early education programming are less likely to be held back in school, to need special education, to commit crimes, and are more likely to graduate high school and go on to college. By investing in early educational and developmental resources for families, the state can provide equal access to successful early human development.

In 2008, 68 percent of state prisoners were high school dropouts.²¹ The risk is increased for young boys of color. In 2006, black males in Michigan graduated at a rate of 33 percent, compared with a white male graduation rate of 74 percent.²² In Detroit, 50 percent of African American males do not graduate within four years of high school. This is also reflected in our state's prison demographics, where there are 412 white

prisoners per 100,000 white residents, compared with 2,262 black prisoners for every 100,000 black residents.²³ Inequities in the justice system and barriers to opportunity impact communities of color at a higher rate, making them disproportionately represented in the prison system.

Investments in education for all communities can reduce rising expenses in the Corrections budget. It costs the state an average of \$28,308 annually to house a prisoner in Michigan, on top of nearly \$7,000 a year for health care and mental health care, for an average total of \$35,308.²⁴ In Michigan, tuition costs an individual an average of \$9,732 per year to attend a four-year university, or a total of \$38,928.²⁵ Shifting state resources toward investing in education opportunities for youth could decrease their chances significantly of ever being incarcerated.



¹⁷ Fight Crime: Invest in Kids, 2010. *High-Quality Early Education: Cutting Crime and Saving Michigan up to \$560 Million a Year in Education Costs.*

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Bureau of Justice Statistics, 2008.

²² Schott Foundation for Public Education, 2006.

²³ The Sentencing Project, 2007. *Uneven Justice: State Rates of Incarceration by Race and Ethnicity.*

²⁴ House Fiscal Agency, 2011. *Deconstructing the Corrections Budget.* March, 17, 2011: <http://corrections.crcmich.org/schneider.pdf>

²⁵ House Fiscal Agency, 2011. House Appropriations Subcommittee on Higher Education. *Public University Tuition Rates.* July 26th, 2010.

Both funding for At-risk Grants and Special Education were reduced in the FY12 School Aid Budget. In addition, per pupil funding was cut by \$300, following a \$170 cut in FY11, for a total reduction of \$470 over the two-year period. Funding for universities was also cut by 15 percent and community colleges by 4 percent.

Shifting Resources Towards Employment and Training

According to the Michigan Prisoner ReEntry Initiative, a program designed to assist former offenders with community reintegration and aftercare, the primary motivation behind recidivism is financially based. When former offenders are unable to find living wage jobs upon release, they are more likely to recommit a crime. By providing living wage employment on the front end and upon release from prison, recidivism could be reduced.

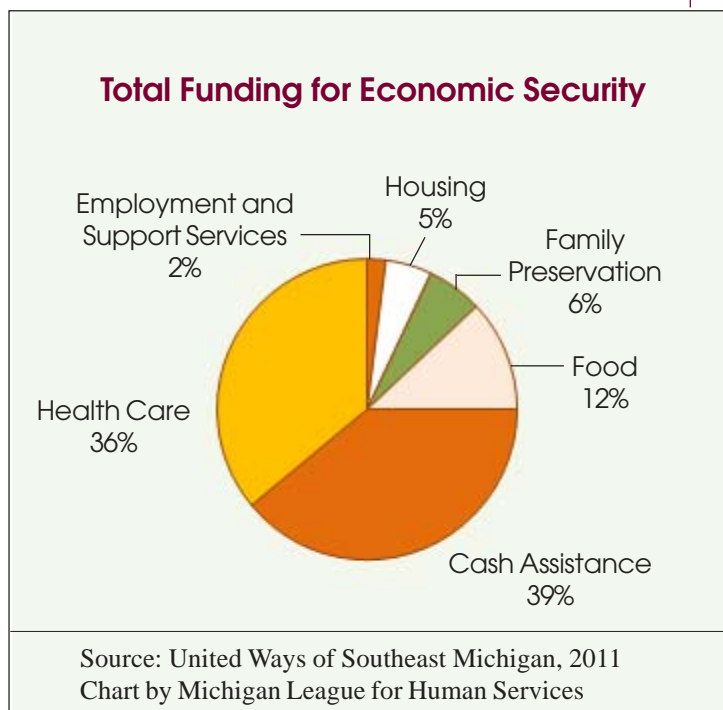
Michigan’s unemployment rate continues to be near 10 percent. Michigan has been in the top five states with the highest unemployment rate for at least the last five years, yet the state uses under 2 percent of the

total funding for economic security for employment and support services, making it the least-funded economic security program in the state.

Employment and training support services assist individuals and families by helping them find employment and maintain economic security. Funding for JET Plus, a program intended to provide specialized training programs and subsidized employment opportunities, was eliminated and employment and training for participants receiving cash assistance was reduced by \$4.8 million in the Department of Human Services FY12 budget. By investing in economic security and mobility for all through increased access to employment and support services, the state could decrease the need for public assistance in other areas, including cash assistance and health care.

Conclusion

It is clear that poverty reduction plans, family preservation and home visiting programs, early education, and employment and support services all reduce crime. Unfortunately, budget cuts to programs that invest in communities and families continue in Michigan. The state needs to do more than reduce recidivism. The state budget needs to support children and families on the front end. It is time the state realizes the long-term benefits of investing in communities from the start, valuing economic security and mobility for children and families by providing pathways to success—not prison.



Policy Options to Increase Resources on the Front End

Invest in families by supporting the Family Independence Program. A child living in poverty in Michigan has increased by 64 percent between 2000 and 2009 and this program provides cash assistance to a family of three earning less than \$10,000 a year.

Expand education and training for low-income residents by supporting funding for K-12, community colleges, and adult education. Currently, for every job opening in Michigan, there are four unemployed people. Expanding the skill set of the state's workforce will open the door for more employment opportunities.

Commit to child well-being by supporting funding for family preservation programs, abuse and neglect prevention, and early education childhood initiatives. The FY12 budget includes cuts equaling over \$110 million to programs that help level the playing field for children during their first years of life. By investing in children from the start, the state is investing in its future.

Improve access to health care for low-income residents by supporting Medicaid and the Affordable Care Act. An estimated 1.8 million Michigan residents will gain coverage from implementation of the Affordable Care Act. Through the expansion of Medicaid, African Americans and Hispanics in Michigan, who are twice as likely to be uninsured, will gain coverage.

Protect tax credits that help low-income residents by restoring the Earned Income Tax Credit to 20 percent of the Federal Earned Income Tax Credit. It is a successful anti-poverty, pro-work strategy that rewards work and supports struggling families.

Encourage policies that increase racial equity by taking into account how state policy and budget decisions deepen racial inequities. One in every three children born in Michigan is a child of color. By increasing the pathways to equitable access to vital services, the opportunity gap that is so pervasive among people of color could be closed.