



Environmental Scan 2011

U.S. Department of Justice
National Institute of Corrections
320 First Street, NW
Washington, DC 20534

Morris L. Thigpen
Director

Thomas J. Beauclair
Deputy Director

Christopher Innes, Ph.D.
Chief, Research and Information Services Division

Tracey Vessels
Project Manager

National Institute of Corrections
www.nicic.gov

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Prepared by the NIC Information Center

February 2012

Accession No. 025630

An electronic copy of this document can be found at: www.nicic.gov/Library/025630

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Introduction

Beginning in the late 1990's, the National Institute of Corrections (NIC) Information Center began scanning social, economic and corrections issues to inform the development of programs and services offered by NIC. This report, now in its 6th edition, has continued to evolve into a popular tool that is also used by corrections practitioners to inform their work in jails, prisons and community corrections. Since there are many issues beyond what is addressed in this environmental scan that potentially will influence corrections, this report is intended to give a broad overview of selected current and anticipated trends and not intended to be comprehensive.

The method for selecting articles, reports and other materials was based on a scan of popular magazines, newspapers and websites as well as corrections-specific publications. As part of the ongoing work of the Information Center in supporting the work of corrections practitioners, staff regularly monitors reports and publications from state, national and independent sources. The report is arranged from outside influences with the broadest influence on corrections to specific corrections issues. Each section of the report gives an overview of the topic followed by corrections-specific trends and developments in this area.

International Developments

With economics dominating the global focus in 2011, it seems appropriate to begin this section of the environmental scan with projections from the World Economic Forum. Also represented here are international trends from the International Centre for Prison Studies and National Intelligence Council. As it has been noted in previous NIC environmental scans, these developments do not generally have a direct effect on corrections in the United States. However, the lingering global economic decline has influenced the American economy, policies and public attitudes, as do many global issues.

- From the World Economic Forum's Global Agenda Councils, *Outlook on the Global Agenda 2012* provides a summary of the Annual Summit held October 2011. The report focuses on six key challenges for 2012. From the Executive Summary:
 - *The Global Economic Outlook*
 - The world's largest economies are now facing sovereign debt crises and this at a time when many countries are facing slow or negative growth and significant levels of unemployment. As a result, 2012 is likely to see increasing instability due to the absence of a sound and globally accepted financial regulatory system, lack of confidence in market participants or facilitators, and speculation.
 - *Global Power Shifts and Emerging Markets*
 - Economic and political power is continuing to move from North to South and West to East. 2012 will see accelerated transfer of influence from traditional state-centered institutions to coalitions of the willing and non-state actors, manifested in diplomacy and action by networks of actors and regional organizations. These trends reveal a shift from large, expensive, institutional power to small, low-cost, unpredictable and grass-roots sources of power, such as the Arab Spring or the *Indignados* and Occupy movements.
 - *Inclusive Growth and Employment Creation*
 - Persistent and sticky unemployment has become the most significant economic and political issue faced by leaders across large swathes of the world. Unemployment is a manifestation of a number of structural faults: growth is too often achieved in boom/bust cycles; global population is rising; the divide between rich and poor continues to widen; and there is an increasing gap between education, skills and jobs.
 - *Political Entrenchment and Multistakeholder Governance*
 - Faced with the worst economic crisis since the Great Depression, political systems in the United States and Europe have been found wanting. Decision-making gridlock in the world's largest markets has pushed global systems to the brink. Political institutions are faced with a critical loss of public trust,

which is amplifying the need for direct action on behalf of a disenchanted and often desperate public. With weakening of states, new mechanisms such as multistakeholder partnerships in various forms and at different levels are expected to play a bigger role in delivering public value.

- *Natural Resource Scarcity and Climate Change*
 - Stresses on natural resources and accelerating climate extremes will increasingly impact economic development and growth in many countries. Economic pressures will encourage innovation in sustainable growth technologies and models, but governments will come under pressure to set a visionary agenda for the 21st century at the UN Conference on Sustainable Development in Rio de Janeiro in June 2012.
- *The Digital Revolution*
 - The Internet has become a key pillar of global prosperity. Work, leisure, consumption and policy decisions, supply chains, safety systems and communications – every aspect of modern life is shaped by the continually evolving digital world. But the infiltration of digitalism into human affairs has brought peril as well as prosperity. Moves by governments worldwide to tighten control over cyberspace are exacerbating tensions tied to citizens' privacy, freedom of expression and demands for more transparency. Social media and the need for security are generating a move towards a more compartmentalized and fragmented Internet.

Source: World Economic Forum, *Outlook on the Global Agenda 2012*, October 2011 (<http://www.weforum.org/reports/outlook-global-agenda-2012>)

- Worldwide, of the 10.1 million people detained in some type of correctional facility, nearly 23% are incarcerated in the United States (2.29 million), followed by China (1.65 million) and Russia (810,000). (China's total does not include the 650,000 people held in "administrative detention," which if counted would put China's total at 2.3 million.) The International Centre for Prison Studies reports:
 - The world incarceration rate is estimated to be 146 per 100,000 people.
 - The United States has the largest per capita incarceration rate - 743 per 100,000, followed by Rwanda (595), Russia (568), Georgia (547), U.S. Virgin Islands (539), and Seychelles (507).
 - More than half the countries and territories (54%) have rates below 150 per 100,000.
 - Compared to previous editions of the World Prison Population List, prison populations have risen in 78% of the countries surveyed.

Source: Kings College London, International Centre for Prison Studies, *World Prison Population List, Ninth Edition*, May 2011 (<http://www.idcr.org.uk/wp-content/uploads/2010/09/WPPL-9-22.pdf>)

- Transnational organized crime (TOC) is seen as a growing threat to U.S. and international security. The National Intelligence Council tracks the size, scope, and influence of transnational organized criminals. Five key threats to U.S. National Security from TOCs are:
 - TOC penetration of state institutions (subverting government rule)
 - TOC threat to the U.S. and world economy (bribery/embezzlement of public funds)
 - Growing cybercrime threat (online frauds)
 - Threatening Crime-Terror nexus (terrorists using crime to generate funding)
 - Expansion of drug trafficking (i.e. West Africa and Central America)

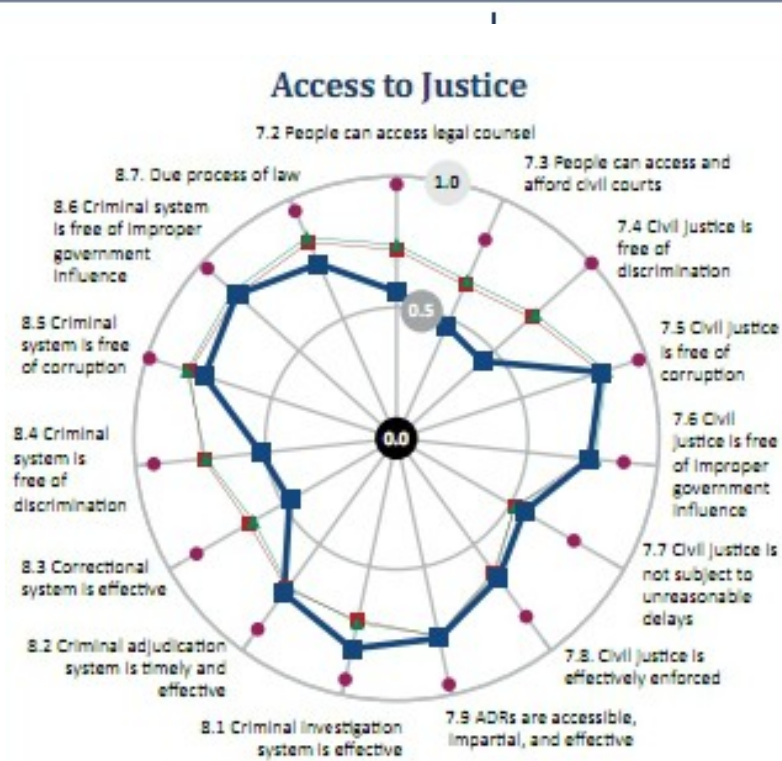
The link below also provides a world map of potential threats.

Source: National Intelligence Council, *Transnational Organized Crime*, July 2011 (http://www.dni.gov/nic/NIC_toc.html)

- In November 2011, the World Justice Project released their second annual report, *The WJP Rule of Law Index*. This index is “an assessment tool designed to offer a comprehensive picture of the extent to which countries adhere to the rule of law, not in theory, but in practice.” One of the index factors is Access to Justice. U.S. scores are graphed below:

2. Scores for all WJP Rule of Law Index sub-factors

In each graph, a sub-factor is represented by a radius from the center of the circle to the periphery. The center of each circle corresponds to the lowest possible score for each sub-factor (0.00); the outer edge of the circle marks the highest possible score (1.00).



Source: The World Justice Project, *Rule of Law Index 2011*, November 30, 2011 (http://worldjusticeproject.org/sites/default/files/wjproli2011_0.pdf)

Demographic and Social Trends

Overall, the United States is becoming increasingly older and more diverse. The statistics below highlight changes in the demographic makeup of the U.S. in terms of population, age, ethnicity, immigration, education and wealth. Gaps in poverty levels by age and residency continue to widen.

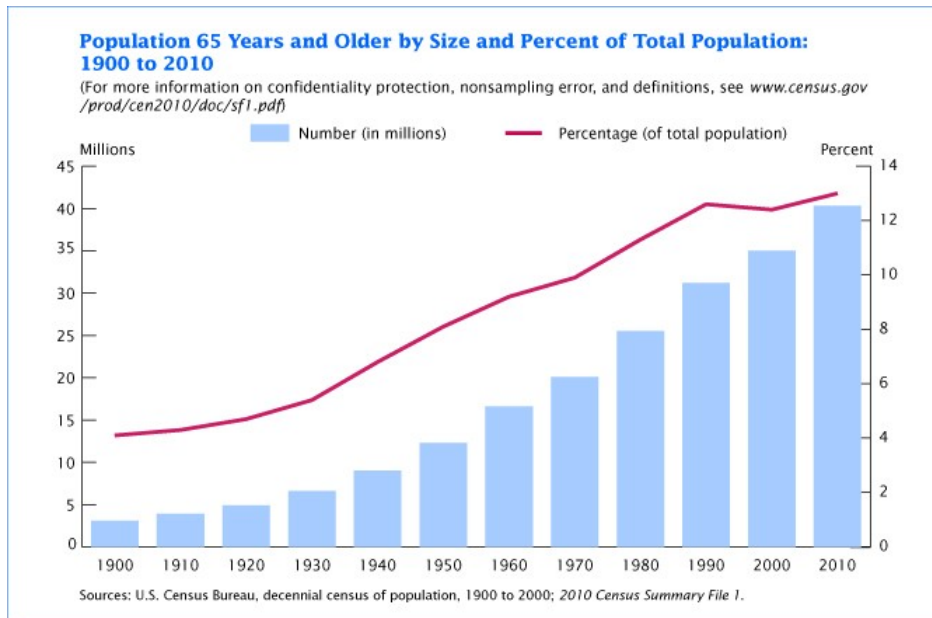
- As of mid-December 2011, the U.S. Census Bureau estimated the U.S. population to be 313 million, 4.5% of the world's 7 billion people. The U.S. is expected to grow to 399 million by 2050.

Source: U.S. Census Bureau, *U.S. and World Population Clock* and *2009 National Projections*, December 2009 (<http://www.census.gov/main/www/popclock.html>)
(<http://www.census.gov/population/www/projections/index.html>)

- The first Census Bureau estimates since the 2010 Census show the slowest national growth, 0.92 percent, since the 1940s. While Texas is the fastest growing state in sheer numbers, the District of Columbia is the fastest growing by percent change. Only three states lost population: Rhode Island, Michigan, and Maine.

Source: U.S. Census Bureau, *Texas Gains the Most in Population Since the Census*, December 2011 (<http://www.census.gov/newsroom/releases/archives/population/cb11-215.html>)

- Growing at 15% between 2000 and 2010, the number of Americans over the age of 65 outgrew the U.S. population by over 5%. Those 85 and older increased in all states and 85- to 94-year-olds experienced the fastest growth at 30%. For the period of 2010-2050, the 90+ population is expected to quadruple from 1.9 million in 2010 to almost 8 million in 2050.



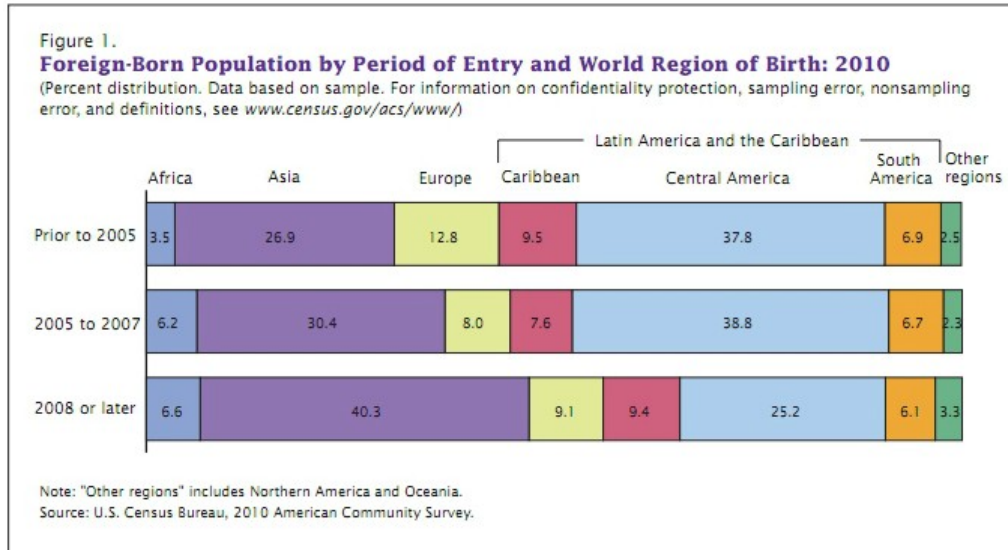
Source: U.S. Census Bureau, [2010 Census Shows 65 and Older Population Growing Faster Than Total U.S. Population](http://www.census.gov/newsroom/releases/archives/2010_census/cb11-cn192.html), November 2011 ([http://www.census.gov/newsroom/releases/archives/2010_census/cb11- cn192.html](http://www.census.gov/newsroom/releases/archives/2010_census/cb11-cn192.html)) and [90+ in the United States: 2006-2008](http://www.census.gov/prod/2011pubs/acs-17.pdf), November 2011 (<http://www.census.gov/prod/2011pubs/acs-17.pdf>)

- Those of Hispanic origin are the largest minority group and in the coming decades will comprise over a quarter of the population. Below are the future projections of the ethnic composition of the U.S. population (in thousands).

	2010	2050
Total	307,907	398,528
White (not Hispanic)	200,639 (65.2%)	198,888 (49.9%)
Hispanic (of any race)	48,531 (15.8%)	110,743 (27.8%)
Black	37,854 (12.3%)	48,514 (12.2%)
Asian	13,334 (4.3%)	23,605 (5.9%)
All other races	7,549 (2.4%)	16,778 (4.2%)

Source: U.S. Census Bureau, [2009 National Projections](http://www.census.gov/population/www/projections/index.html), December 2009 (<http://www.census.gov/population/www/projections/index.html>)

- Nearly 40 million residents in the United States in 2010 were foreign-born. Of those foreign-born residents, those arriving since 2008 are less likely to have been born in Latin American and the Caribbean and more likely to be from Asia. They are also less likely to live in the traditional “gateway” states, such as California, Texas and New York.



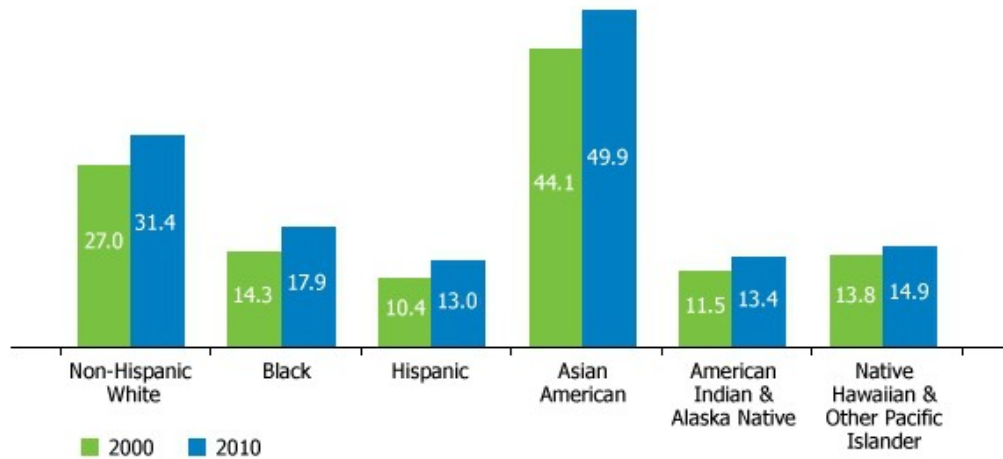
Source: U.S. Census Bureau, *The Newly Arrived Foreign-Born Population of the United States: 2010*, November 2011 (<http://www.census.gov/prod/2011pubs/acsbr10-16.pdf>)

- Groups that we most likely to speak a language other than English at home tended to be Asian (77%) and Hispanic (76%) while non-Hispanic whites were the least likely.

Source: U.S. Census Bureau, *Census Bureau Releases 2009 American Community Survey Data*, September 28, 2010 (http://www.census.gov/newsroom/releases/archives/american_community_survey_acs/cb10-cn78.html)

- Increased focus on higher education exists for all individuals' ages 18 to 24, despite race or ethnicity. Asian Americans top the list with 67 percent enrolled in college or graduate school, almost twice the rate of Hispanics at 36 percent enrollment. For U.S. adults ages 25 or older, nearly 50 percent of Asian Americans have completed a Bachelor's Degree, followed by non-Hispanic whites at 31 percent.

Figure 6
Percent of U.S. Adults Ages 25 and Older Who Have Completed a Bachelor's Degree or Higher, by Race/Ethnicity, 2000 and 2010



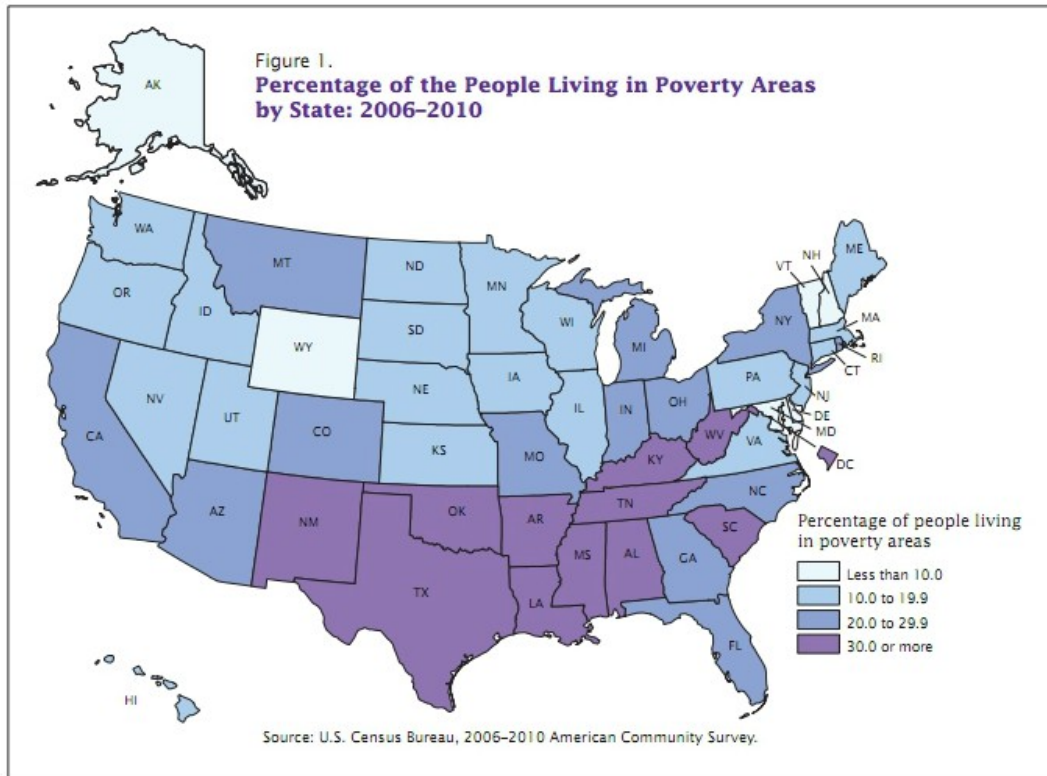
Note: Estimates are based on a survey of the population and are subject to both sampling and nonsampling error.
Source: U.S. Census Bureau, 2000 Decennial Census and 2010 American Community Survey.

Source: Population Reference Bureau, *A Post-Recession Update on U.S. Social and Economic Trends*, December 2011 (<http://www.prb.org/Publications/PopulationBulletins/2011/us-economicsocialtrends-update1.aspx>)

- The Great Recession officially ended in June of 2009 and has resulted in a larger increase of people in poverty between 2009 and 2010 than in any post-recession year since 1962. The poverty gap between children and the elderly continues to rise, with 22% of children in poverty in 2010 and only 10% of elderly, ages 65 and older, in poverty in the same year.

Source: Population Reference Bureau, *A Post-Recession Update on U.S. Social and Economic Trends*, December 2011 (<http://www.prb.org/Publications/PopulationBulletins/2011/us-economicsocialtrends-update1.aspx>)

- One-in-Five Americans live in “poverty areas” – these are census tracts with poverty at 20% or higher. The state with the highest percentage of residents in poverty areas was Mississippi at 46% and the lowest was New Hampshire at 5%. Almost 10 million people live in areas where poverty rates are 40% or more.



Source: U.S. Census Bureau, *Areas With Concentrated Poverty: 2006-2010*, December 2011 (<http://www.census.gov/prod/2011pubs/acsbr10-17.pdf>)

- While there was an overall decline in home values from 2009 to 2010, the change in home values varied widely by state. Nevada had the largest decrease in home values at 17 percent followed by Arizona with 12 percent. However, seven states had an increase in home values: Alabama, Alaska, Arkansas, Kentucky, Nebraska, North Dakota, and Oklahoma. Between 2008 and 2010 the median home value dropped from \$197,500 to \$179,900.

Source: Population Reference Bureau, *A Post-Recession Update on U.S. Social and Economic Trends*, December 2011 (<http://www.prb.org/Publications/PopulationBulletins/2011/us-economic-social-trends-update1.aspx>)

The Workforce

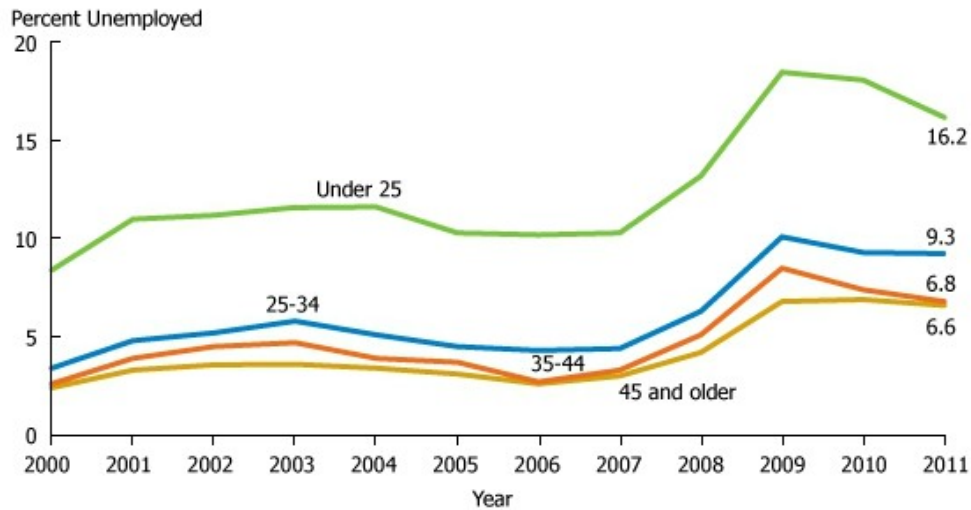
Following the demographics, the American workforce reflects an older and more diverse population. Higher education continues to pay off in employment and earnings. Unemployment is especially high among young adults and many young men have disconnected both from seeking work or training.

- From 2010 to 2020, employment is projected to increase by 14.3 percent. Although this represents 20.5 million new jobs, growth in the civilian labor force is projected to be slower, 0.7 percent annually, than the 0.8 percent growth from 2000 to 2010. Employment growth for jobs requiring a master's degree is projected to grow significantly above the average, at 21.7 percent.
- The workforce continues to become more diverse. Hispanics are projected to increase their share of the labor force from 14.8 percent in 2010 to 18.6 percent in 2020. A slight increase is projected in the labor force shares for Asians and blacks.
- In 2020, the majority of the civilian workforce will still comprise workers between the ages of 25-54 (63.7%). As baby boomers move into the 55 and older group, they will grow their share of the labor force to 25.2 percent in 2020, up 5.7 percent from 2010.

Source: Bureau of Labor Statistics, *Employment Projections: 2010-2020 Summary*, February 1, 2012 (<http://www.bls.gov/news.release/ecopro.nr0.htm>)

- The unemployment rate for December 2011 dropped to 8.5 percent, down from 9.4 percent in December 2010. Unemployment for blacks and Hispanics is still significantly higher than for whites and Asian Americans, with blacks, at 14%, almost double the rate for whites.
- Unemployment has hit hardest on young adults, ages 16 to 24. As of October 2011, young adults saw 16 percent unemployment, more than twice the rate for adults ages 35 and older. Young adults also experience more long-term unemployment, six months or more, than older age groups.

Figure 1
U.S. Unemployment Rate by Age Group, 2000-2011

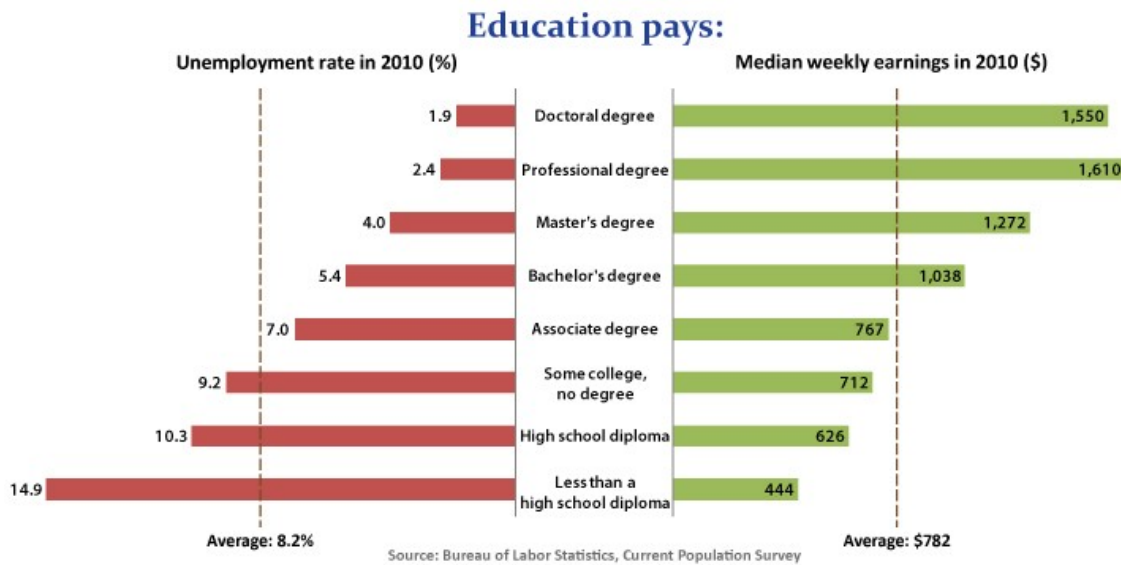


Note: Unadjusted rates as of October of each year. Estimates are based on a survey of the population and are subject to both sampling and nonsampling error.
Source: U.S. Bureau of Labor Statistics.

- An increasing number of young adults are now disconnected from both work and school, especially young men. Increasing by 5 percentage points from 2007 to 2010, nearly one in five men ages 25 to 34 is neither working nor attending school.

Source: Bureau of Labor Statistics, *Labor Force Statistics from the Current Population Survey*, February 1, 2012 (<http://www.bls.gov/cps/>) and Population Reference Bureau, *A Post-Recession Update on U.S. Social and Economic Trends*, December 2011 (<http://www.prb.org/Publications/PopulationBulletins/2011/us-economicsocialtrends-update1.aspx>)

- Despite concerns about the high cost of education, a high school diploma or college degree continues to pay off, both in terms of lower unemployment and higher earnings.



Source: Bureau of Labor Statistics, *Education pays ...*, May 2011 (http://www.bls.gov/emp/ep_chart_001.htm)

- As of May 2010, the average hourly and annual wage for correctional officers and jailers was \$20.57 and \$42,780, for correctional first-line supervisors was \$28.02 and \$58,290 and for probation officers was \$22.69 and \$47,200. From 2008 to 2018, job growth for correctional officers and supervisors is projected to grow by 10% and probation officers will grow by 17%.

Source: Bureau of Labor Statistics *Occupational Employment and Wages, May 2010* for officers and jailers (<http://www.bls.gov/oes/current/oes333012.htm>) and *Occupational Employment and Wages, May 2010* for first-line supervisors (<http://www.bls.gov/oes/current/oes331011.htm>) and *Probation Officers and Correctional Treatment Specialists, May 2010* (<http://www.onetonline.org/link/summary/21-1092.00>)

- Estimates from 2009 and 2010 show a total of 755,823 government employees worked in corrections with total payroll expenses exceeding 3 billion.

	Federal	State	Local	Total
Corrections employees	36,646	467,000	252,166	755,812
Corrections monthly payroll	\$203 million	\$1.9 billion	\$1 billion	\$3.1 billion

Source: U.S. Census Bureau, *Government and Employment Payroll, 2009*, for federal employees (http://www.census.gov/govs/apes/historical_data_2009.html) and *Government Employment & Payroll, 2010*, for state and local employees. (<http://www.census.gov/govs/apes/>)

Technology

Below are some highlights of how technology is changing our social landscape as well as where it may be going in the near future.

- Each year MIT's *Technology Review* unveils its annual list of the top 35 innovators under 35. Here are a few of the problems these innovators are working on:

Biomedicine:

- Computer-assisted genetic engineering to fight disease or produce biofuels

Communications:

- Smarter wireless networks to handle digital congestion of the airwaves

Computing:

- Creating robots that learn from people – i.e. tie surgical sutures
- Guaranteeing cloud computing security

Energy:

- Creating a cheap, safe material for electric-vehicle batteries

Materials:

- Creating solar cells that see more light

Web:

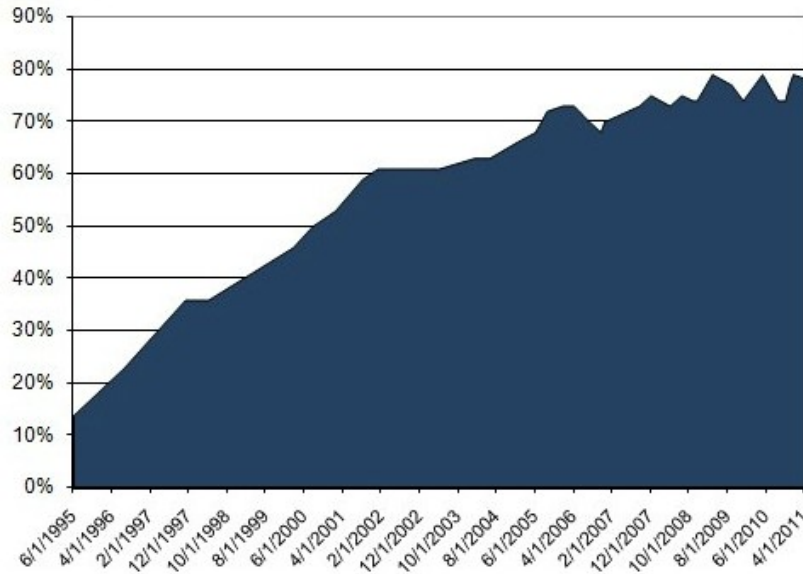
- Designing online communities for anonymous collaboration

Source: MIT, *Technology Review*, September/October 2011 (<http://www.technologyreview.com/tr35/>)

- Almost 80% of American adults and 93% of teens use the Internet. The most connected (95%) are in the 18-29 age range and those least connected (42%) are age 65 and older. Internet use varies by household income and education, but does not significantly change by community type, urban or rural. From 2000 to 2010, the number of Americans who have broadband at home has grown from eight million to nearly 200 million last year.

Internet adoption, 1995-2011

% of American adults (age 18+) who use the internet, over time. As of May 2011, 78% of adults use the internet.



Source: Pew Research Center, *Pew Internet: Trend Data*, May 2011 (<http://pewinternet.org/Trend-Data/Internet-Adoption.aspx>) and Federal Trade Commission, *National Broadband Plan: Connecting American*, March 2010 (<http://www.broadband.gov/plan/executive-summary/>)

- From a report by the Pew Center, the migration to the web continues in the news sector. “For the first time, too, more people said they got news from the web than newspapers. The internet now trails only television among American adults as a destination for news, and the trend line shows the gap closing. Financially the tipping point also has come. When the final tally is in, *online ad revenue* in 2010 is projected to surpass print newspaper ad revenue for the first time.”

Source: Pew Research Center, *The State of the News Media 2011*, March 14, 2011 (<http://stateofthemedias.org/>)

- Texting and Social Networking are both a U.S. and global phenomenon. Although 67% of Americans send text messages, that is still lower than the median of 75% worldwide. Israel has the highest percentage of adults using social networking at 53% and the U.S. is second with half of adults using social networking sites.

Source: Pew Research Center, *Global Digital Communication: Texting, Social Networking Popular Worldwide*, December 20, 2011 (<http://www.pewglobal.org/2011/12/20/global-digital-communication-texting-social-networking-popular-worldwide/>)

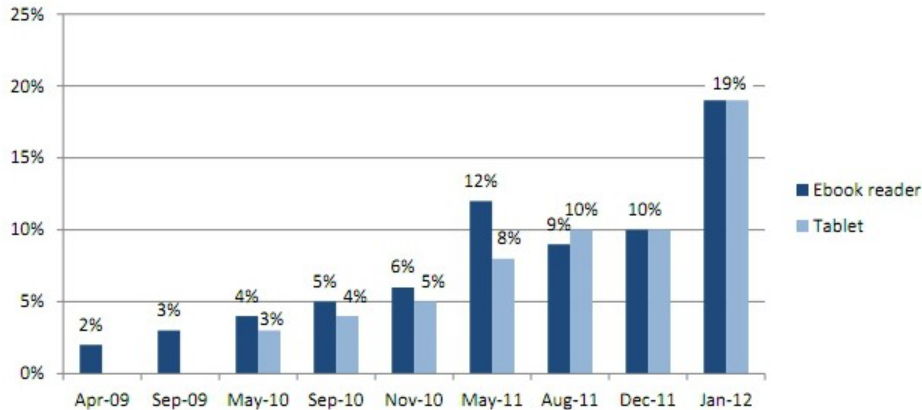
- Nearly 83% of American adults own some kind of cell phone and 35% own a smartphone. Of these smartphone users, 25% prefer to use their phone rather than a computer to access the internet and one third do not have a high-speed broadband connection at home.

Source: Pew Research Center, *Americans and Their Cell Phones*, August 15, 2011 (<http://pewinternet.org/Reports/2011/Cell-Phones.aspx>) and *Smartphone Adoption and Usage*, July 11, 2011 (<http://pewinternet.org/Reports/2011/Smartphones.aspx>)

- The growth in tablet and e-book ownership showed a near doubling over the 2011 holiday season. From mid-December 2011 to early January 2012, adults owning tablets went from 10% to 19% and e-book readers rose at the same rate.

Big jump in gadget ownership over the holidays

% of adults who own tablet computers and e-book readers



Source: The Dec. 2011 and Jan. 2012 results shown here are from three new surveys by the Pew Research Center's Internet & American Life Project. The Dec. 2011 results are from a survey of 2,986 people age 16 and older conducted November 16-December 21, 2011. The survey was conducted in English and Spanish and on landline and cell phones. The margin of error is +/- 2 percentage points. The Jan. 2012 results are from a combination of two surveys, one conducted January 5-8, 2012 of 1,000 adults age 18 and older and the other conducted January 12-15, 2012 among a sample of 1,008 adults. The overall margin of error in the combined Jan. 2012 dataset is +/- 2.4 percentage points. The January surveys were conducted on landline and cell phones. They were conducted only in English.

Source: Pew Internet & American Life Project, *Tablet and E-book reader Ownership Nearly Double Over the Holiday Gift-Giving Period*, January 23, 2012 (http://www.pewinternet.org/~media/Files/Reports/2012/Pew_Tablets%20and%20e-readers%20double%201.23.2012.pdf)

- Biometric identifiers (finger prints, voice recognition, facial recognition, iris scans, palm prints, DNA, etc.) and information sharing are both continuing trends in criminal justice technology. The National Science and Technology Council recently released a report on the challenges around using biometrics in terms of costs, privacy, and the science and technology advances required. In addition, sharing biometric information across justice entities requires quality control and is the focus of the Office of Justice Programs Global Information Quality Series.

Source: National Science and Technology Council Subcommittee on Biometrics and Identity Management, *The National Biometrics Challenge*, September 2011 (http://www.biometrics.gov/Documents/BiometricsChallenge2011_protected.pdf) and Office of Justice Programs, *Information Quality Resources*, 2011 (http://www.it.ojp.gov/iq_resources)

- At the 2011 Innovative Technologies for Corrections Conference, presentations addressed several upcoming technologies in corrections. A sampling of the topics of those presentations is:
 - Using Social Networks for Offender Supervision and Fugitive Apprehension
 - Removing the Language Barrier – Automated Translation Technology in a Correctional Setting
 - Using Technology to Deliver In-Cell Services (Including Access to Internet Content) in High Security Settings
 - Inmate Telephone Surveillance Through Voice Identification Biometrics
 - Successfully Integrating Newer Energy Saving Technologies in Older Prison Sites
 - Advanced Contraband Detection Using Whole Body Imaging Technology
 - Evaluating the Impact of Protective Equipment Could Help Enhance Officer Safety
 - Developing a Standard for Offender Tracking Technology
 - Indiana SAVIN – Automated Victim Notification and Related Notification Efforts

Source: JUSTNET, *2011 Innovative Technologies for Corrections Conference Presentations*, June 2011 (http://www.justnet.org/Pages/corr2011_presentations.aspx)

Public Opinion

Crime continues to be an issue of lower importance to the public, particularly in the area of low-level drug use.

- A Gallup Poll in September, 2011 asked respondents to identify the most important problem in the U.S. “Crime/Violence” was identified by only 1% of the participants in the survey as the most important issue. By contrast, 49% identified “Crime/Violence” as the country’s most important problem in 1994. Both “Guns/Gun control” and “Drugs” received less than 0.5% of the votes.

Source: Gallup, *Most Important Problem*, September 8-11, 2011 (<http://www.gallup.com/poll/1675/most-important-problem.aspx>)

- As the millennial generation (born 1980-2000) becomes more predominate in the workforce and electorate, their differing attitudes may impact criminal justice. Millennials are more likely to be engaged in civic activities, have a high adoption of new technologies, and more sharing of details of their private lives on social networking sites, i.e. Facebook. These attitudes may result in a higher level of acceptance and support of law enforcement technologies and techniques in relation to privacy.

Source: Eric Meade, *Scanning the Future of Law Enforcement: A Trend Analysis*, July/August, 2010 (http://www.wfs.org/Upload/JA2010_Meade.pdf)

- As a U.S. society, low-level drug use is perceived more as a health problem than a criminal justice problem. In addition, youth attitudes toward illicit drug use are softening, which historically has resulted in increased use.

Source: Eric Meade, *Scanning the Future of Law Enforcement: A Trend Analysis*, July/August, 2010 (http://www.wfs.org/Upload/JA2010_Meade.pdf) and the White House, *2011 National Drug Control Strategy*, July 2011 (http://www.whitehouse.gov/sites/default/files/ondcp/policy-and-research/2011strategyexecutivesummary_0.pdf)

The Economy and Government Spending

Slow growth is the mantra of the economy and that reality is reflected in the continuing difficulties of states to balance budgets. Based on recent state legislation, cuts in corrections budgets will continue.

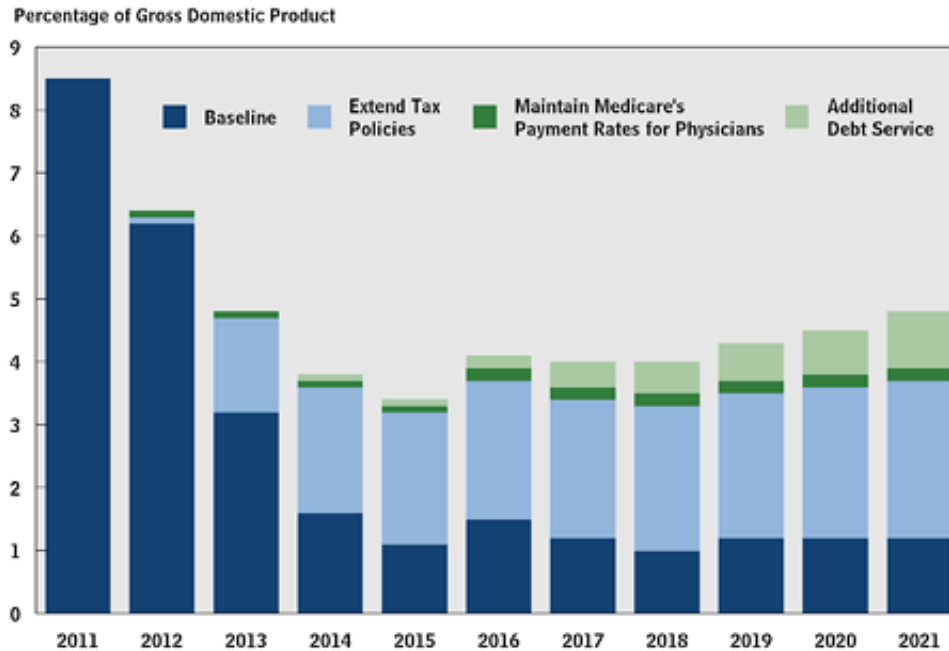
- From the most recent annual report, the International Monetary Fund labels 2010 as a year of “unbalanced recovery”. As outlined in chapter 2, “Even as global growth strengthened, the recovery remained unbalanced across the world. In the advanced economies, growth was modest, with average growth of just 3 percent in 2010... In the emerging and developing economies, economic performance has been much stronger. Overall, these economies enjoyed average growth of over 7¼ percent in 2010.”

Source: International Monetary Fund, *IMF Annual Report 2011*, April 30, 2011 (<http://www.imf.org/external/pubs/ft/ar/2011/eng/index.htm>)

- The International Monetary Fund projected world real GDP to rise by 4.5% in 2011 and 2012, following a 5% rise in 2010. Real GDP in advanced economies is only expected to expand by about 2½ percent. The downside risks in advanced economies continue to outweigh upside risks due to major concerns over weak sovereign balance sheets, still-moribund real estate markets, and European financial risks. Upside risks are present in both strong corporate balance sheets and demand from emerging/developing economies.

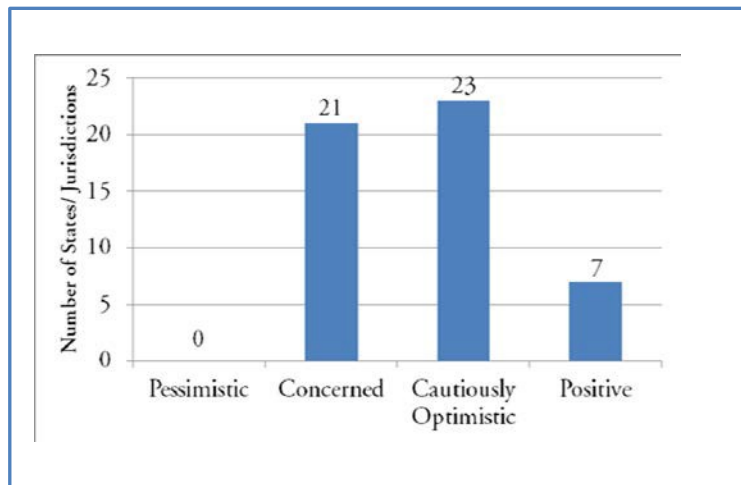
Source: International Monetary Fund, *World Economic Outlook April 2011*, April 2011 (<http://www.imf.org/external/pubs/ft/weo/2011/01/pdf/text.pdf>)

- The Congressional Budget Office projects the recovery will continue but with modest growth for several years. Employment is expected to expand slowly and inflation will likely remain below 2.0 percent over the next several years. The CBO also projects:
 - A federal budget deficit of \$1.3 trillion for 2011.
 - GDP increases from 2.7% to 3.6% by 2016.
 - Unemployment rates will remain above 8 percent until 2014.
 - Interest rates will remain quite low through the end of 2012.
 - Projected deficits depend heavily on the continuation of certain policies. (Shown in the graph below: deficits as a percentage of GDP.)



Source: Congressional Budget Office, *Budget and Economic Outlook: An Update*, August 2011 (<http://www.cbo.gov/doc.cfm?index=12316>)

- From the NCSL Fall 2011 update, “State fiscal conditions continue to improve, but at a very slow pace.” A survey of legislative fiscal directors shows the overall outlook for FY2012 as having a level of optimism, with concern about downward risks. No pessimistic votes were cast.



Overall Fiscal Outlook for FY 2012

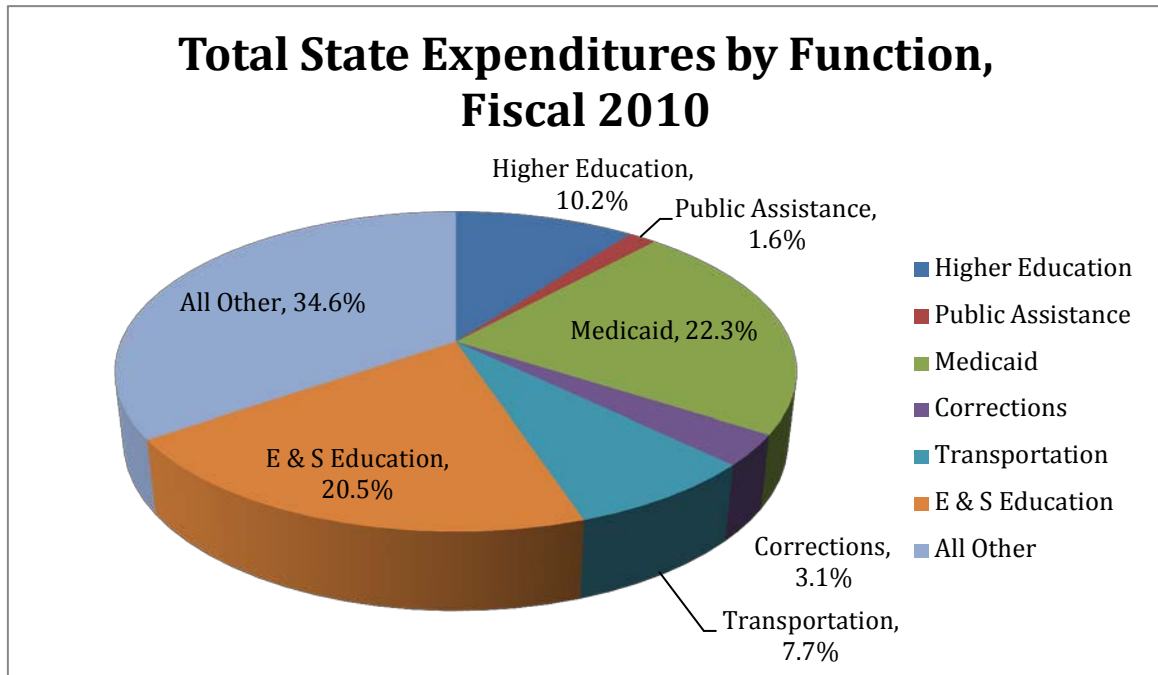
A measureable improvement can be seen in the closing of state budget gaps. The FY 2012

budgets are projected to close \$91 billion in gaps, bringing a total of \$500 billion in gaps addressed over the last four years.

As to state revenue, the Census Bureau reported in December 2011 that state government revenue rose by 79 percent in 2010. Key gains were in retirement systems and social insurance trusts. General revenue from taxes and other sources rose more slowly at 4.5 percent.

Source: NCSL, *State Budget Update: Fall 2011*, Dec. 1, 2011 (<http://www.ncsl.org/default.aspx?tabid=23914>) and U.S. Census Bureau, *Census Bureau Reports State Government Revenue Up 79 Percent in 2010*, Dec. 14, 2011 (<http://www.census.gov/newsroom/releases/archives/governments/cb11-213.html>)

- In FY 2010, corrections spending accounted for 3.1% of all state general fund expenditures, a 3.2% decrease from 2009. Corrections spending compared to other spending is shown below:



Source: The National Association of State Budget Officers, *State Expenditure Report 2010*, December 2011 (<http://nasbo.org/LinkClick.aspx?fileticket=C3LJISFxbdo%3d&tabid=38>)

- At least 40 states made budget cuts in 2009-2010 that affected corrections. These cuts included reductions in “staff salaries, benefits, or overtime, eliminating prison programs, and making food-service changes”. In addition, several states are aiming to cut future costs

by reducing corrections populations through sentencing reform. Examples include:

- South Carolina approved a sentencing reform package in 2010 that the state estimates will reduce the need to build and operate new prison beds by 1,786, saving up to \$241 million by reducing incarceration of nonviolent offenders and more closely supervising released inmates to reduce recidivism;
- Nevada saved \$38 million in operating expenditures by FY 2009 and avoided \$1.2 billion in new prison construction by making key sentencing reforms, including expanding the number of credits inmates could earn for “good time” and the number of credits those on community supervision could earn for complying with conditions; and
- Kentucky passed legislation expected to save the state \$422 million over the next decade by diverting certain drug offenders into treatment rather than prison and reserving prison space for violent and career criminals.

In October 2011, California passed major sentencing reforms to address a Supreme Court order to reduce prison overcrowding and deal with state budget deficits.

Source: NGA Center for Best Practices, *State Efforts in Sentencing and Corrections Reform*, October 2011 (<http://www.nga.org/files/live/sites/NGA/files/pdf/1110SENTENCINGREFORM.PDF>) and San Francisco Chronicle, *State’s Radical Prison Reform Plan Ready To Start*, October 2011 (http://www.courts.ca.gov/partners/documents/chronicle_prison_reform_article_10-2-2011.pdf)

- In order to address budget issues, at least seven states have restructured in the area of corrections. In four states, Kansas, Michigan, New York and Washington, parole boards are no longer independent organizations. California and Nebraska have eliminated state entities in community corrections and rolled responsibilities under other organizations. North Carolina consolidated departments to save an estimated \$1.1 million in FY2011-12. Massachusetts and New Mexico are also looking into significant restructuring.

Source: National Conference of State Legislators, *E-Bulletin: Sentencing and Corrections Policy Updates*, January 2012 (<http://www.ncsl.org/portals/1/Documents/cj/BulletinJan-2012.pdf>)

- In 2011, 32 states enacted 59 bills on budget and oversight of corrections. Examples from those impacting budgets specifically include:
 - Decreases penalties for certain crimes related to possession of a controlled substance (AR)
 - Requires a fiscal note for legislative measures that create a new criminal offense (CO)
 - Increases the probation and parole supervision fee from \$50 to \$75 (ID)
 - Requires the department of corrections to take appropriate measures, including maximizing the use of the Inmate Construction Program, to reduce costs of construction projects (NC)

- Requires 70 percent of the expense of any presentence or general investigation conducted by the Division of Parole and Probation, other than the expense of a psychosexual evaluation, be paid by the county where filed (NV)
- Requires the department of corrections to reduce administrative burdens and paperwork handled by probation and parole field officers by 50% as of July 1, 2012 (VT)

Source: National Conference of State Legislators, *State Sentencing and Corrections Legislation*, November 2011 (<http://www.ncsl.org/?TabId=20763>)

Criminal Justice Trends

Crime rates continue to decline, but recidivism rates remain fairly steady over time.

- The Bureau of Justice Statistics on Criminal Victimization reported that rates for both violent and property crimes declined at higher than average. The rate of violent crime declined by 13% in 2010, compared to an average of 4%, and the rate of property crime declined by 6%, compared to an average of 3%. Preliminary data for the first six months of 2011 show a continued decrease of 6.4 percent in the number of violent crimes compared to 2010.
- “The nature and severity of violent victimization changed during the 10-year period from 2001 and 2010. The percentage of violent victimizations involving weapons declined slightly from 26 percent in 2001 to 22 percent in 2010. Strangers perpetrated 39 percent of violent victimizations in 2010, down from 44 percent in 2001. The percentage of males who were victimized by a stranger declined from 55 percent to 48 percent over the 10-year period, while the percentage for females remained relatively stable. After a slight decline from 2001 to 2008, the percentage of victims of violent crimes who suffered an injury during their victimization increased from 24 percent in 2008 to 29 percent in 2010.”

Source: Bureau of Justice Statistics, *Criminal Victimization, 2010*, September 15, 2011 (<http://bjs.ojp.usdoj.gov/index.cfm?ty=pbdetail&iid=2224>) and Bureau of Justice Statistics, *Preliminary Semiannual Uniform Crime Report*, December 21, 2011 (<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2011/preliminary-annual-ucr-jan-jun-2011>)

- Additional data from the FBI’s Uniform Crime Reports (reported crime) shows a drop in the number of violent crimes for the fourth year consecutively and property crimes for the eighth year.

Year	Population	Violent Crime	Violent Crime Rate	Property Crime	Property Crime Rate
2010	308,745,538	1,246,248	404 per 100,000	9,082,887	2,942 per 100,000
2000	281,421,906	1,425,486	507 per 100,000	10,182,584	3,618 per 100,000
1991	252,153,092	1,911,767	758 per 100,000	12,961,116	5,140 per 100,000

Source: FBI, *Crime in the United States, 2010*, September 19, 2011 (<http://www.fbi.gov/about-us/cjis/ucr/crime-in-the-u.s/2010/crime-in-the-u.s.-2010/summary>)

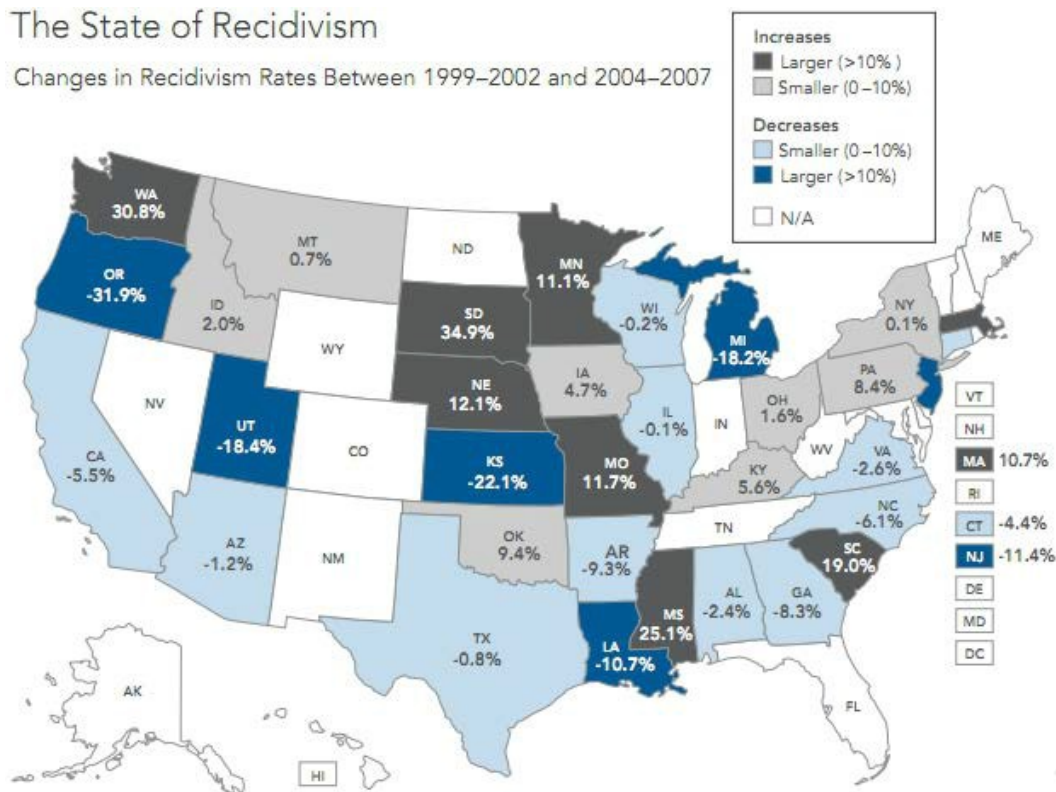
- The U.S. Census Bureau provides a breakdown of crime rates by geographic community, by state and for selected large cities. It also details crime rates by type and by victim profile.

Source: FBI, *Law Enforcement, Courts, Prisons: Crimes and Crime Rates*, September 2010 (http://www.census.gov/compendia/statab/cats/law_enforcement_courts_prisons/crimes_and_crime_rates.html)

- “Southwest Border Violence” is the focus of a Congressional Research Service report tracking the increasing violence related to drug trafficking along the border with Mexico. Noting the magnitude of the problem, the study cites the number of drug trafficking – related deaths in Mexico as 34,500 between December 2006 and December 2010 and potentially 11,600 in 2010 alone. The report goes on to focus on the issues of “spillover” violence into the U.S. and how to measure the measure and respond to the problem. Source: Congressional Research Service, *Southwest Border Violence: Issues in Identifying and Measuring Spillover Violence*, August 25, 2011 (<http://www.fas.org/sgp/crs/homsec/R41075.pdf>)
- The Pew Center on the States study on recidivism provides a detailed look at the current recidivism rate. Cited at an overall rate of 45.5%, the study provides a breakdown of recidivism on a state-by-state basis. It also provides details on the changes in recidivism rates for prisoners released in between 1999-2002 and 2004-2007.

The State of Recidivism

Changes in Recidivism Rates Between 1999–2002 and 2004–2007



SOURCE: Pew/ASCA Recidivism Survey.

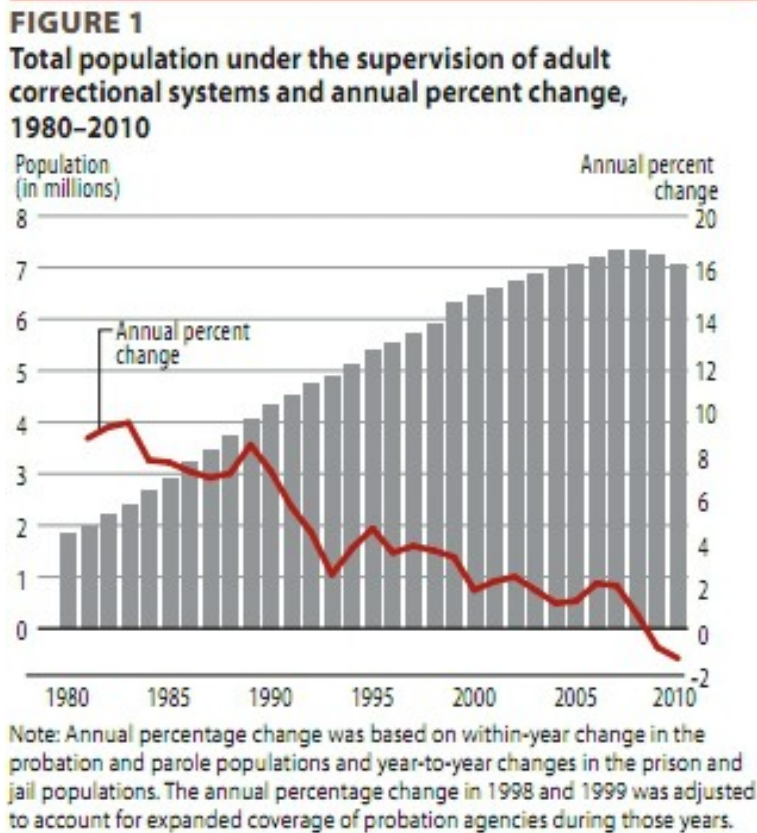
In addition, the PEW study breaks down returns to prison by new crimes or technical violations for each state. Wide disparities can be seen in technical violations vs. new crimes for some states, as an example Missouri reported 40% returns from technical violations and 14% returns from new crimes for offenders released in 2004.

Source: The PEW Center on the States, *State of Recidivism: The Revolving Door of America's Prisons*, April 2011 (http://www.pewcenteronthestates.org/uploadedFiles/Pew_State_of_Recidivism.pdf)

Corrections Populations and Trends

The corrections population is on a downward trend over the last several years, both overall and for the individual systems of prison, jail, and probation and parole.

- At yearend 2010, the adult correctional population in the U.S. was 7,076,200. This number represents a decline of 1.3% from 2009 and follows the general trend, shown in the figure below, of a decrease in the percentage of the population under supervision.

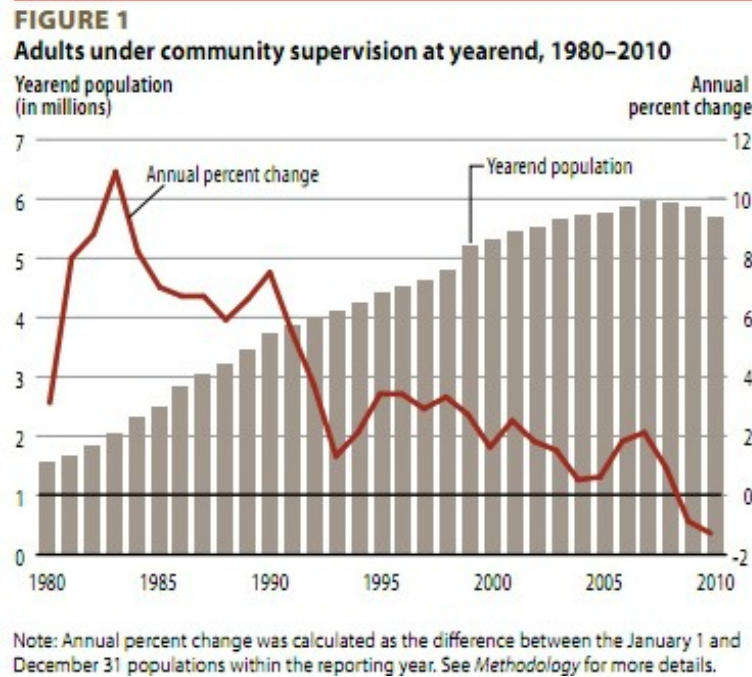


- Major contributors in the correctional population decline were probation, with almost three-quarters of the decline, and jail inmates, with 20% of the decrease. A breakdown of the population by correctional status is provided below.

	Jail	Prison	Probation	Parole
Population	748,728	1,518,104	4,055,514	840,676

Source: Bureau of Justice Statistics, *Correctional Population in the United States, 2010*, December 2011 (<http://www.bjs.gov/content/pub/pdf/cpus10.pdf>)

- At the end of 2010, a total of 4,887,900 adult offenders were being supervised in the community, a decline of 1.3% (or 66,700 offenders) from the previous year. This is the second consecutive year that the number of adults under community supervision declined. While the probation population decreased by 1.7%, the parole population increased slightly by 0.3%. Overall, about 1 in 48 adults in the U.S. were under community supervision.



Source: Bureau of Justice Statistics, *Probation and Parole in the United States, 2010*, November 2011 (<http://bjs.ojp.usdoj.gov/content/pub/pdf/ppus10.pdf>)

- Parole Overview
 - The adult parole population in the U.S. at the end of 2010 was 840,700.
 - Although the overall parole population increased in 2010, the number of parolees under state authority declined by 0.3%. In comparison, the federal system noted an increase of 4.9% (4,954 offenders) in parolees under supervision during 2010.
 - At least 50% of the increase in parole offenders occurred in four states: Louisiana, Kentucky, Georgia, and Mississippi. Two jurisdictions accounted for over 50% of parole decreases: Illinois and Ohio. Overall, nineteen states reported declines in the probation population and thirty one jurisdictions reported increases.
 - Exits from parole (562,500) dropped at a greater rate than entries (565,300), with a total of more than 1.1 million movements on and off parole during 2010.
 - Mandatory releases accounted for 51% of parolees entering supervision, down 2% from 2009. While discretionary releases accounted for 28% of parolees, up 1%.
 - Since 2006, parole completion rate has increased. In 2010, about 52% of parolees

completed the terms of their supervision or received an early discharge. In addition, the rate of reincarceration for parolees was down, due primarily to a decrease in return to incarceration as a result of revocation.

Source: Bureau of Justice Statistics, *Probation and Parole in the United States, 2010*, November 2011 (<http://bjs.ojp.usdoj.gov/content/pub/pdf/ppus10.pdf>) and The National Parole Resource Center (<http://nationalparoleresourcecenter.org/>)

- Probation Overview
 - The adult probation population in the U.S. at the end of 2010 was 4,055,500.
 - Of the total, probationers account for almost 83% of the adults under community supervision.
 - Nearly 54% of the decline in probation offenders occurred in five states: California, Florida, Minnesota, Texas, and Maryland. Four jurisdictions accounted for over 50% of probation increases: Pennsylvania, Alabama, Georgia, and Arizona. Overall, thirty-three states reported declines in the probation population and nineteen jurisdictions reported increases.
 - Both exits and entries from probation declined, with more than 4.4 million combined changes on and off probation in 2010.
 - Unchanged from 2008, about 55 per 100 probationers exited supervision in 2010. The rate of incarceration was also unchanged from 2009, at 5.7%.

Source: Bureau of Justice Statistics, *Probation and Parole in the United States, 2010*, November 2011 (<http://bjs.ojp.usdoj.gov/content/pub/pdf/ppus10.pdf>)

- Prison Overview

- “On December 31, 2010, state and federal correctional authorities had jurisdiction over 1,605,127 prisoners, a decrease of 9,228 prisoners from yearend 2009 (figure 1). The combined U.S. prison population decreased 0.6% in 2010, the first decline since 1972.”



- During 2010, prisoners in state corrections totaled 1,395,356, down 0.8% from 2009. While the federal prison population was up 0.8% to 209,881 prisoners, it was the smallest percentage growth in the federal population since 1980.
- The sentenced male prison population decreased by 0.4% and the sentenced female population decreased by 0.6%. With an imprisonment rate of 938 per 100,000 of male U.S. residents and 67 per 100,000 of female U.S. residents.
- At yearend 2009, offenses served by males and females sentenced to more than 1 year in incarceration were:

Type of Offense	Male	Female
Violent Offenses	54%	36%
Property Offenses	18%	30%
Drug Offenses	18%	26%

- The national incarceration rate for state inmates at yearend 2010 was 437 per 100,000. The incarceration rates among the states with Georgia reporting the largest decrease (down 47 per 100,000) and Arkansas the largest increase (up 30

- per 100,000).
- For 2010, both state prison admissions (down 3.8%) and releases (down 2.9%) decreased. Key states with reductions in prison admissions were: Florida (down 5,165), Illinois (down 4,593), and California (down 3,405). Of those released from prison, about three-quarters were released conditionally. Key states with decreases in conditional releases were: Illinois (down 7,922) and California (down 6,900).
 - At yearend 2010, black non-Hispanic males were imprisoned at a rate nearly 7 times higher than white non-Hispanic males. For black males ages 30-34, approximately 7.3% were in state or federal prison.
 - The number of prisoners housed in private facilities was down slightly from 2009 (129,333) to 2010 (128,195).

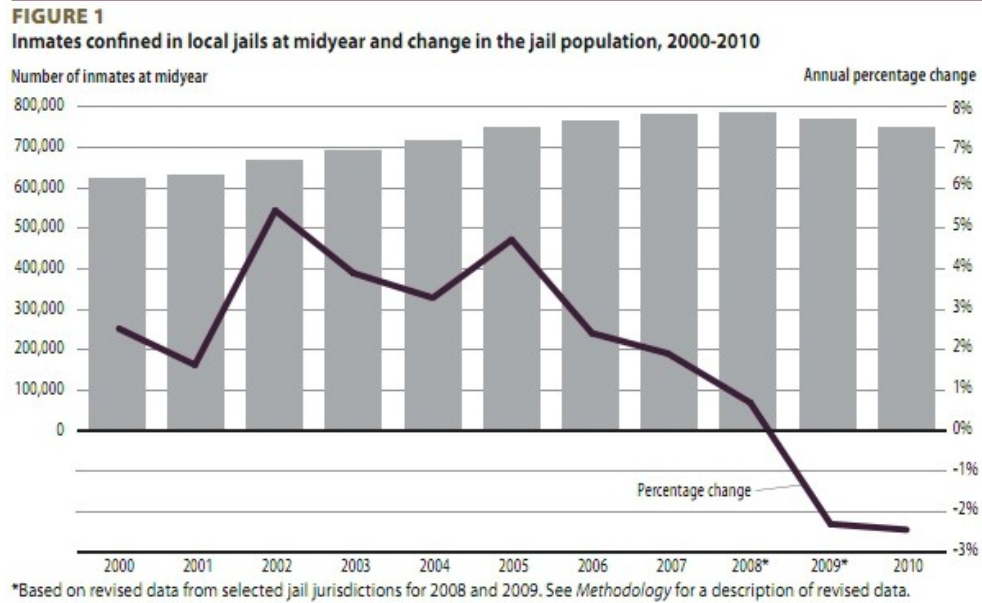
Source: Bureau of Justice Statistics, *Prisoners in 2010*, December 2011 (<http://bjs.ojp.usdoj.gov/content/pub/pdf/p10.pdf>)

- Driven by the issue of an increasing elderly population in U.S. prisons, the Human Rights Watch recently produced a report on the demographics, conditions, costs and release concerns around elderly offenders.
- Statistics from the report on the aging U.S. prison population include:
 - A 63 percent increase in number of elderly (age 65 or older) in prison between 2007 and 2010.
 - A 282 percent increase in the number of prisoners age 55 or older between 1995 and 2020.

Source: Human Rights Watch, *Old Behind Bars: The Aging Prison Population in the United States*, January 2012 (http://www.hrw.org/sites/default/files/reports/usprisons0112webwcover_0.pdf)

- Jail Overview

- Jail population declined by 2.4% between midyear 2009 and midyear 2010. The majority of the population decline occurred in large jails (average daily population of 1,000 or more inmates). In contrast, increases in population were observed both in jails with 100 – 240 inmates and those with fewer than 50 inmates. Six jurisdictions reported a drop of more than 1,000 inmates: Los Angeles County, CA, Maricopa County, AZ, Orange County, CA, Philadelphia, PA, Fresno County, CA, and Harris County, TX.



- Jail capacity continued to increase to 866,782 beds by midyear 2010, but at a slower rate of 2%. The percentage of capacity occupied, 86.4%, is the lowest since 1984.

Jurisdiction size	Percent of capacity occupied	
	2009	2010
Total	90.3%	86.4%
Fewer than 50 inmates	62.2%	63.3%
50 to 99	78.6%	73.1%
100 to 249	84.3%	83.3%
250 to 499	93.5%	83.9%
500 to 999	91.3%	88.5%
1,000 or more	94.3%	91.0%

- In total, local jails admitted nearly 13 million persons from midyear 2009 to midyear 2010.
- Of the total inmate population, female inmates comprised 12.3% and male inmates 87.7% at midyear 2010. The breakdown of jail inmates by race/Hispanic origin for

midyear 2009 and 2010 was:

Race/Hispanic Origin	2009	2010
White	42.5%	44.3%
Black/African American	39.2%	37.8%
Hispanic/Latino	16.2%	15.8%
Other	1.9%	1.3%
Two or more races	0.2%	0.6%

- The percentage of jail inmates being held for U.S. Immigration and Customs Enforcement increased from 2005 to 2009, but remained unchanged in 2010.

TABLE 8
Inmate population in jail jurisdictions reporting on confined persons being held for U.S. Immigration and Customs Enforcement, midyear 2002-2010

Year	Jurisdictions reporting on holdings for ICE ^b	Total number of inmates	Confined persons held for ICE ^a	
			Number	Percent of all inmates
2002	2,961	626,870	12,501	2.0%
2003	2,940	637,631	13,337	2.1
2004	2,962	673,807	14,120	2.1
2005	2,824	703,084	11,919	1.7
2006	2,784	698,108	13,598	1.9
2007	2,713	683,640	15,063	2.2
2008	2,699	704,278	20,785	3.0
2009	2,643	685,500	24,278	3.5
2010	2,531	622,954	21,607	3.5

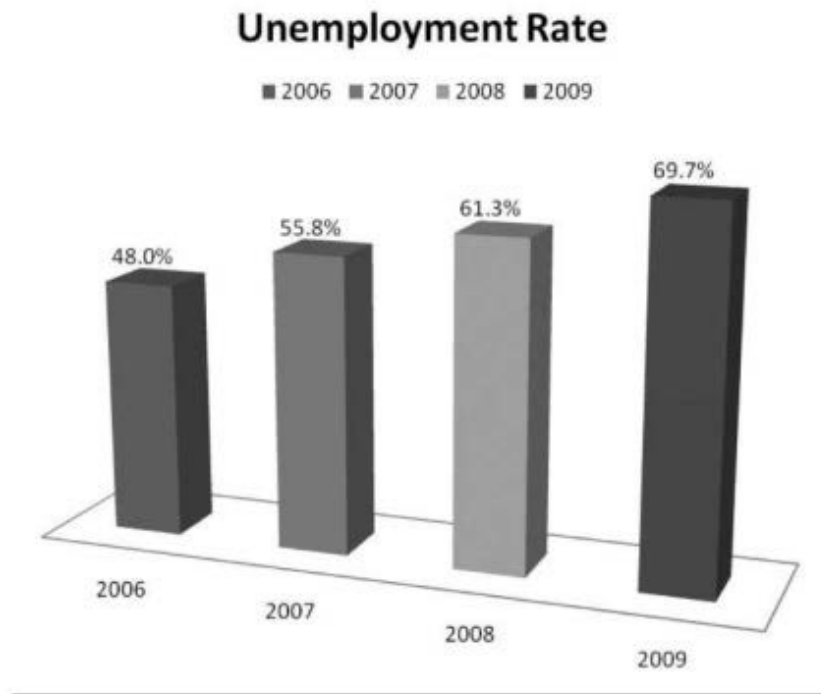
^aICE—Immigration and Customs Enforcement.

^bNot all jurisdictions reported on this specific characteristic.

Source: Bureau of Justice Statistics, *Jail Inmates at Midyear 2010 – Statistical Tables*, April 2011 (<http://bjs.ojp.usdoj.gov/content/pub/pdf/jim10st.pdf>)

- A study in Indiana shows the impact of the recent recession on employment among offenders. From pre-recession years (2006-2007) to recession years (2008-2009) the unemployment rate of released offenders increased from 51.9% to 65.5%. The following chart shows the steady rate of increase in unemployment among released offenders.

Figure 1: The unemployment rates among released offender in the period of 2006-2009



Source: Journal of Correctional Education, Employment of Ex-Offenders During the Recession, June 2011

Corrections Program Initiatives and Reentry

There are numerous programs and initiatives growing support in the area of Evidence Based Practices (EBP). Below are a few examples:

- *Bureau of Justice Assistance, Center for Program Evaluation and Performance Measurement*
“The BJA Center for Program Evaluation and Performance Measurement is funded by the *Bureau of Justice Assistance (BJA)* to maintain a user-friendly online evaluation and performance measurement tool designed to assist state and local criminal justice planners, practitioners, State Administrative Agencies, researchers, and evaluators in: 1) conducting evaluations and performance measurement that will address the effectiveness and efficiency of their projects and 2) using evaluation information to improve program planning and implementation.” (<http://www.ojp.usdoj.gov/BJA/evaluation/about.htm>)
- *The Campbell Collaboration*
“Improving decision-making through systematic reviews on the effects of interventions within the areas of education, crime and justice, social welfare and international development.” (<http://www.campbellcollaboration.org/>)
- *Center for Evidence-Based Corrections*
“Funded by the California Department of Corrections and Rehabilitation, the University of California Irvine Center for Evidence-Based Corrections (the Center) is an independent criminal justice research facility that helps policymakers create solutions to crime that are based on scientific evidence and rigorous analysis rather than opinion or ideology.” (<http://ucicorrections.seweb.uci.edu/projects>)
- *Crime Solutions*
“The Office of Justice Programs’ CrimeSolutions.gov uses rigorous research to determine **what works** in criminal justice, juvenile justice, and crime victim services.” (<http://www.crimesolutions.gov/>)
- *Evidence-Based Decision Making in Local Criminal Justice Systems*
“The purpose of this initiative is to equip criminal justice policymakers in local communities with the information, processes, and tools that will result in measurable reductions of pretrial misconduct and post-conviction reoffending. The initiative is grounded in two decades of research on the factors that contribute to criminal reoffending and the methods the justice system can employ to interrupt the cycle of reoffense.” (<http://nicic.gov/EBDM>)
- *Institutional Corrections Research Network (ICRN)*
“To promote the development of a stronger research infrastructure in corrections by bringing together agency-based researchers to discuss issues and share insights on the conduct of research in agencies that operate correctional institutions.”

(<http://cjinstitute.org/projects/icrn/meetings>)

- *Justice Reinvestment*

“Justice reinvestment is a data-driven approach to reduce corrections and related criminal justice spending and reinvest savings in strategies designed to increase public safety. The purpose of justice reinvestment is to manage and allocate criminal justice populations more cost-effectively, generating savings that can be reinvested in evidence-based strategies that increase public safety while holding offenders accountable. States and localities engaging in justice reinvestment collect and analyze data on drivers of criminal justice populations and costs, identify and implement changes to increase efficiencies, and measure both the fiscal and public safety impacts of those changes.”

(http://www.ojp.usdoj.gov/BJA/topics/justice_reinvestment.html)

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