

Environmental Scan Update – 2005

January 2006

I. International Developments

International developments do not usually have direct effects on corrections in the U.S. But those developments in the last decade have had a profound influence on America's economy, attitudes, and policies. A panel convened by the National Intelligence Council concluded that globalization is the dominant trend in the world. The "environment" in which corrections operates is not only affected by the events within the U.S., it is affected by major trends and issues outside the country's borders. Some findings of the Council's recent report on global developments are described below.

- According to a report of the National Intelligence Council, globalization is the "overarching mega-trend" shaping all major trends in the world. "Globalization" is the "growing interconnectedness reflected in the expanded flows of information, technology, capital, goods, services, and people throughout the world." Likely outcomes of this globalization include:
 - an expanding global economy, projected to be 80% larger in 2020 than in 2000.
 - China and India becoming major international economic powers, with strong growth in Brazil and Indonesia.
 - European nations' economic expansion challenged by an aging population, shrinking workforce, social welfare policies, and growing immigrant populations. Japan, also with an aging population, has additional regional competition from China.
 - some countries, or regions within countries not benefitting from globalization due to their social/political isolation and their inability to adapt technologies, stabilize governance, develop a skilled workforce, or reform market systems.
 - more firms becoming global in their operations, and more Asian and less Western in orientation. They will be "increasingly outside the control" of any one nation-state and be key players in shaping the global community. Technologies such as the Internet also allow for more global, non-governmental movements that may influence international affairs.

- less risk of major wars as nations become more inter-dependent economically, but continuing risks of international terrorism and use of weapons of mass destruction by groups such as Muslim extremists.
- the United States continuing to be the strongest nation, especially if it maintains an edge in science and technology.
- Organized crime probably developing in countries with resources, but experiencing political and economic instability.

Source: *Mapping the Global Future*, National Intelligence Council, Washington, DC, 2004

- Ministers of justice/attorneys generals of the Americas met in 2004 and approved, among other items, mutual cooperation dealing with penitentiary and prison policies (modernizing prisons, respecting human rights, extending rehabilitation and reintegration of prisoners, improving conditions of detention and review of corrections standards).

Source: "Conclusions and Recommendations of REMJA-V," Organization of American States, Washington, DC, 2004

- The International Corrections and Prisons Association (ICPA) has been designated a non-governmental organization with consultive status to the Economic and Social Council of the United Nations. ICPA is in a position to assist the UN in matters such as human rights and corrections standards. ICPA also addresses issues such as promoting best correctional practices, involvement with victims and other interest groups, and corrections-related research.

Source: www.icpa.ca

II. Social and Demographic Trends

The population of the U.S. continues to grow, primarily due to immigration and increasing life spans. Populations are increasing at a faster pace in the South and West. Hispanics are now the largest minority population in the country. The U.S. population is becoming more diverse and aging. The percentage of Whites is becoming smaller and senior citizens are growing in both numbers and percentages of the overall population. The numbers of noncitizens in correctional populations are increasing, mainly in coastal and border states and Federal prisons.

- At the end of 2005, the U.S. Census Bureau estimated that the population of the world was approaching 6.5 billion and the U.S. population was approximately 298 million (4.6% of the world's population).
- In the 12-month period ending July 1, 2005, the states of Florida, Texas, California, Arizona, and Georgia had the largest numerical population increases. The combined population increases in those five states was larger than the population growth in all of the other 45 states. 54% of the population is concentrated in 10 states.

Source: www.census.gov

- The Census Bureau projects the ethnic breakdown of the U.S. population to change in numbers and percentages described below.

	<u>2000</u>	<u>2010</u>
Total	282,125,000	308,936,000
White (non Hispanic)	195,729,000 (69.4%)	201,112,000 (65.1%)
Hispanic (of any race)	35,622,000 (12.6%)	47,756,000 (15.5%)
Black	35,818,000 (12.7%)	40,454,000 (13.1%)
Asian	10,684,000 (3.8%)	14,241,000 (4.6%)
All other races	7,075,000 (2.5%)	9,246,000 (3.0%)

Source: "U.S. Interim Projections by Age, Race, and Hispanic Origin," U.S. Census Bureau, Washington, DC, 2004

- More than one in eight people in the U.S. are of Hispanic origin, most (67%) from Mexico. Most Hispanics of Mexican descent live in the West, Puerto Ricans are more likely to live in the Northeast, and Cubans in the South. Nearly half of all Hispanics live in central cities within metropolitan areas, 40% are foreign born, and 8.1% of the Hispanics in the workforce were unemployed in 2002.

Source: "The Hispanic Population in the United States: March 2002," U.S. Census Bureau, Washington, DC, 2003

- The majority of Blacks in the U.S. (55%) live in the South. 52% of Blacks live in a central city within a metro area, compared to 21% of Whites.

Compared to other ethnic groups, fewer Black families are married couple families. 48% of Black families were married couples, but 43% of Black families were maintained by women without a spouse and 9% were maintained by men without a spouse. In March 2002, 11% of Blacks were unemployed compared to 5% of Whites.

Source: "The Black Population in the United States: March 2002," U.S. Census Bureau, Washington, DC, 2003

- U.S. birthrates, measured as "total fertility rates," have not been high enough to replace the population since 1971. The U.S. population has not declined, however, due to high levels of migration into the country.

Source: "National Vital Statistics Reports, Vol. 52, No. 17," U.S. Dept. of Health & Human Services, Washington, DC, 2004

- With birthrates low and people living longer, the percentage of older people in the U.S. is increasing. The proportion of people age 65 or older is expected to increase from 12.4% (35 million) in 2000 to 19.6% (71 million) in 2030.

Source: "Public Health and Aging: Trends in Aging—United States and Worldwide," Centers for Disease Control and Prevention, Atlanta, GA, 2003

- Consequences of the aging population include:
 - growing pressure on health care costs and caregiving systems,
 - workforce shortages in some sectors of the economy,
 - problems for pension and retirement programs,
 - growing need for elder-ready communities.

Source: "Trends in America," Council of State Governments, Lexington, KY, 2005

- During the 5-year period from 2000 through 2004, nearly 4.63 million immigrants entered the U.S. In 2004, 946,142 people migrated to the U.S. Of that number:

18.4% were from Mexico,
13.7% were from European countries,
8.6% were from Caribbean countries,
7.3% were from South American countries,
6.9% were from India,
6.6% were from African countries,
6.4% were from Central American countries, and
5.8% were from the Philippines.

Source: "Yearbook of Immigration Statistics: 2004," U.S. Department of Homeland Security, 2005

- During the 1990s, 40% of the increase of the U.S. population was due to the arrival of new immigrants. Policy discussions continue regarding forces "pulling and pushing" migration and the benefits and costs to the U.S.

Source: "The Impact of Immigration on the U.S. Population Growth," Congressional Testimony by

- At mid year 2004, 6.5% of all Federal and State inmates (91,789) were not citizens of the U.S. 62% of all those noncitizen inmates were in State prisons, 38% were in Federal facilities. Noncitizen inmates accounted for more than 20% of the total Federal inmate population. Most of the noncitizen inmates in State prisons were concentrated in 5 states.

Source: "Prison and Jail Inmates at Midyear 2004,"
Bureau of Justice Statistics, Washington, DC, 2005

III. Public Opinion and Public Policy

Levels of public concern regarding crime and violence have shifted dramatically in the past decade. In the mid 1990s it was the highest rated national problem. In a 2005 poll, more than 20 other issues were rated as being more important or critical than crime and violence. With interests and priorities realigning, many states are examining the justice policies and practices that have led to high costs for corrections. Some groups are advocating changes in criminal sanctioning and sentencing that reduce use of prisons. The types of crimes that the public is most concerned about are sexual molestation of children, use and sale of methamphetamine and cocaine, and identity theft.

- Public perceptions regarding crime are significantly influenced by what Americans see or read in the media. Participants in a 2000 survey who described the crime problem as “bad” or “very bad” were asked if their opinions were formed by personal experience or news reports. 82% responded that their opinions were based on news reports. In the same poll, respondents were asked to rate the crime problem in their communities with the following results:

<u>Very Bad</u>	<u>Bad</u>	<u>Not Too Bad</u>	<u>Not Bad at All</u>	<u>No Opinion</u>
5%	18%	52%	25%	1%

Source: ABC News Poll, 2000, reported by www.pollingreport.com, 2005

- A 1996 study of local TV news in 13 cities around the country found that crime stories were the most common topic. Top four topics of stories were:
 1. Crime (20%)
 2. Weather (11%)
 3. Accidents/Disasters (9%)
 4. Human Interest (7%)

60% of the local TV crime stories were about violent crimes such as murders, non-fatal shootings, robberies, and assaults.

Source: “Assessing Local Television News Coverage of Health Issues,” Center for Media and Public Affairs, Washington, DC, 2005

- During 2004, 11,567 news stories telecast on the 3 major networks’ evening news were monitored. The 10 leading topics are listed below:
 1. Iraq (2,567 stories)
 2. Presidential election (1,688)
 3. Economy/business (1,108)
 4. Terrorism (917)
 5. Crime (691 stories)
 6. Weather/Natural disasters (679)
 7. Health issues (667)
 8. Sports (331)
 9. Israel/Palestinians (232)
 10. Entertainment (172)

Source: “2004 Year in Review,” *Media Monitor*, Vol. XIX, No. 1, 2005

- In January 1994, 49% of those surveyed in a national poll listed crime as the most important problem facing the country. In a similar poll in February 2005, 2% of respondents listed crime as the top problem. 40% of those polled in a 2005 survey rated crime as “extremely or very serious,” which was less than the 54% rating in 2003 and 60% rating in 2000. But 53% still believed that crime in 2005 was worse than 2004. (See crime rates on Page 18)

- In 2005, a survey asked Americans to rate their level of concern for specified crimes in their communities. (Response options: 1. Very concerned, 2. Somewhat concerned, 3. Not too concerned, 4. Not concerned at all). The crimes with the highest ratings of “Very concerned” were:
 - Sexual molestation of children (68%)
 - Use or sale of crystal meth (65%)
 - Use or sale of cocaine (61%)
 - Identity theft (59%)
 - Violent crime (52%)
 - Terrorism (36%)

Concerns about meth were stronger in the West, Midwest, and South than in the East, and stronger with people in rural areas compared to people in suburban areas.

- In November 2005, Americans were asked to identify the most important problem facing the country in an open-ended survey. Results were:

23% of responses:	Situation in Iraq/war
10%:	Economy in general
9%:	Dissatisfaction with government
6%:	Terrorism; ethics/moral decline; fuel/oil prices
5%:	Unemployment; health care/costs; immigration/illegal aliens
4%:	Education; poverty
3%:	Foreign aid/focus overseas; natural disaster relief; national security
2%:	Cost of living/inflation; energy sources/crisis; lack of mutual respect
1%:	Judicial system; social security; unifying the country; Medicare; <i>crime/violence</i> ; international issues; racism; abortion

- In May 2005, a survey sample was asked to rate their confidence in 15 American institutions listed randomly. (Responses were: 1. A great deal, 2. Quite a bit, 3. Some, or 4. Very little confidence) The highest rated, receiving ratings of “a great deal” or “quite a lot” of confidence were:
 - The Military (74%)
 - The Police (63%)
 - Churches/Organized Religion (53%)
 - Banks (49%)
 - The Presidency (44%)
 - The Medical System (42%)
 - The U.S. Supreme Court (41%)

Public Schools (37%)
 Television News; Newspapers (28%)
Criminal Justice System (26%)
 Organized Labor (24%)
 Congress; Big Business (22%)
 HMOs (18%)

Source: The Gallup Organization, Princeton, NJ, 2005

- A “moderation” of public policies dealing with sanctioning and treatment of offenders can be seen in the following examples.
 - At least half the states have modified sentencing laws or drug policies in recent years to, in part, reduce corrections costs.
 - Kansas reduced length of terms for low-level drug crimes.
 - Virginia enacted provisions for parole eligibility for inmates over age 65.
 - Texas and Alabama modified parole release policies.
 - California diverted low-level drug offenders into treatment.
 - Massachusetts and California released reports to reform correctional operations.
 - Congress passed the Prison Rape Elimination Act and is considering the Second Chance Act to support prisoner re-entry efforts.
 - Washington and Mississippi have developed policies or laws to release seriously ill inmates from prison.
 - California, Texas, and Connecticut have or are exploring ways to reduce probation/parole violations.
 - The American Bar Association’s “Justice Kennedy Commission recommended sentencing reforms, expanded community sentencing alternatives, and more inmate re-entry programs to reduce reliance on prisons.”
 - Since 1997, at least 11 states have reformed “disenfranchisement” laws that limited rights of ex-offenders.

Sources: “To Cut Prison Bill, States Tweak Laws, Try Early Releases,” *Wall Street Journal*, New York, NY, Dec. 21, 2005

“New Incarceration Figures: Growth in Population Continues,” The Sentencing Project, Washington, DC, 2005

ABA News Release, American Bar Association, Chicago, Illinois, June, 23, 2004
Sentencing Times, The Sentencing Project, Washington, DC, 2005

- The Commission on Safety and Abuse in America’s Prisons, supported with private funding, was formed in 2005 to review treatment of inmates. A report is expected in 2006.

www.prisoncommission.org

- A summary of state legislation passed in the past 3 years follows.

2002:

 - 17 states expanded DNA testing for offenders.
 - 6 states enacted laws regarding diverting drug offenders to treatment.
 - 1 state eliminated mandatory sentences for some drug crimes.
 - 1 state enacted a program to provide job services for offenders.
 - 1 state expanded intermediate sanctions for parole violators.
 - 2 states addressed policies and services for mentally ill offenders.
 - 8 states passed tougher laws related to methamphetamines.
 - 11 states enacted tougher laws related to sex crimes against children.

- 2003:
 - 10 states addressed diversion and treatment of some types of drug offenders.
 - 7 states eliminated some mandatory sentences or reduced sentences.
 - 5 states expanded community-based sentencing options and services.
 - 3 states initiated studies of sentencing and prison populations.
 - 6 states expanded inmate re-entry programs.
 - 9 states expanded DNA testing for offenders.
 - 7 states enacted new programs for juvenile offenders.
- 2004:
 - 1 state significantly reformed tough drug laws.
 - 1 state passed a range of laws to address a meth epidemic.
 - 13 other states placed more controls on substances used to produce meth.
 - 7 states enacted laws to protect children exposed to meth manufacturing.
 - 6 states expanded inmate re-entry programs.
 - 2 states addressed options for parole violators.
 - 2 states initiated studies of sentencing laws.
 - 8 states increased supervision and penalties for sex offenders.
 - 13 states expanded DNA testing for offenders.

Sources: "State Crime Legislation in 2002," "State Crime Legislation in 2003," "State Crime Legislation in 2004," National Conference of State Legislatures, Denver, Colorado, 2003, 2004, 2005

- A forecast of the top 10 state legislative issues for 2006 is listed below.

1. Planning for emergencies;
2. Closing the energy gap;
3. Tax and spending limits;
4. Defining "public use;"
5. Funding education;
6. Examining immigrant rights;
7. **GPS monitoring for sex offenders;**
8. Compliance with the Real ID Act of 2005;
9. Stem cell research; and
10. 2006 political campaigns.

Source: "NCSL's Top Ten Legislative Issues Forecast for 2006," National Conference of State Legislatures, Denver, Colorado, 2005

- The U.S. Department of Justice identified the following issues as "top management and performance challenges" for the agency in 2005:

1. Counterterrorism;
2. Sharing law enforcement and terrorism information;
3. Reorganization of Department and FBI intelligence operations;
4. Information technology systems planning and implementation;
5. Information technology security;
6. Financial management and systems;
7. Grant management;
8. **Detention and incarceration operations within the BOP and Marshal's service;**
9. Judicial security, and
10. Supply and demand for illegal drugs.

Source: "Top Management and Performance Challenges in the Department of Justice - 2005," Office of Inspector General, U.S. Department of Justice, Washington, DC, 2005, www.usdoj.gov

IV. The Economy and Government Spending

The U.S. economy is recovering from its problems in 2001. As it does, the budget situations for state and local governments are improving. More than half of state correctional agencies were hit with budget cuts in 2002, but most are seeing funding increases in 2006. The increases, however, are not at the record levels seen in the 1980s and 1990s. And, there is stiff competition for public funds. Public priorities are changing; the costs for medical services, retirement programs, and education are increasing; and the growing number of retirees will reduce income tax sources. These continuing fiscal pressures will likely force continued examination of policies and practices that drive up corrections spending.

- The Chairman of the Federal Reserve Board observed in 2005 that the economy “seems to be on reasonably firm footing.”

Source: Testimony to Congress by Chmn. Alan Greenspan. Washington, DC, June, 2005

- Positive economic indicators of the U.S. economy include:
 - an average annual growth of the gross domestic product (GDP) of 2.8% from 2001 to 2004 (+ 1.6% in 2002, + 2.7% in 2003, and 4.2% in 2004).
 - 2005 GDP growth rates of 3.8% in the first quarter, 3.3% in the second quarter, and 4.1% in the third quarter.
 - a stable unemployment rate of 5% during the last half of 2005.
 - an increase of hourly average earnings from \$16.07 to \$16.32 during the last half of 2005.
 - an average annual increase of 3.0% in the rate of growth for real disposable income from 2001 to 2004.
 - a 4.7% increase in productivity (output per hour) during the first 3 quarters of 2005.

Sources: “U.S. Economy at a Glance,” U.S. Department of Labor, Washington, DC, Dec. 2005
“Annual Revision of the National Income and Product Accounts,” U.S. Department of Commerce, Washington, DC, 2005

- The International Monetary Fund (IMF) projects the growth of the U.S. real GDP (3.5% in 2005 and 2.8% in 2006) to be higher than other countries with advanced economies.
- Risks to continued growth of the U.S. economy, identified by several sources, are:
 - continuing rises of oil prices that reduce consumer spending.
 - long term economic affects of Hurricane Katrina.
 - possible increase of long-term interest rates.
 - low levels of household savings, linked to a possible slowdown of the housing market.
 - recent low interest rates for homes and auto sales may have borrowed against future growth.
 - the Federal budget deficit.
 - pending demographic changes that will increase spending for services for the

elderly.

– increasing costs of health care that, among other consequences, has slowed job and wage growth.

Sources: *The World Economic Outlook*, IMF, Washington, DC, 2005
“The U.S. Economic Outlook,” Institute for International Economics, Washington, DC, 2004

- After experiencing significant drops in revenues in 2001, state government revenues were rebounding by 2005. State revenues increased by 9.5% during the first 3 quarters of FY 2005 (July 2004–March 2005) compared to the same period in FY 2004.
- In FY 2005, only 5 states were forced to make cuts from budgets previously enacted compared to 37 states forced to make such cuts in FY 2003. Revenues exceeded budget projections in 42 states during the 2005 fiscal year.
- State revenue forecasts for FY 2006 expect an increase of 5.2% over FY 2005. Economists cite 3 factors contributing to the increase: 1. more revenues from personal income taxes (nearly a 10% annual increase); 2. increases from corporate taxes (20–60% higher in many states from previous year); and 3. more income from real estate taxes (doubled in some states due to a hot housing market).
- Medicaid spending is a major pressure for states, making up 22% of all state spending. The annual increase of state spending for Medicaid in FY 2005 was 16.8%.
- Due to increased Federal revenues, some economists were projecting that the Federal deficit would be \$350 billion rather than \$427 billion as earlier projected.

Sources: *The Fiscal Survey of States*, National Governors Assn., Nat. Assn. of State Budget Officers, Washington, DC, 2005
“State Budgets Get Relief with Surge of Revenues,” *Wall Street Journal*, New York, NY, June 14, 2005

- Many states will face chronic budget gaps in the future because their tax systems were structured on a manufacturing-based economy rather than the emerging service-based economy.
Source: “Report: States Face Long-term Budget Gaps,” Pew Research Center, Washington, DC, 2005, www.stateline.org
- In 2005, 35% of Federal spending was for services and programs for the elderly. By 2015, nearly half of the Federal budget (\$1.8 trillion) could be spent on the elderly. The bulk of spending will be for Medicare and Medicaid (projected to be \$1.2 trillion) and Social Security (projected to

be \$888 billion).

Source: "Aging Population Poses Global Challenges," *Washington Post*, Washington, DC, 2/2/2005

- \$2 trillion was spent on health care in the U.S. in 2004, \$6,300 for every man, woman, and child. Health care costs consumed 16% of the country's economic output. Costs of pharmaceutical drugs increased by less than 10% in 2004, the first year in a decade that increases were in single digits. Health care costs are rising 3 times higher than the inflation rate. The rising costs threaten job expansion, America's competitive edge in the global economy, and government budgets.

- Health care costs in the U.S. rose by 7.9% in 2004, state corrections budgets increased by 3.6%.

Sources: "U.S. Health Care Costs Keep Rising," *The Washington Post*, Washington, DC, 2006.

www.msnbc.com

Source: *State Expenditure Report 2003*, Nat. Assn. of State Budget Officers, Washington, DC, 2004

- After the first quarter of FY 2006 (ending September, 2005), 19 states reported cost overruns, compared to 23 states the year before. Corrections spending was outpacing budgeted appropriations in 7 states. Legislative fiscal directors were asked to identify the key budget issues in their states for the 2006 legislative sessions, with the following results:

- Medicaid, in 23 states;
- Education, in 15 states;
- Tax policies, in 14 states;
- General budget issues (such as reserve funds), in 11 states;
- Transportation and infrastructure, in 10 states;
- Tax and spending limits, in 6 states; and
- **Corrections funding**, in 5 states.

Source: "State Budget Update: November 2005," National Conference of State Legislatures, Denver, CO, 2005

- The annual rates of increase for state correctional spending have slowed significantly from rates in the 1980s and 1990s. The largest annual increase was 19% in 1990. State spending for corrections in FY 2003 (\$39.4 billion) represented a 1.7% increase from the previous year and 3.5% of all state spending. Overall state spending in FY 2003 increased by 4.5%. Estimated corrections expenditures for FY 2004 represented a 3.6% annual increase.

Source: *State Expenditure Report 2003*, Nat. Assn. of State Budget Officers, Washington, DC, 2004

- In FY 2001, prison operations consumed nearly 77% of the money states spent on corrections. The remaining 23% supported juvenile justice services, probation, parole, community-based corrections and central administration.

- State prison costs per U.S. resident doubled from \$49 per year in 1986 to \$104 per year in 2001. \$3.3 billion was spent on medical care for state prisoners in 2001, representing 12% of operating expenditures.

- Even though corrections spending increases outpaced other categories of state spending between 1986 and 2001, it remains a smaller expenditure than several other state program areas. Selected state expenditures for FY 2001 are listed below.

Education	\$374.5 billion
Public welfare	\$260 billion
Health	\$ 43 billion
Total corrections	\$ 38.2 billion
Prisons	\$ 29.5 billion
Natural resources	\$ 17.3 billion

Source: "State Prison Expenditures, 2001," Bureau of Justice Statistics, Washington, DC, 2004

- In Fiscal Year 2001, \$56.9 billion was spent on corrections at all levels of government. Direct expenditures at the three levels of government were:

Federal government-	\$4,318,000
State government-	\$36,078,000
Local government-	\$16,559,000

Most of corrections spending by governments (63%) is at the state level.

- From 1977 to 2001, total expenditures for all functions of state and local government increased by 485%. Increases of several selected functions are compared below to corrections increases during that period.

Education: + 448%
Police protection: + 470%
Hospitals and healthcare: + 482%
Public welfare: + 617%
Corrections: + 1101%
Judicial and legal: + 1766%

Source: "Justice Expenditure and Employment in the United States, 2001," Bureau of Justice Statistics, Washington, DC, 2004

- There has been a general downward trend in Federal grants available for justice and corrections projects during the last 5 years. Reductions were made to: the Byrne Formula grants to states; grants for drug courts; prison substance abuse programs; and inmate re-entry programs. There were funding increases related to the Prison Rape Elimination Act and grants to deal with methamphetamine problem areas.

Source: Briefing by the Director of the Bureau of Justice Assistance to the Association of State Corrections Administrators, December, 2005

V. The Workforce

The American workforce, like the overall population, is becoming more diverse (more women and minorities) and aging. The first wave of “baby boomers” reaches age 60 in 2006, expanding the numbers of older workers and signaling more retirements. Many older Americans plan to continue full or part-time jobs and companies are finding ways to keep them in the workforce. Even though growth and funding increases in corrections are leveling off, there will still be close to half a million people hired to work in corrections during this decade.

- Between 1980 and 2020, the minority portion of the workforce is expected to double from 18% to 36%. The White, working-age portion is expected to decrease from 82% to 63% with a larger percentage of older workers. Baby Boomers (born between 1946 and 1964) make up about 1/3 of the work force and will be retiring in large numbers by 2010.
- The workforce (nearing 150 million in 2005) grew by 30% during the 1970s and by 12% during the 1990s. But growth is slowing and is projected to level off by 2010, raising concerns that there will be labor shortages in some sectors such as energy, health care, technical, and scientific fields.
- Half of the federal workforce will reach retirement age within the next 5 years.
- By 2010, the number of workers in the 35-44 age group who typically are moving into upper management will decline by 19%. Numbers of workers in the 45-54 age group will increase by 21% and the 55-64 age group will increase by 52%.

Sources: “Policy Alert,” The National Center for Public Policy and Higher Education, San Jose, CA, Nov., 2005
“Business Basics, An Aging Workforce’s Effect on U.S. Employers,” www.forbes.com, 2005,

- Over the decade from 2002-2012, total employment is expected to increase by 21.3 million jobs while the labor force increases by 17.4 million. Growth is expected to be in the service-providing sector and in construction, but a declining percentage of jobs in goods-producing industries.
- The number of women in the workforce is projected to grow by 14.3%, compared to 10% for men, through 2012. By 2012, women will comprise 47.5% of the workforce.
- There will be 23.8 million Hispanics in the workforce by 2012, but Asians will be the fastest growing labor force group by percentage. White non-

- Hispanics will continue to be the largest ethnic work group (66%).
- Between 2002 and 2012, the labor force will grow by 12%, but the 55 and older age group will increase by 49.3% during that decade. The age breakdown of the workforce in 2012 will be:
 - ages 16-24 years: 15%,
 - ages 25-54 years: 66%; and
 - ages 55 and older: 19.1%.

Source: "2002-12 Employment Projections," U.S. Department of Labor, Washington, DC, 2004

- In an effort to retain older workers or provide opportunities for them to meet workforce needs, some businesses are:
 - providing more choices for work schedules;
 - providing more choices over number of hours worked;
 - providing options to work on a project basis;
 - providing options for taking unpaid leaves;
 - altering job assignments and different responsibilities; and
 - providing options to work at alternative locations.

Source: "Businesses: How Are They Preparing for the Aging Workforce?," The Center on Aging and Work, Boston College, Boston, MA, 2005

- A higher proportion of government employees (37.3%) belonged to unions compared to the proportion of private sector union workers (9.5%) in 1999.

Source: "Selected Information on the U.S. Workforce," REAP, Sioux City, IA, 2005 (attributed to U.S. Department of Labor)

- There were 747,061 governmental employees working in corrections in March, 2001. The number of employees and their payroll for that month is listed below.

	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Totals</u>
Corrections employees-	32,973	473,368	240,720	747,061
Monthly payroll-	\$137 million	\$1.5 billion	\$744 million	\$2.3 billion

- In March 2001, there were 24.6 full-time corrections employees at the state and local levels for every 10,000 in the civilian population (ranging from a low of 1.1:10,000 to a high of 32.7:10,000).

Source: "Justice Expenditure and Employment in the United States, 2001," Bureau of Justice Statistics, Washington, DC, 2004

- In a report released by the American Correctional Association, it was estimated that 490,000 correctional officer jobs would be filled in the U.S. during this decade, which is below the number filled during the 1990s. Turnover rates of correctional staff vary significantly among states, ranging from 3.7% to 41% in 2000.

Source: *A 21st Century Workforce for America's Correctional Profession*, American Correctional Association, Lanham, Maryland, 2004

VI. Technology

The explosion of technological innovations is affecting almost all aspects of American life. With the continued budget pressures, special requirements for managing offender populations, and need to deliver correctional services in the most efficient and effective manner, new technologies will increasingly be integrated into correctional operations.

- A global technology revolution is underway. Along with accelerated advancements in fields of information technology, biological sciences, and materials sciences, there will be integrations of existing disciplines to form new ones.
 - Information Technology
Developments of the Information Age have been characterized as the most significant international development since the Industrial Revolution. Computers, the Internet, cell phones, digital data storage and data transmittal devices have revolutionized the way people communicate and access information.
 - Biotechnology
Genomics will continue to improve the ability to manipulate the genetic basis of plants and animals, leading to innovations in DNA profiling and analysis, cloning, and modifying organisms. Other areas of development include new forms of therapies and drugs; improvements in organ repair/replacement; artificial organs and bionics; and improved surgical and diagnostic procedures.
 - Materials Engineering
Biomimetics will produce materials and systems that mimic natural materials. New composites will produce stronger, lighter, more functional materials. "Smart materials" will be multi-functional. Nanotechnology will produce materials on an ever decreasing scale.
- Sources: *The Global Technology Revolution*, Rand Corporation, Santa Monica, California, 2001
Global Trends 2015, National Intelligence Council, Washington, DC, 2000
- The Internet
 - The majority of U.S. households (62%) had personal computers and Internet access in 2003, compared to a small proportion (8%) in 1984.
 - Household computers are less common in the homes of older citizens, Blacks, and Hispanics; but more common in homes with school-age children and higher income families.
 - More than half of working adults (56%) used a computer at work, and 42% accessed the Internet at work. Computer users in 2003 that were age 18 and older report using computers for the following tasks:
 - 50.5% to access the Internet
 - 54.5% to send and receive e-mail
 - 46.5% to access information on products and services
 - 40.1% to access news, weather, and sports

Source: "Computer and Internet Use in the United States: 2003," U.S. Census Bureau, Washington, DC, 2005

 - Some states and the Federal government have passed legislation to enable more telecommuting. In 2005, 82.5 million workers have done their jobs at home, a number projected to increase to 100 million by 2008. More than 23% of the U.S. workforce

worked at least one day at home in 2005, compared to 12% in 2000. 27% are projected to be doing some work at home by 2008. High-speed Internet access is contributing to this trend.

Source: "Working at Home Gets Easier," *Wall Street Journal*, New York, NY, December 29, 2005

- Technology is changing the way training is being delivered within organizations. More training is being provided via Intranets, the Internet, and CDs.

Source: "Catch the Wave: Six Training Trends," *About.com*, New York Times Company, New York, NY, 2005

- Technology is blurring the lines between work and home. Organizations are becoming more streamlined, flexible, networked, flat, and virtual. Workers feel "on call" 24/7. Technology (especially the Internet) is improving efficiencies within organizations, including training. Trainers are rethinking when and where learning may occur.

Source: *Mapping the Future*, American Society for Training & Development, Alexandria, Virginia, 2004

- Some of the current technological innovations and developments that involve criminal justice and corrections are listed below.
 - Improving information sharing and emergency communication systems among justice agencies;
 - Expanding DNA databases;
 - Use of biometrics in offender monitoring and supervision;
 - Improved crime scene investigation and forensics;
 - More sophisticated less-than-lethal weapons;
 - GPS monitoring for high-risk offenders, especially sex offenders.
 - Improved officer safety equipment;
 - Non-invasive drug and alcohol detection;
 - Improved security and detection systems;
 - Expanded use of robotics; and
 - Improved monitoring of Internet use in criminal activity.

Sources: Interviews with staff of the National Institute of Justice, National Law Enforcement and Corrections Technology Center, 2005-2006
"NCSL State Legislative Report," National Conference of State Legislatures, Denver, Colorado, 2003-2004

VII. Crime and Justice Trends

U.S. crime rates, measured by both victimization surveys and reported crimes, have been declining for more than 10 years. There has not yet been a corresponding decrease in the number felons sentenced in state courts. Sentencing statistics from 2002, however, showed that the average sentence length for state felons was 1.5 years less than the average for sentences in 1994. The reduction in crime has not lessened public concern and policy-makers attention to crimes involving sexual assault of children and manufacture and use of methamphetamines.

- Results from the National Crime Victimization Survey indicate that violent crime rates in 2004 were at the lowest levels since the survey began in 1972. The proportion of violent crimes committed by juveniles has generally declined since 1993. And after many years of decline, property crime rates are stabilizing.

Source: Bureau of Justice Statistics, Washington, DC, 2006, www.ojp.usdoj.gov

- In 2004, 1,367,009 violent crimes and 10,328,255 property crimes were reported in the U.S.
- Violent and property crime rates (per 100,000 residents) in 2004 were at their lowest levels in the past 20 years in the U.S. During that period, rates rose and peaked in 1991, then generally declined.

	<u>Violent Crime Rate</u>	<u>Property Crime Rate</u>
1985	558.1	4,666.4
1990	729.6	5,073.1
1995	684.5	4,590.5
2000	506.5	3,618.3
2004	465.5	3,517.1

- In 2004, crime rates were highest in the South and lowest in the Northeast.

	<u>% of Pop.</u>	<u>Violent Crime Rate</u>	<u>Property Crime Rate</u>
Northeast	18.6%	390.7	2,358.9
Midwest	22.4%	391.1	3,281.0
West	23.%	480.7	3,891.2
South	36.1%	540.6	4,022.2

- Violent crime rates dropped by 33.2% between 1985 and 2004, property crime rates declined by 23.4% during that period.
- In 2004, 46.3% of violent crimes and 16.5% of property crimes were cleared by an arrest or exceptional means. Murder had the highest rate of clearance (62.6%), burglary had the lowest clearance rate (12.9%). An estimated 14 million arrests were made during the year, excluding traffic

offenses.

- In 2004, 12.1% of all arrests for violent crimes and 18.9% of all arrests for property crimes involved juveniles only. Percentages of arrestees by gender and race are shown below.

	<u>Violent Crimes</u>	<u>Property Crimes</u>
Male	82.2%	68.1%
Female	17.8%	31.9%
Whites	60.5%	69.0%
Blacks	7.2%	28.5%
All Others	2.3%	2.5%

- The number of arrests of males dropped by 2.5% from 2000 to 2004, and the number of arrests for males under the age of 18 dropped by 11.7% during that time. From 2000 to 2004, the number of arrests for all females increased by 6.2%, but the number of arrests for females under the age of 18 dropped by 2.4%.

Source: *Crime in the United States 2004*, Federal Bureau of Investigation, Washington, DC, 2005

- Despite the drop in reported crimes since the early 1990s, the number of felony convictions in state courts has been increasing. An estimated 1,051,000 felons were convicted in state courts in 2002. Types of crimes committed by those felons are listed below:

- Drug crimes (32%)
- Property crimes (30.9%)
- Violent crimes (18.8%)
- Weapons offenses and other non-violent crimes (18%)

- The sentencing results of felons in state courts in 2002 are profiled below.
 - 41% sentenced to state prisons (average length 4.5 years)
 - 28% sentenced to local jails (average length 7 months)
 - 31% sentenced to probation, no jail or prison time (average 3.17 years)

- The average prison sentence of 4.5 years for state felons in 2002 was less than the average of 6 years in 1994. The median time from arrest to sentencing in 2002 was about 6 months.

Source: "Felony Sentences in State Courts, 2002," Bureau of Justice Statistics, Washington, DC, 2004

- In December 2005, the 1,000th execution took place since the U.S. reinstated the death penalty in 1976.

Source: "Execution of 1,000th Convicted Killer Renews Death Penalty Debate," Cybercast News Service, 2005
www.cnsnews.com

- While nationally most drug-related arrests in 2004 were for marijuana, cocaine, and heroin categories, some regions report a significant increase in illegal activity involving methamphetamines. The meth problem began in the West, but has spread to most areas except the Northeast. From a 2004 survey, close to 5% of the population (11.7 million Americans) age 12 or over has used meth at least once.

Source: "Methamphetamine," Office of National Drug Control Policy, Washington, DC, 2005,
www.whitehousedrugpolicy.gov

- In surveys conducted for NACo, officials from 58% of surveyed counties reported meth is their biggest drug problem. Half of the counties estimated that 20% of their jail inmates were locked up due to meth activity. Meth production and use has also dramatically increased out-of-home placements for children in some counties and presents contamination problems.

Source: "The Meth Epidemic in America," National Association of Counties, Washington, DC, 2005

VIII. Corrections Populations & Trends

The growth of correctional populations is leveling, but populations are still at record numbers. Special management and supervision efforts continue to focus on the following offender populations: 1. substance abusers, 2. sex offenders, 3. women offenders, 4. mentally ill, and 5. aging inmates. High numbers of inmates being released from prison, and high recidivism rates, have resulted in efforts to better prepare offenders to successfully return to society. There is also a growing interest in collecting evidence regarding offender interventions that are effective in reducing risk and recidivism.

- With crime rates declining for more than a decade, the growth of corrections populations is leveling off. The adult probation population in the U.S. grew only 0.2% in 2004, the smallest growth since the Federal government began surveying probation in 1979. Prison populations grew by 1.9% in 2004, compared to an average annual increase of 3.2% during the previous decade. Jail populations grew by 3.3% during the year, compared to an average annual increase of 3.9% since 1995. The adult parole population was the only offender category that grew at a higher rate than recent annual averages, expanding by 2.7%.

Sources: "Prisoners in 2004," "Probation and Parole in the United States, 2004," Bureau of Justice Statistics, Washington, DC, 2005

- Nearly 3.2% of the U.S. adult population, 1 in every 31 adults, is under some form of correctional supervision. The total adult correctional population in 2004 was 6,996,500.

	<u>Total</u>	<u>Probation</u>	<u>Prisons</u>	<u>Parole</u>	<u>Jails</u>
Population	6,996,500	4,151,125	1,433,793	765,355	713,990

(Note: The number incarcerated in all correctional facilities at the end of 2004 was 2,267,787. That includes all Federal, state, local, territorial, military, Indian country, immigration, and juvenile facilities.)

- The rate of adults under correctional supervision (combined prison, jail, probation, and parole populations per 100,000 U.S. residents) has grown from 1,132 per 100,000 in 1980 to 3,175 per 100,000. For the first time in several decades, that rate dropped slightly from 2003 to 2004.
- The gender and ethnic breakdown of correctional populations follows.

	<u>Probation</u>	<u>Prisons</u>	<u>Parole</u>	<u>Jails</u>
Male	77%	93%	88%	87.7%
Female	23%	7%	12%	12.3%
White	56%	34.3%	40%	44.4%
Black	30%	40.7%	41%	38.6%
Hispanic	12%	19.2%	18%	15.2%
Other	2%	5.8%	2%	1.8%

- Probation Overview (2004)
 - The national rate of probationers per 100,000 residents was 1,871 (1 in every 53 adults). However, that rate varies significantly among states, with the lowest in West Virginia (448) and the highest in Massachusetts (3,301).
 - Half of the probationers were convicted of misdemeanors. The most common offenses for those on probation in 2004 were:
 - 26% for drug offenses,
 - 15% for DWIs, and
 - 12% larceny/theft.
 - 60% of those discharged from supervision successfully completed probation, 15% were incarcerated due to violations or new crimes. 9% of the adults on probation absconded during the year.
 - Approximately 3/4 of the probationers were under active supervision and required to report regularly.

- Prison Overview (2004)
 - About 1 in every 109 men and 1 in every 1,563 women is in a state or Federal prison. The prison incarceration rate for all states is 432 inmates per 100,000. Maine has the lowest rate (148) and Louisiana has the highest (816).
 - The U.S. prison population increased by 1.9% in 2004, a 4.2% increase of Federal inmates and 1.6% increase of state inmates. The inmate population increased in 33 states during the year, but the growth rate was less than 1% in over half of those states. The inmate population decreased in 17 states during the year.
 - Private prisons held 6.6% of all prison inmates during the year (13.7% of Federal inmates and 5.6% of state inmates).
 - The types of crimes for which state inmates were convicted are listed below (based on 2002 data).

Violent crimes	50.5%
Property crimes	20.4%
Drug crimes	21.4%
Public order	7.1%
Other	0.6%
 - In 2003, close to 55% of all Federal inmates were convicted of drug crimes.
 - An estimated 8.4% of Black males age 25-29 were in prison, compared to 1.2% of White males in that age group.

- Jails Overview (2004)
 - At midyear 2004, there were 784,538 offenders held in, or supervised by, local jails. Jails experienced a 3.3% population increase in the year ending June 30, 2004. Approximately 9% of that number was supervised in programs (such as community service, weekender, electronic monitoring, home detention, etc.) outside secure facilities.
 - Of all jail inmates on June 30, 2004, 39.7% were convicted and 60.3% were unconvicted. Jails were operating at 6% below their rated capacity on a national basis.
 - There are over 3,300 local jails in the U.S. and about 1/3 of all jail inmates are held in the nation's 50 largest jails. There are approximately 1,400 jails with a capacity of less than 49 beds.
 - 5% of Federal and state inmates were in local jails.
 - 38% of jail inmates in 2002 were age 35 or older compared to 32% in 1996.
 - The types of crimes for which jail inmates were being held in 2002 are listed

below (based on 2002 data).

Violent crimes	25.4%
Property crimes	24.4%
Drug crimes	24.7%
Public order	24.9%

- The average sentence length of jail inmates in 2002 was 24 months; time expected to be served in jail was 9 months.

- Parole Overview (2004)

- The 2.7% increase of the parole population in 2004 was more than twice the annual average increase in the past decade. Parole populations had increased in 39 states.

- There are 347 parolees per 100,000 adult residents across the U.S.; the rates vary from 3:100,000 (Maine and Washington) to 806:100,000 (Pennsylvania).

- The proportion of discretionary parole releases to all releases from prison has been on the decline from 55% in 1980 to 22% in 2003. Prison release categories in 2003 are listed below.

36% mandatory release
22% discretionary parole release
19% expiration of sentence
15% other conditional release

- 46% of parole discharges in 2004 were a result of successful completion of supervision, 7% of case closures were absconders from supervision.

Sources: "Prison and Jail Inmates at Midyear 2004,"
"Probation and Parole in the United States, 2004,"
"Prisoners in 2004," Bureau of Justice Statistics,
Washington, DC, 2005
"Profile of Jail Inmates, 2002," Bureau of Justice
Statistics, Washington, DC, 2004
National Jail and Adult Detention Directory, American
Correctional Association, Lanham, Maryland 2005

- Offender Overviews

- Substance abuse is prevalent with offender populations. The Bureau of Justice Statistics and National Center on Addiction and Substance Abuse estimate that 60-83% of the corrections population have used drugs, approximately twice the rate of the general population.

Source: "Drug Treatment in the Criminal Justice
System," Office of National Drug Control Policy,
Washington, DC, 2001

- Public concern and legislative initiatives continue to focus on sex offender management. In 1994 there were approximately 234,000 sex offenders under correctional supervision, 60% being supervised in the community.

Source: "Criminal Offender Statistics," Bureau of
Justice Statistics, Washington, DC, 2005,
www.ojp.usdoj.gov

- The female offender population has grown faster than males. Since 1995, there has been a 5% annual average increase of women in prison compared to 3.3% for men. In 1995, 21% of all adult probationers and 10% of parolees were women compared to 23% and 12% respectively in 2004. 10.2% of all jail inmates in 1995 were women compared to 12.3% in 2004. NIC has conducted research and developed principles for gender-responsive correctional approaches for women.

Sources: "Prison and Jail Inmates at Midyear 2004,"
"Probation and Parole in the United States, 2004,"
"Prisoners in 2004," Bureau of Justice Statistics,

Washington, DC, 2005
"Gender-Responsive Strategies for Women Offenders,"
National Institute of Corrections, Washington, DC, 2005

- The correctional population has twice the rates of mental illness as the general population. It is estimated that over 16% of offenders in state prison, on probation, or in local jails are mentally ill. NIC and the Council of State Governments collaborated on the Consensus Project and in 2002 released recommendations to manage that population.

Sources: "Mental Health and Treatment of Inmates and Probationers," Bureau of Justice Statistics, Washington, DC, 1999
Criminal Justice/Mental Health Consensus Project,
Council of State Governments, Lexington, Kentucky, 2002

- The aging inmate population and increasing healthcare costs pushed spending on prison medical services to \$3.7 billion in 2003, a 42% increase from the previous year. In 1990 there were 19,160 inmates age 55 or older compared to 67,200 in that age group in 2004.

Sources: "To Cut Prison Bill, States Tweak Laws, Try Early Releases," Wall Street Journal, New York, NY, Dec. 21, 2005

- More than 256,000 inmates were released from prison in 2003 and the focus on inmate re-entry and transition from prison continues.
 - Since the Office of Justice Programs awarded \$100 million in re-entry grants in 2002, other Federal agencies such as the Department of Labor, Veterans' Administration, and Department of Health and Human Services have added grant programs to support re-entry.
 - NIC is working with 8 states to implement the "Transition from Prison to Community" initiative.
 - An international organization has formed to influence successful reintegration of offenders.
 - Congress is considering the Second Chance Act to address offender jobs, housing, mental health and substance abuse services, and family relationships.
 - A comprehensive report, involving State and Federal partners, was released in 2003 with policy and program recommendations to improve offender re-entry to communities.
- There is continued interest in the growing body of research and literature dealing with effective interventions to reduce offender risks. A recent review and summary of that research found that some programs reduce recidivism by as much as 31%, while some other common correctional programs have no effect.

Source: "Evidence-Based Adult Corrections Programs: What Works and What Does Not," Washington State Institute for Public Policy, Olympia, Washington, 2006

- A 2005 NIC survey asked correctional executives to rate the issues needing attention or change in their agencies. The top 5 responses of community corrections, prison, and jail executives are listed below.

Community Corrections

1. Ability to evaluate program impact
2. Research and evaluation
3. Sufficient program capacity for offenders
4. Ability to identify and implement programs
5. Sufficient staffing to manage offenders

Jails

1. Employee motivation
2. Planning for staffing needs
3. (tie) Employee recruitment and selection; and Limited facility capacity
4. Offender mental health services
5. Training and developing managers/supervisors

Prisons

1. Managing high-cost functional areas
2. Succession planning
3. Mental health services for inmates
4. (tie) Sufficient program capacity for inmates; and Planning for staffing needs
5. (tie) Staff retention/turnover; and Identifying staff for management/supervisor positions

Source: "NIC Correctional Needs Assessment: Findings of a National Survey of Correctional Leaders," NIC, Washington, DC, 2005

This report was prepared as a working draft to support the strategic planning of the management and staff of the National Institute of Corrections, U.S. Department of Justice. The report was prepared by the NIC Information Center.