Arizona’s Incarcerated Population

Fiscal implications of imprisoned and jailed populations

Dan Hunting
Morrison Institute for Public Policy

November, 2015

Increases in incarceration rates strain state and county budgets

When a trial concludes with a guilty verdict or plea and a prison sentence justice will, we hope, have been served. This is our society’s way of righting the wrongs of criminal activity. But in addition to settling the score for an anti-social act, and perhaps getting a dangerous person off the streets, we also create a fiscal liability for ourselves with every prison sentence. Each incarceration requires us to provide for the prisoner in a myriad of ways; we must provide a cell to hold him, a guard to watch over him, and some level of food and health care. If we expect the prisoner to emerge from the sentence a better person that is less likely to commit further crimes, then some level of education and rehabilitation must be provided.

Each of these services is a liability that government must fund for the length of the sentence. With mandatory minimum sentences and harsher terms for repeat offenders the fiscal burdens that these prisoners impose have increased over the years, taking ever larger chunks out of governmental budgets. When tax revenues decline because of economic conditions it is possible to scale back some government programs in the name of economy. But the incarcerated population must be maintained in bad economic times just as in the good times. The financial burden of a prisoner is relieved only upon release from the system.

State Issues

At the state level, the Arizona Department of Corrections (ADC) manages the incarcerated population with a budget of about $1 billion annually, which represents 11 percent of the Arizona’s $9.2 billion budget for fiscal year 2016. In addition to operating its own prisons, ADC is responsible for administration and oversight of contracts with private prison companies to house a portion of the state’s inmates. Since 1992, the population in the Arizona prison system, both privately and publicly run, has increased by 171 percent. This is far in excess of the state’s population growth of 75 percent over that time, and reflects an increase in the incarceration rate from 393 per 100,000 population to 624 per 100,000 (Figure 1).
The caseload of the Department of Corrections has been increased by not only the higher rate of incarceration, but also by the rapidly increasing population of the state. This has necessarily caused an increase in the department’s budget. Although the rise in prison population has far outstripped the overall population increase, the overall budget has been somewhat moderated by lower per-prisoner costs. In inflation-adjusted dollars, expenditures per prisoner have dropped by 14 percent since 1992 (Figure 2). Without this savings, expenditures for ADC would need to be $164 million greater in FY 2016.

Figure 1: State incarceration rate since 1992.

Figure 2: Changes in ADC budget and caseload since 1992.
Changes that may affect ADC expenditures
Starting in 2005, the state sought to relieve a shortage of prison beds in the ADC system by contracting with private corporations to build and operate prisons. Arizona now houses about 15 percent of its prison population in these private prisons. There is considerable debate as to how much, if any, savings the state realizes from relying on these private contractors. Direct comparisons between the populations housed by ADC and the private prisons are not helpful since the private contracts are for a population that is inherently less expensive to house; inmates requiring lower security levels and those without major health issues. A riot at private prison near Kingman in July 2015 closed the prison and required moving 1,200 prisoners to other facilities. It is unclear if this will cause a legislative reassessment of the overall policy of privately operated state prisons.

The percentage of prisoners over age 55 has increased from 5.2 percent in 2007 to 9.1 percent in 2015, nearly doubling in absolute numbers, from 1,953 to 3,889. This population is increasing at a far greater rate than the increase in overall prisoners, presumably as a consequence of lengthy sentences passed in recent years. As these prisoners age they will incur increased healthcare costs which will need to be accounted for in future budget requests.

County Issues
County jails generally house those sentenced to one year or less on misdemeanor offenses as well as those, including accused felons, awaiting trial. Variations in the way jail costs are reported in county budgets make assessment of fiscal impacts difficult, but Maricopa county has provided data on their expenditures for jails over several years. Arizona’s largest county reports that its total budget expense for incarcerations has increased from $43.8 million in 2004 to $102.5 million in 2015. This represents an increase of 134 percent in nominal dollars, or an 87 percent increase when accounting for inflation over the years. Over this period, the average daily adult jail population dropped by 8 percent, from 8,657 in 2004 to 7,972 in 2015. The increase in total jail expenditure, coupled with a decline in jail population translates to a doubling in per-inmate expense from $6,325 in 2004 to 12,864 in 2015, adjusted for inflation. The reasons for the dramatic increase in per-prisoner expense are unclear at this time.

The National Archive of Criminal Justice Data provides consistent data on average daily jail population figures are available for several Arizona counties, including the population centers of Maricopa, Pima, and Pinal counties. Across these five counties, the incarceration rate, expressed as the average number of jail inmates per 100,000 population, declined by 16 percent from 2004 to 2014 (Figure 3). This stands in contrast to the state prison incarceration rate which has increased substantially. It should be noted that with a large percentage of jail inmates awaiting trial, and those who have been sentenced serving relatively short terms, that county jail incarceration rates are likely to be highly variable.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maricopa</td>
<td>250</td>
<td>257</td>
<td>243</td>
<td>211</td>
<td>204</td>
<td>216</td>
</tr>
<tr>
<td>Mohave</td>
<td>270</td>
<td>618</td>
<td>552</td>
<td>199</td>
<td>572</td>
<td>623</td>
</tr>
<tr>
<td>Pima</td>
<td>180</td>
<td>193</td>
<td>191</td>
<td>168</td>
<td>193</td>
<td>212</td>
</tr>
<tr>
<td>Pinal</td>
<td>307</td>
<td>224</td>
<td>352</td>
<td>309</td>
<td>288</td>
<td>298</td>
</tr>
<tr>
<td>Yuma</td>
<td>327</td>
<td>306</td>
<td>286</td>
<td>312</td>
<td>319</td>
<td>274</td>
</tr>
<tr>
<td><strong>5-county total</strong></td>
<td><strong>327</strong></td>
<td><strong>306</strong></td>
<td><strong>286</strong></td>
<td><strong>312</strong></td>
<td><strong>319</strong></td>
<td><strong>274</strong></td>
</tr>
</tbody>
</table>

Figure 3: Average Daily Jail Population per 100k county population.