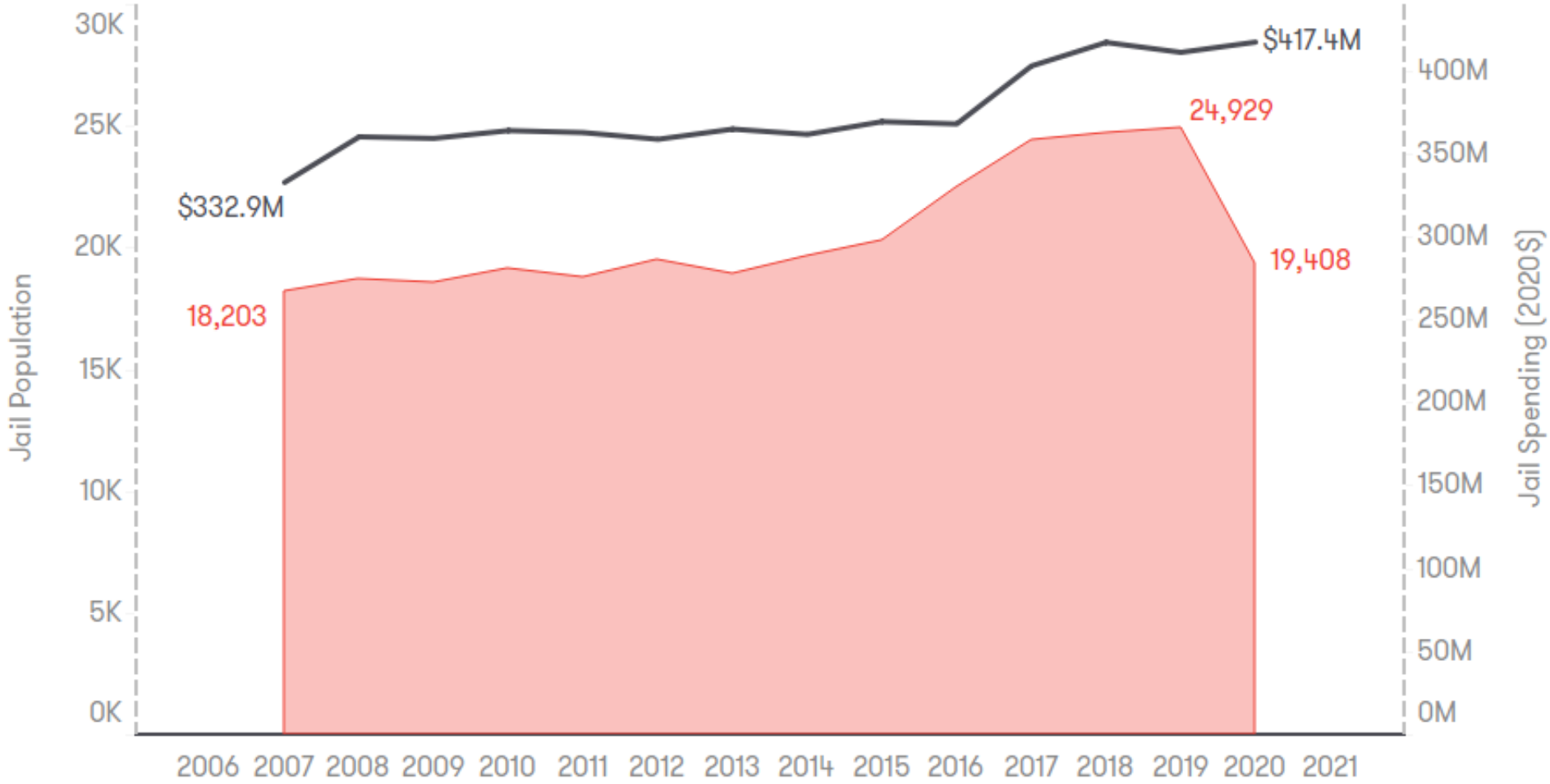

The Cost of Jails in Kentucky

July 8, 2021

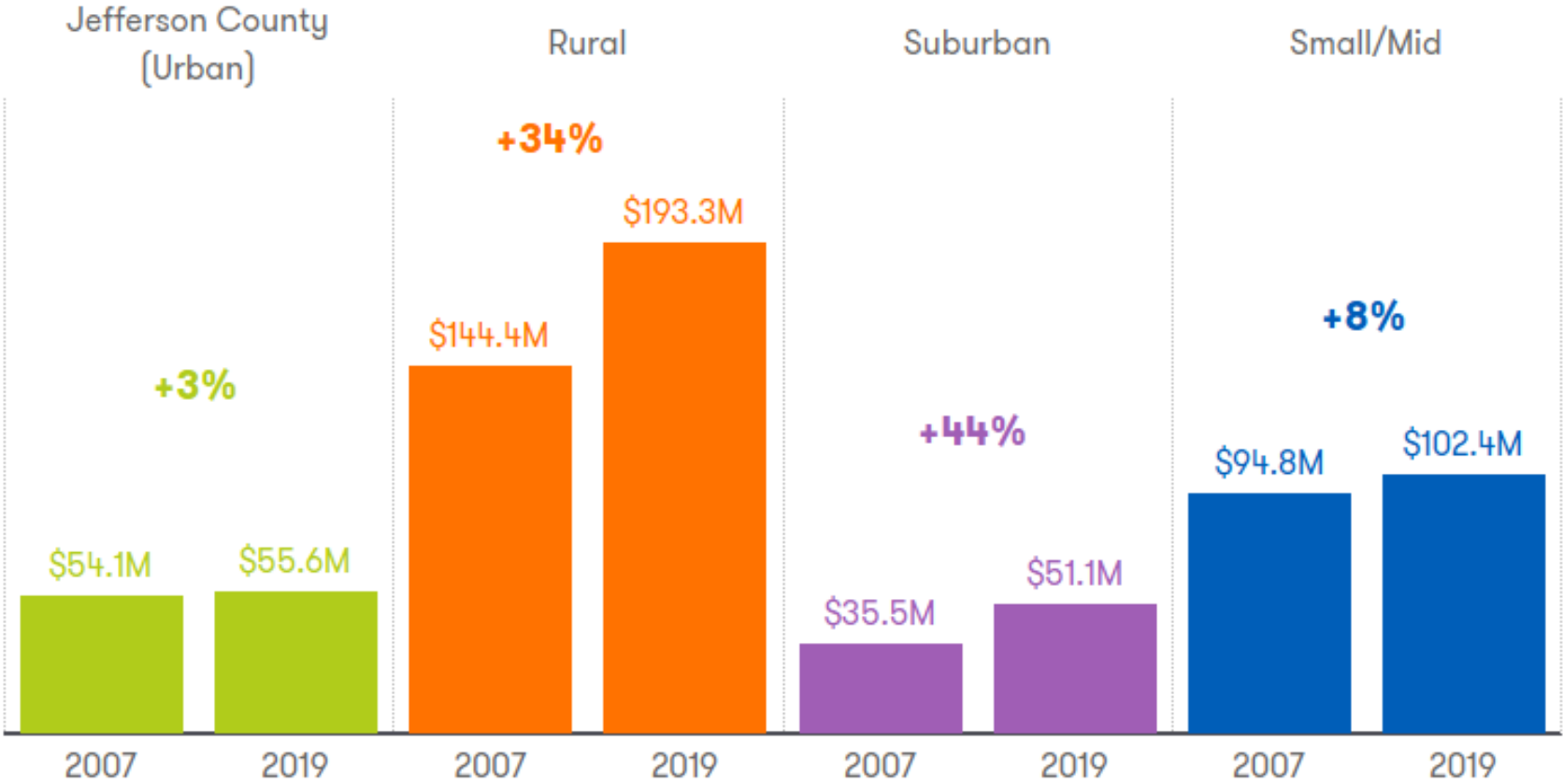
Research Questions

- What are the costs incurred by counties to house people in jail?
- How much of county budgets are spent on jails?
- How much revenue do counties receive from housing people in jail for other counties, for the state, and for the federal government?
- What are potential cost savings that could be achieved from a reduction in the jail population?
- How much revenue do counties collect in the form of jail fees?
- What is the broader impact of criminal justice fines and fees?

Over the past decade, jail populations and jail spending have been rising in Kentucky...

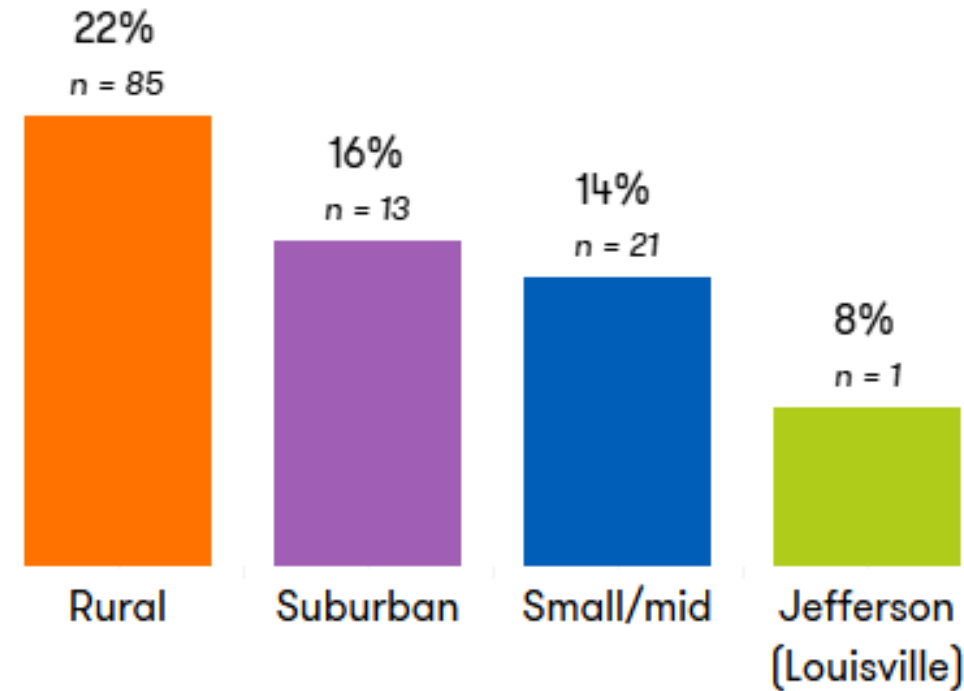


and jail spending has risen most rapidly in rural areas and suburban counties.

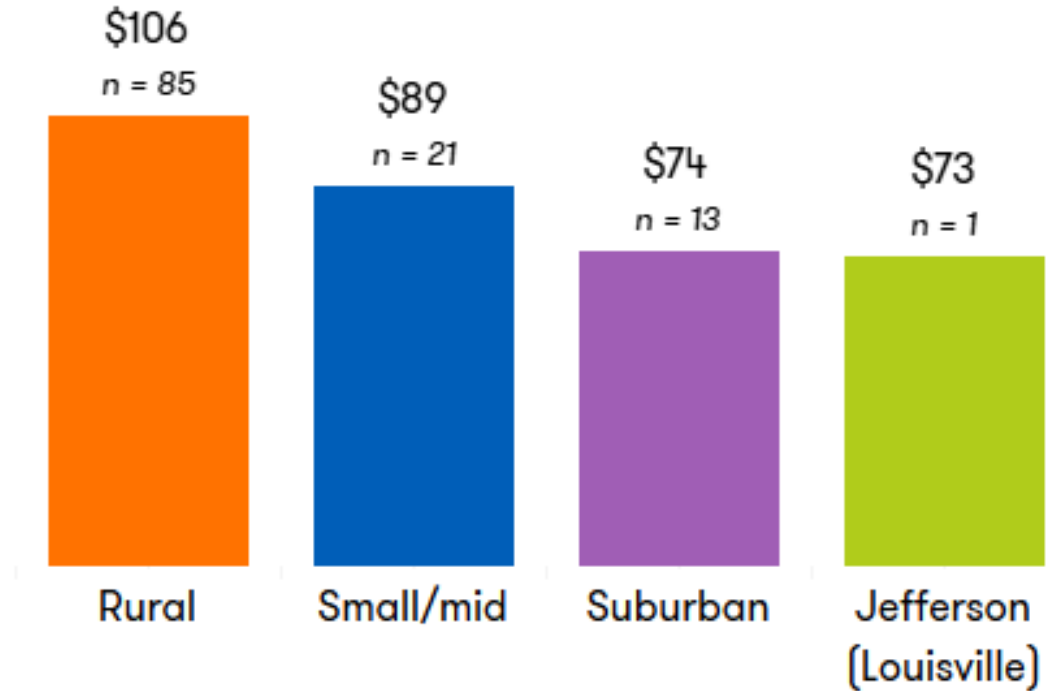


Rural counties spent a greater share of their budgets and more per capita on jail costs than counties home to smaller cities, suburban counties, or Louisville

Jail % of Budget, FY 2019

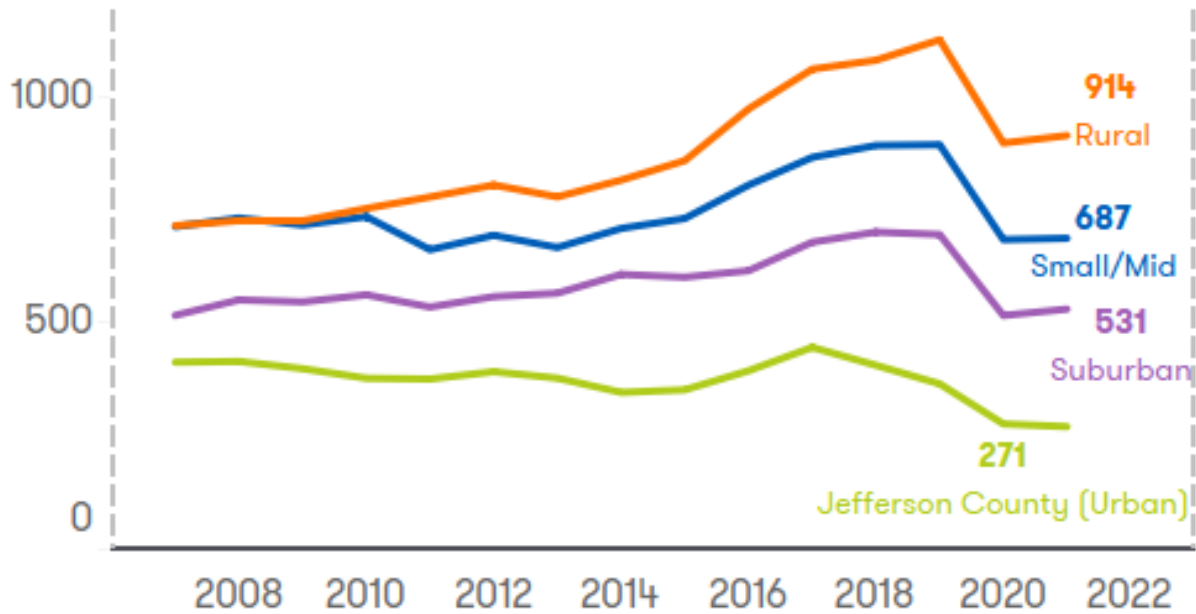


Jail \$ Per Capita, FY 2019

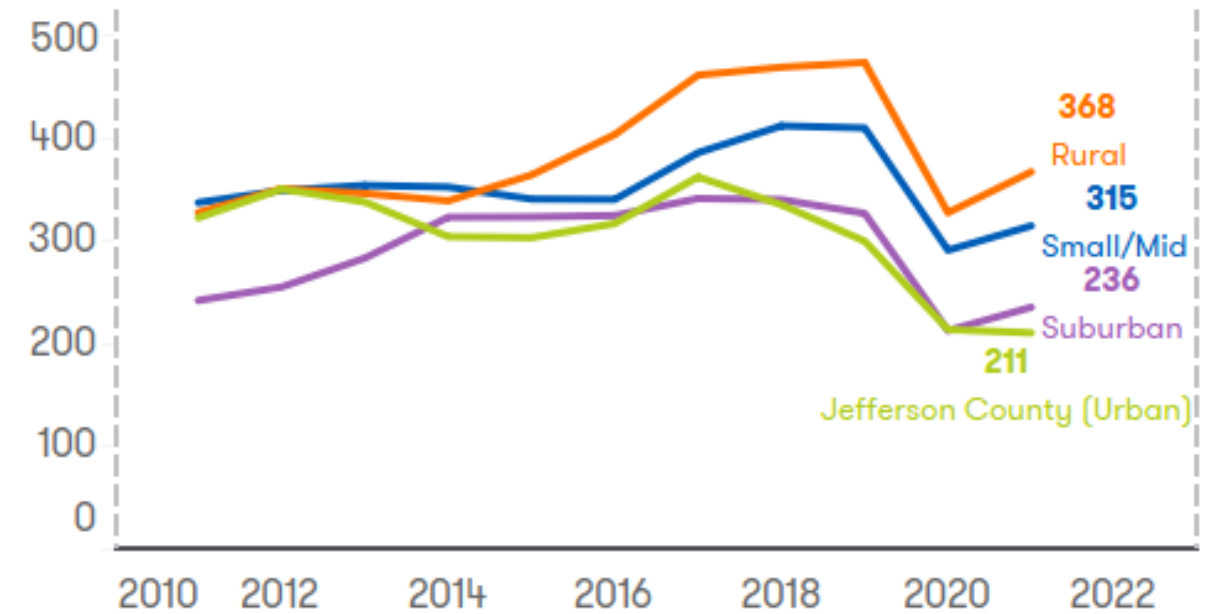


Today, rural counties have the highest incarceration rates in Kentucky

Jail Population per 100K Working-Age Residents



Jail Population Held for County per 100K Working-Age Residents

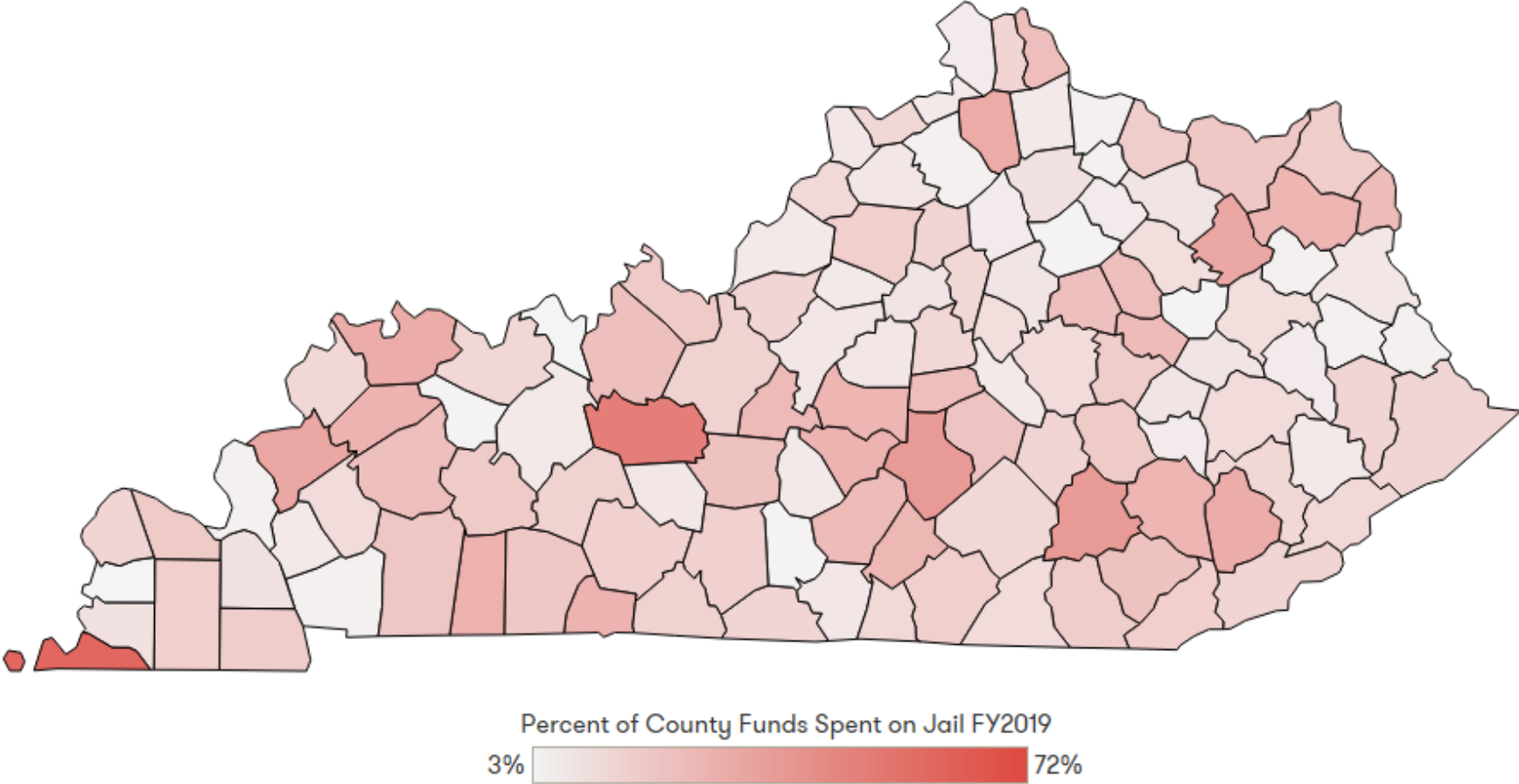


The average county spent **\$3,353,060**, or **15%** of its total budget, on jail expenses. This amounts to **\$90** per resident.

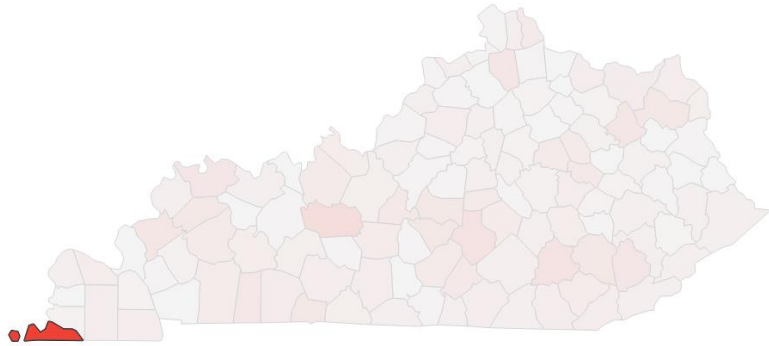
In FY2019, counties in Kentucky spent a total of **\$402,367,159** on jails.

Explore jail spending in Kentucky counties: <https://www.vera.org/publications/what-jails-cost-statewide/kentucky>

There is significant variance in how much counties spend on jails as a proportion of the budget: from **3%** to **72%** of the total budget, and from **\$5** to **\$1,113** per resident



Fulton County



- Rural county with full-service jail, capacity of 525
- Resident population ~6000
- Jail expenditures in FY2019: \$6,643,879
- Jail expenditures per capita: \$1,113
- Percent of county budget spent on jail: 72%

Fulton County jail revenues, FY2019

State Revenue	\$6,040,431 (73%)
Surplus, Borrowing and Transfers	\$1,033,276 (12%)
Miscellaneous Revenues	\$961,882 (12%)
Charges for Services	\$182,086 (2%)
Other County Revenue	\$34,349 (0%)
Interest Earned	\$19,597 (0%)
Federal Revenue	\$4,600 (0%)
Taxes	\$900 (0%)
Grand Total	\$8,277,120 (100%)

Fulton County jail expenditures, FY2019

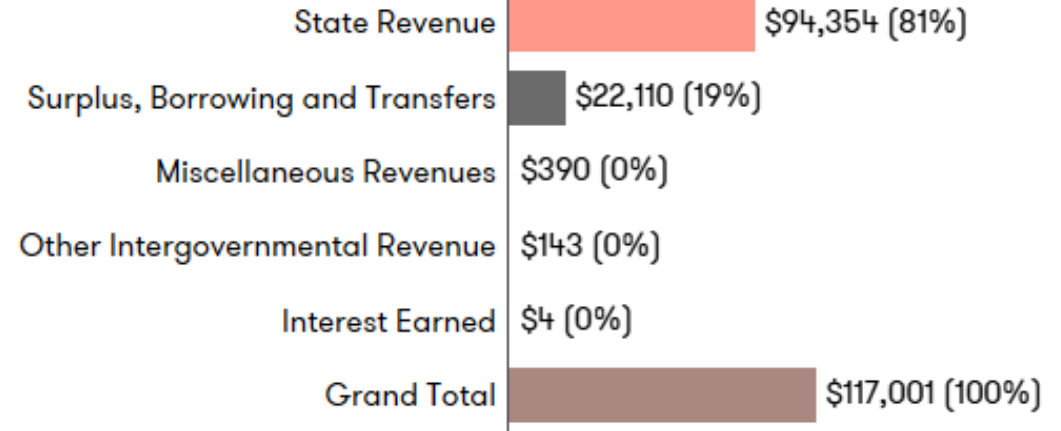
Personnel	\$3,227,918 (49%)
Operating Expenses	\$2,655,602 (40%)
Debt Service	\$358,140 (5%)
Equipment	\$206,226 (3%)
Administration	\$195,993 (3%)
Grand Total	\$6,643,879 (100%)

Carlisle County

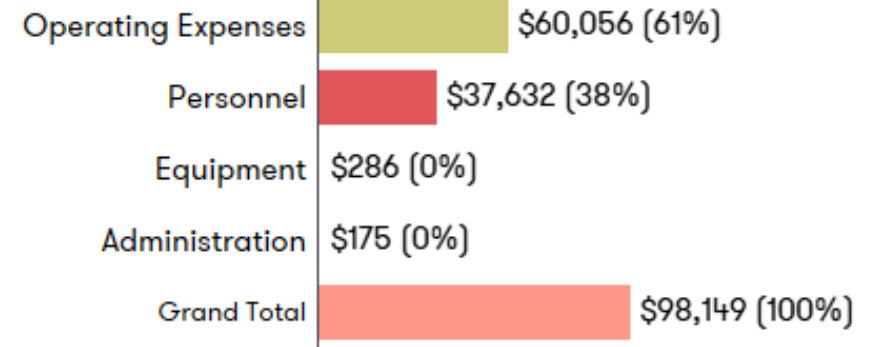


- Rural county without a jail
- Resident population ~4,700
- Jail expenditures in FY2019: \$98,149
- Jail expenditures per capita: \$21
- Percent of county budget spent on jail: 3%

Carlisle County jail revenues, FY2019



Carlisle County jail expenditures, FY2019

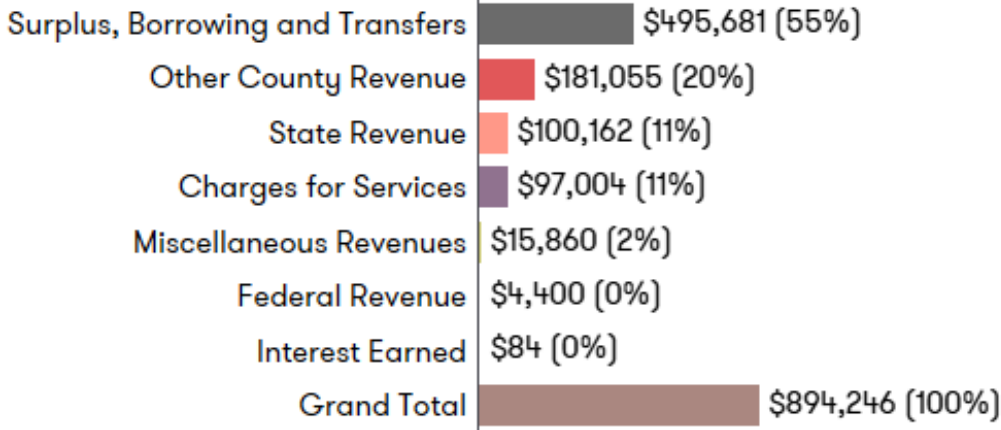


Caldwell County

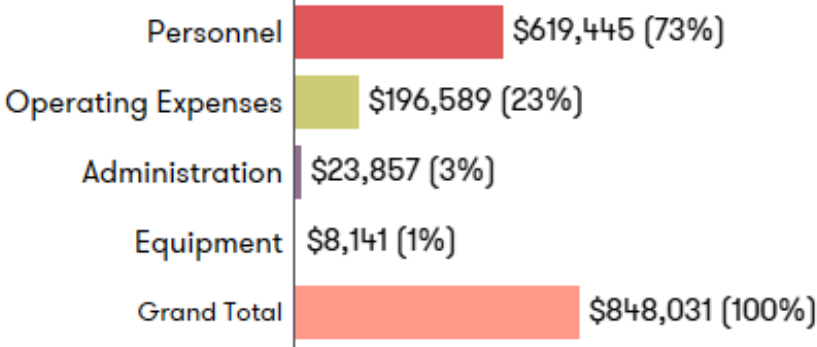


- Rural county with life safety jail
- Resident population ~4,700
- Jail expenditures in FY2019: \$848,031
- Jail expenditures per capita: \$67
- Percent of county budget spent on jail: 14%

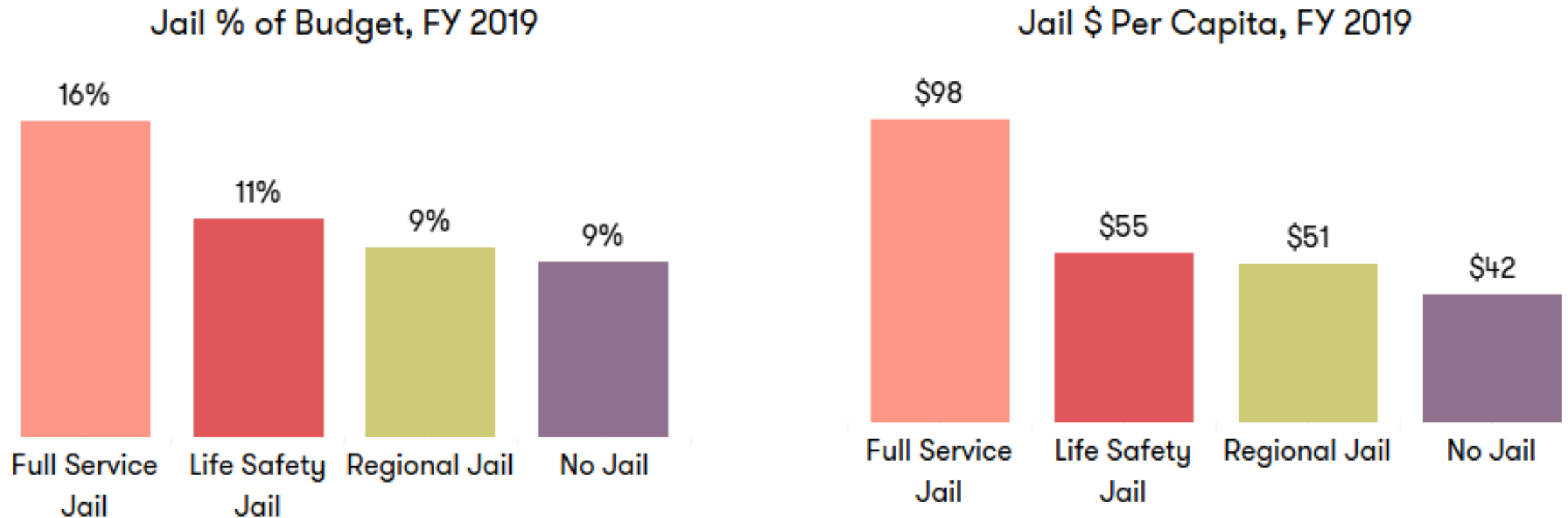
Caldwell County jail revenues, FY2019



Caldwell County jail expenditures, FY2019



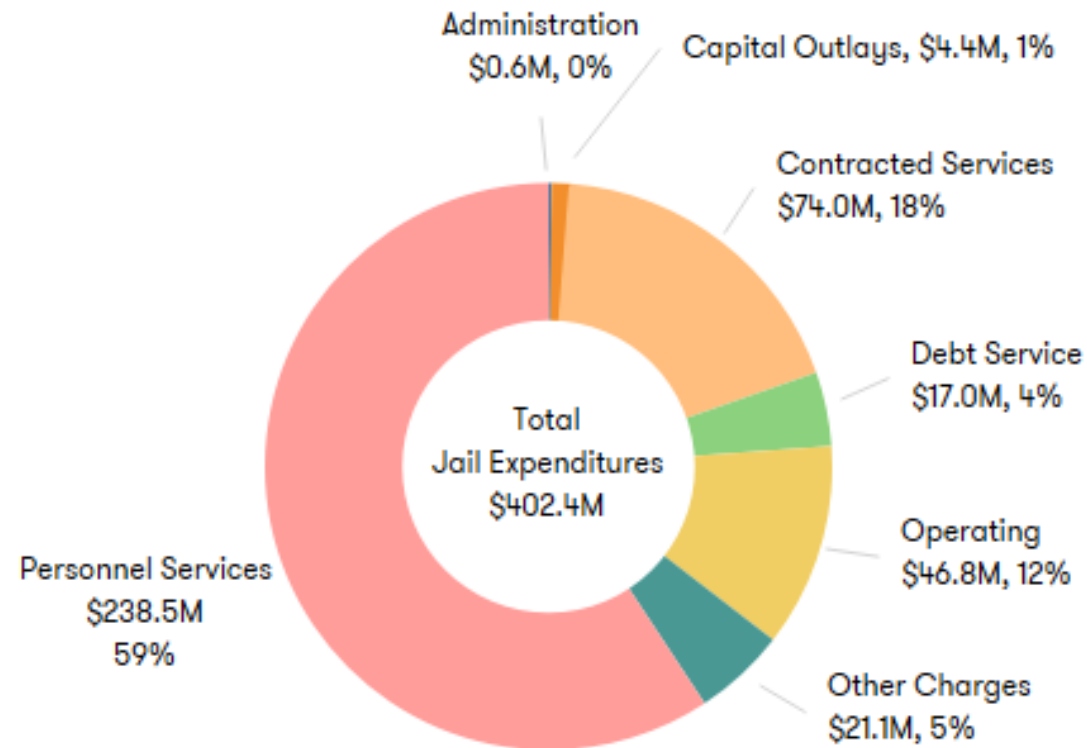
Counties without a full-service jail spent significantly less per capita and as a percent of the total budget to house people in jail



Kentucky has 73 full-service jails, 3 Life Safety jails, 4 regional jails, and 40 counties with no jails

Personnel costs (salary + employee benefits) make up the majority of jail spending (**59%**), followed by contracted services (**20%**)

Jail Expenses by Type, Total Across Counties



Estimating budget savings

Computing jail budget savings

- As jails have increased capacity during the past four decades, counties have increased the jail budget for both “variable” and “fixed” expenses related to increasing jail populations.
- So when jail populations decline, it is necessary to reduce the budget for both variable and fixed expenses.
- “Fixed” operating costs are **not** immutable, but jail population reductions must attain certain thresholds, before these savings can be attained (e.g., empty a housing unit).

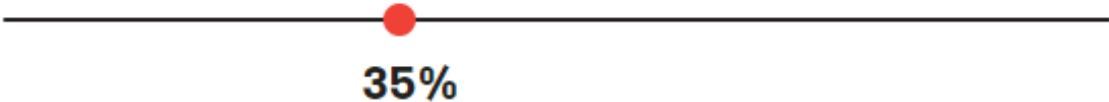
Vera model

Cost	Per \$1.00 Spent on Jail	Type	Jail Population Decline Required to Take Savings
Food, contracted health care, uniforms	\$.16	Variable	1 person
Corrections officers	\$.44	Step-Fixed	Housing unit (approx. 50 beds)
Administration and maintenance	\$.35	Step-Fixed	When jail population reduction reaches thresholds of 25%, 50%, and 75%
Program staff	\$.05	Step-Fixed	Vera assumes no reduction

**Model only estimates budget savings based on reducing the number of people in jail held under local authority (not for state/federal authorities)*

Fulton County

Proposed reduction in local jail population



Projected Annual Budget Savings

\$12,662

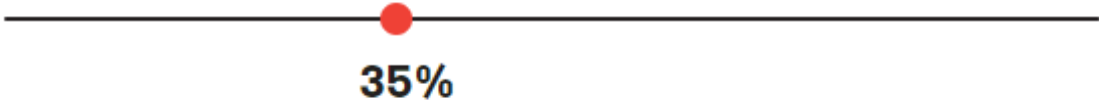
Projected Budget Reduction

0.2%

	CURRENT	PROJECTED
Total Jail Population	368	364
Local Jail Population	11	7
Budget (\$)	\$6,643,879	\$6,631,217

Kenton County

Proposed reduction in local jail population



Projected Annual Budget Savings

\$948,557

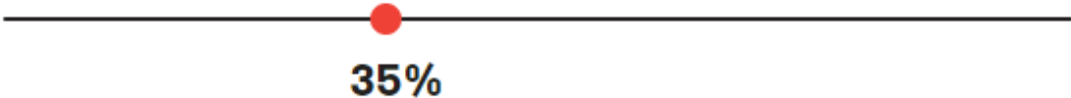
Projected Budget Reduction

7.2%

	CURRENT	PROJECTED
Total Jail Population	621	493
Local Jail Population	365	237
Budget (\$)	\$13,099,340	\$12,150,783

Jessamine County

Proposed reduction in local jail population



Projected Annual Budget Savings

\$383,674

Projected Budget Reduction

13.2%

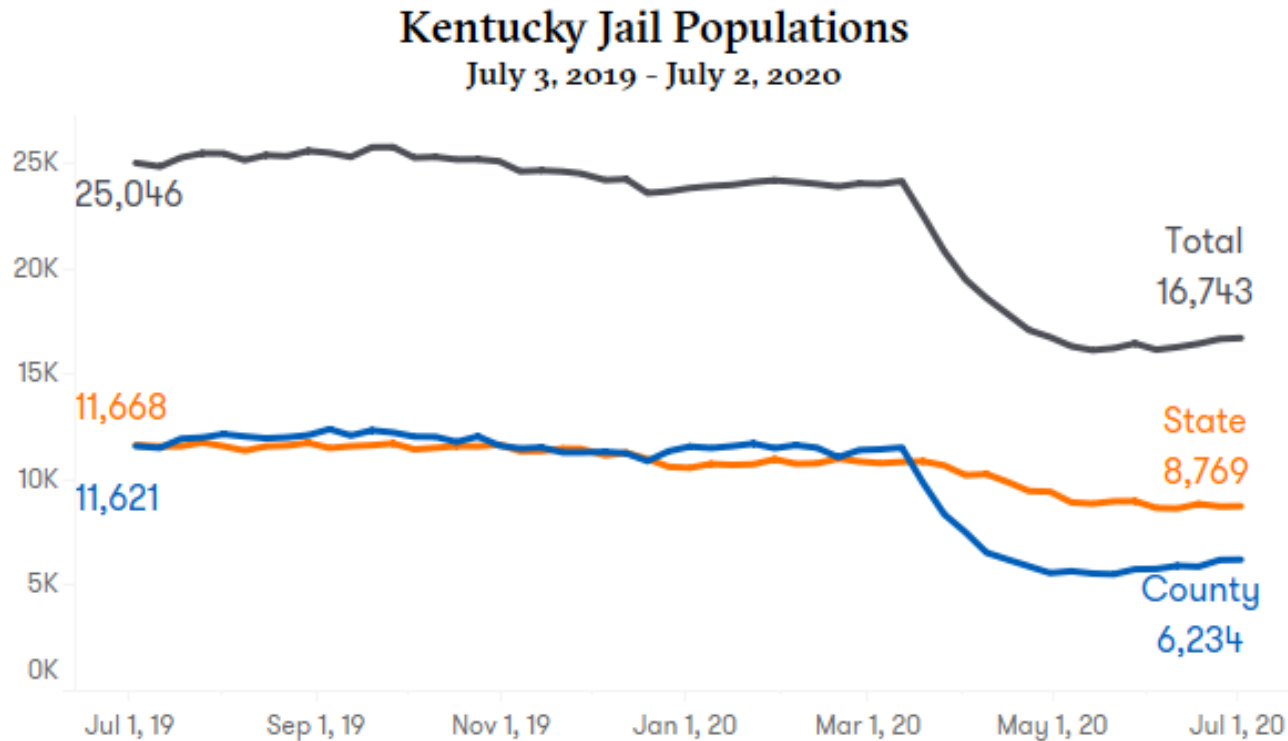
	CURRENT	PROJECTED
Total Jail Population	87	61
Local Jail Population	74	48
Budget (\$)	\$2,909,595	\$2,525,921

Kentucky saw a **28%** reduction in the locally-held jail population in 2020.

If every county maintained the reduction it saw from January to December 2020, the estimated potential cost savings statewide would be over **\$30 million annually.**

Preview of FY2020 Jail Budget Data

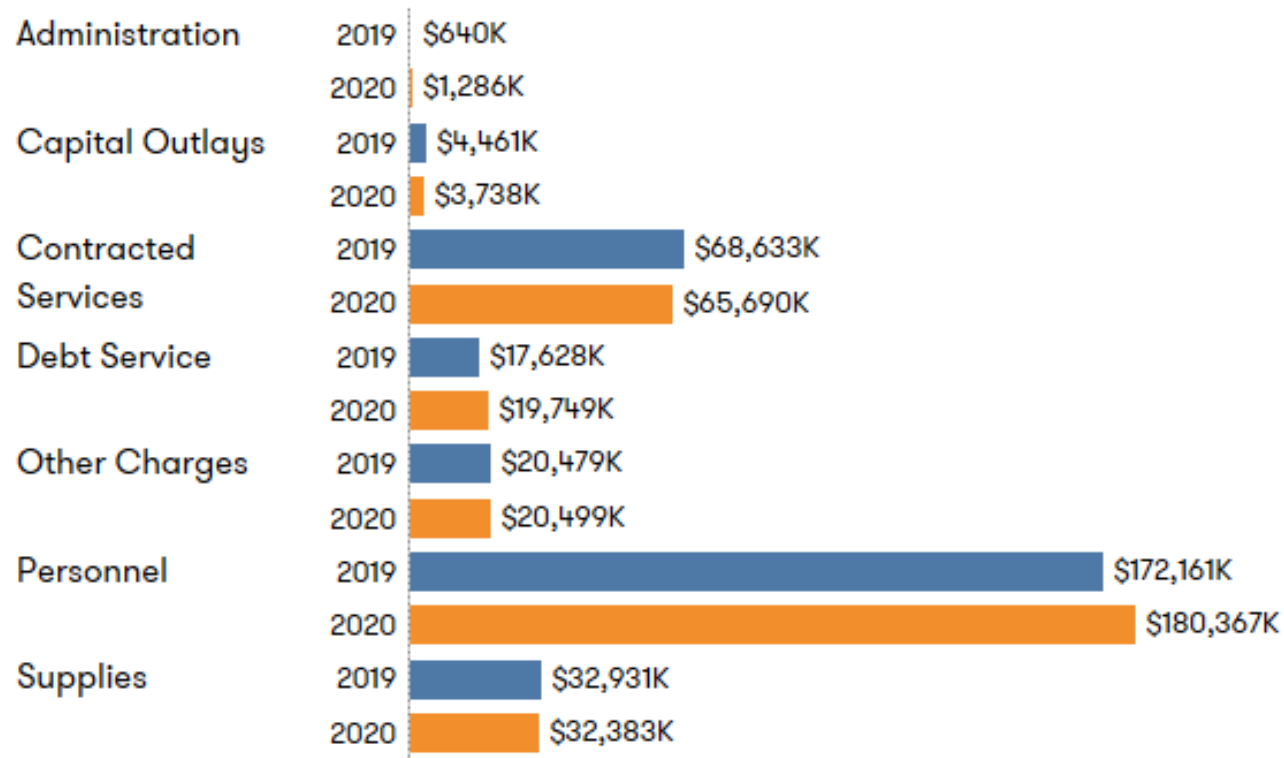
From July 2019 to July 2020, Kentucky saw a **33%** reduction in the total jail population and a **46%** reduction in the locally-led jail population.



Meanwhile, jail spending increased modestly by 1.5% in real terms, or \$6,166,078.

What accounts for this overall increase in spending?

Year-over-Year Jail Expenditures by Type
Data presented in \$2020



- Personnel expenses increased by 5% or \$8.2M
- Debt service expenses increased by 12% or \$2.1M
- Contracted service expenses decreased by 4% or \$2.9M
- Capital outlays decreased by 16% or \$724K
- Supplies decreased by 2% or \$548K

Did the counties that saw the greatest jail population reductions see any savings?

Kenton County

- Reduced jail pop by 272 people (-33%)
- Increased spending by +\$1,246,970
 - Mainly due to personnel costs, including health insurance, jail personnel, overtime pay, and retirement costs

Pulaski County

- Reduced jail pop by 131 people (-32%)
- Increased spending by +\$77,900
 - Mainly due to increase in temporary/part time workers and medical services

Jessamine County

- Reduced jail pop by 49 people (-32%)
- Increased spending by +\$1,347,254
 - Mainly due to increase in contracted building construction

Lee County

- Reduced jail pop by 107 people (-31%)
- Decreased spending by -\$107,828
 - Mainly due to reduction in contracts with government agencies

Allen County

- Reduced jail pop by 23 people (-31%)
- Decreased spending by -\$212,478
 - Mainly due to reduction in capital outlay for equipment

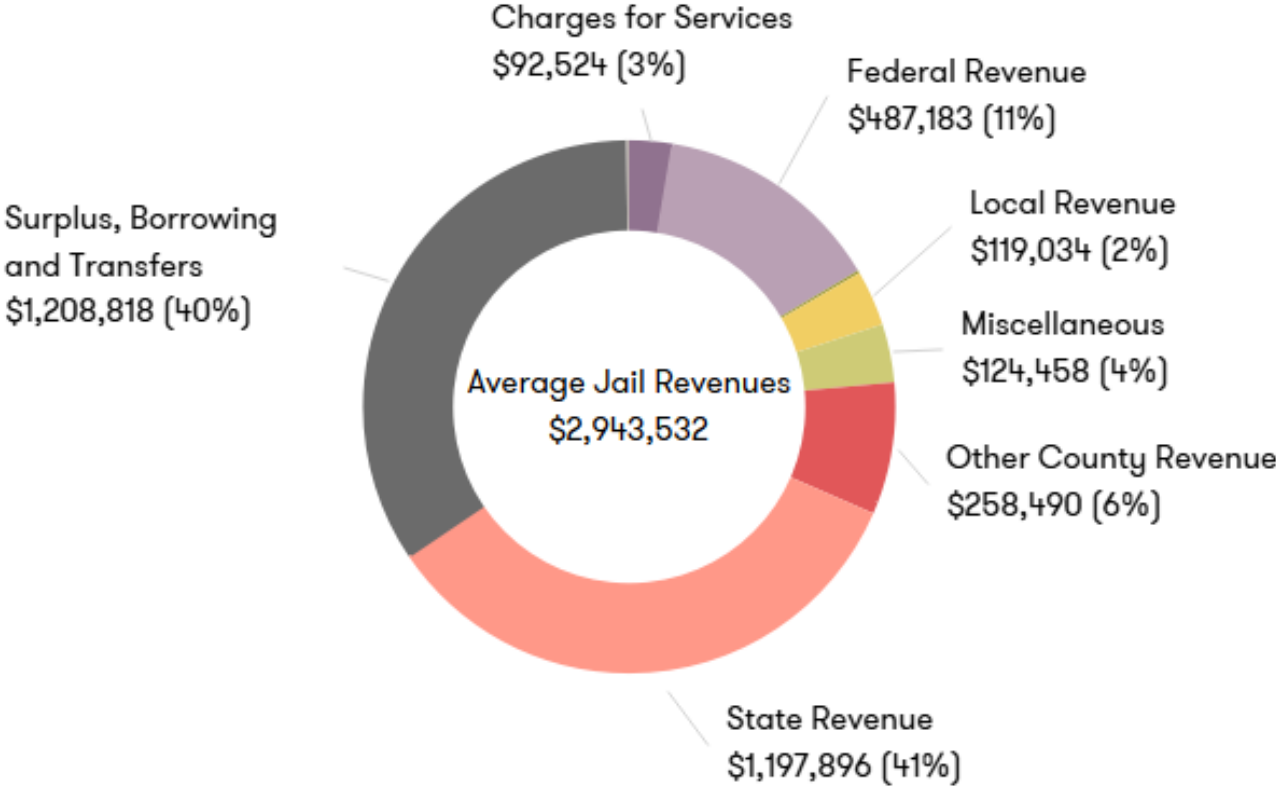
Meade County

- Reduced jail pop by 50 people (-21%)
- Decreased spending by -\$664,697
 - Mainly due to reduction in debt service, reduction in deputies, reduced spending on supplies and materials (mainly food)

What are the major sources of jail revenue?

Intergovernmental revenues make up the majority of jail revenues (58%), followed by surplus, borrowing and transfers (40%)

Jail Revenues by Type, Average Across Counties

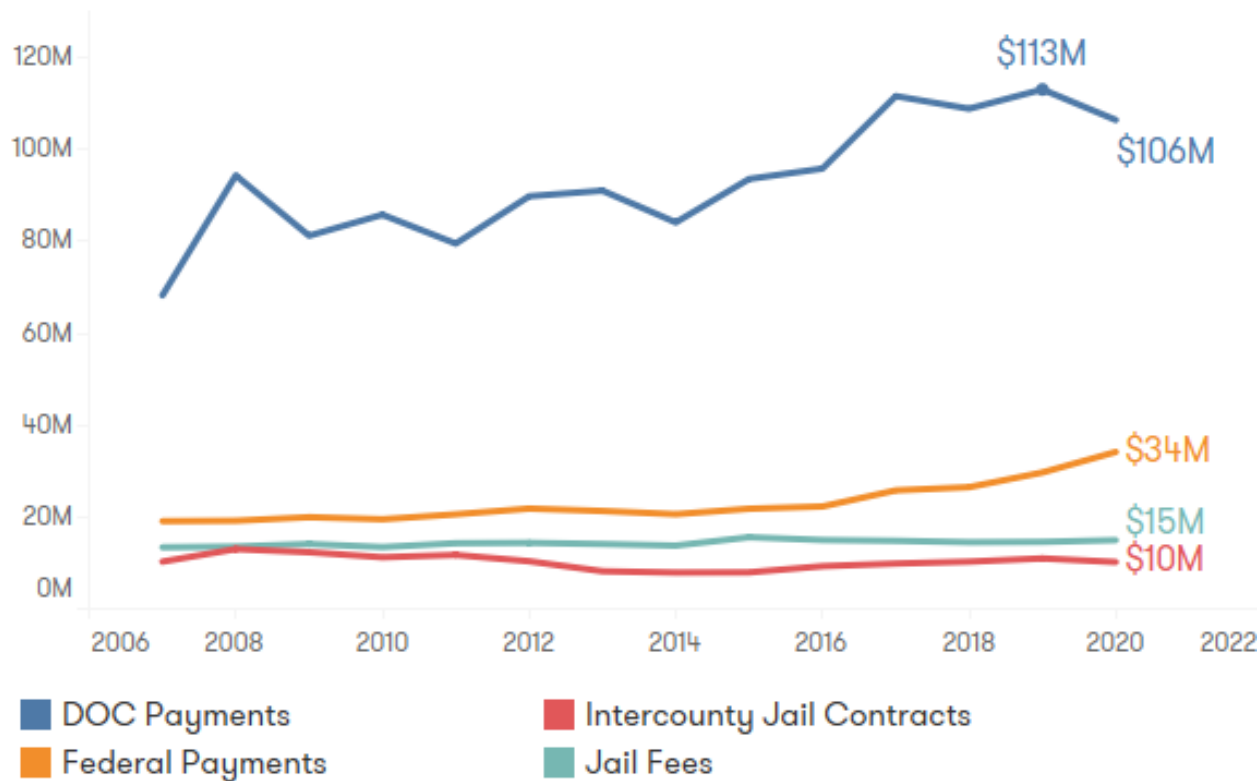


- The majority of state revenues (79%) are for Class D felon payments and housing people for the DOC
- Some counties receive **up to 86%** of their jail revenue to house people for the KY DOC , and **up to 60%** of their jail revenue to house people for the federal government

What happened to intergovernmental revenues and jail fees in FY2020?

Kentucky, Selected Jail Revenues (\$2020)

2007 - 2020



- Revenues from the Kentucky DOC decreased by \$6.6M or 6% or in FY2020
 - The number of people held in jails for DOC dropped by 2,899 people, or 25% over the same time period
- Revenues from the Federal government to house people increased by \$4.5M or 15%
 - The number of people held in jails for Federal authorities stayed about the same
- Jail fees increased by \$377K or 3%
- Intercounty jail contract payments decreased by \$786K or 7%

How much revenue do counties collect via jail fees and charges?

The average county derives only 5% of its jail revenues from jail fees, but this represents more than 24 million dollars extracted from some of the state's poorest residents

Jail Fees and Charges

All Other Counties, FY2019

Telephone Commission	\$6,805,582 (47%)
Prisoner Reimbursement	\$3,839,756 (27%)
Charges for Services/Service Fees	\$1,531,562 (11%)
General Prisoner Population	\$560,127 (4%)
Jail (work release)	\$479,061 (3%)
Jailers Bond Acceptance Fee	\$370,002 (3%)
Home Incarceration Fees	\$301,774 (2%)
Warrant Service Fees	\$258,107 (2%)
Concession Sales	\$147,913 (1%)
Fines and Forfeitures	\$95,243 (1%)
Vending Machine Commission	\$11,199 (0%)
Bond Payment Fees	\$7,546 (0%)
Grand Total	\$14,407,873 (100%)

Jail Fees and Charges

Fayette and Jefferson Counties, FY2019

Fayette	Detention Center Bed Fees	\$5,654,500 (58%)
	Detention Center Other	\$1,593,600 (16%)
	Detention Center Medical Reimbursement	\$416,400 (4%)
	Detention Center Prisoner Fees	\$300,000 (3%)
	District Court Jail Fees	\$80,000 (1%)
	Detention Work Release Fees	\$40,000 (0%)
	Total	\$8,084,500 (82%)
Jefferson	Inmate Telephone Fee	\$674,700 (7%)
	Commissary Revenues	\$626,700 (6%)
	Booking Fees	\$300,100 (3%)
	Inmate Room & Board	\$81,400 (1%)
	Home Incarceration	\$39,300 (0%)
	Fingerprint Fees	\$5,200 (0%)
	Vending Machine	\$4,800 (0%)
	Total	\$1,732,200 (18%)

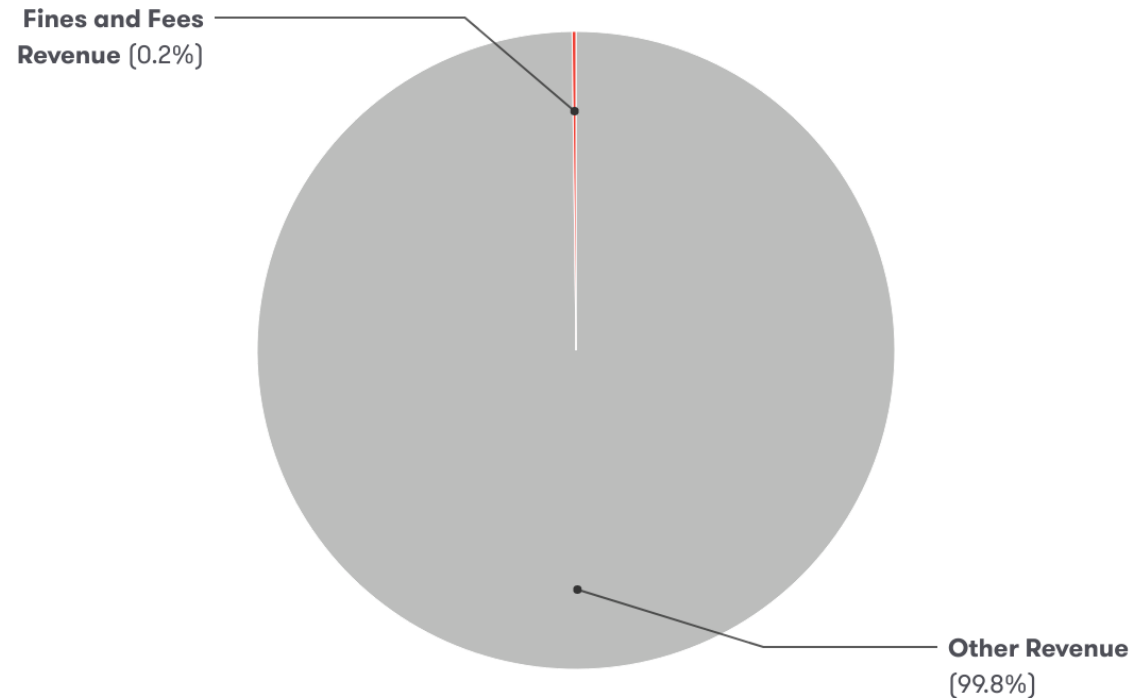
What is the broader impact of criminal justice
fines and fees?

Fines and Fees Can Quickly Add Up

- Fines and Fees on a typical case in the state include:
 - Fines: Minimum \$1,000 for felonies and up to \$500 for misdemeanors
 - Fees:
 - A \$140 court cost (plus additional \$30 for traffic cases)
 - 10% bail fee and 5% administrative fee
 - Other fees: \$10 fee on all cases for child safety programs; \$25 court facility fee; 5% fee on restitution payments, etc.
 - Cost to expunge records: \$100 for misdemeanors; up to \$500 for felonies.
- Source: Kentucky Circuit Court Clerk's Accounting Manual

How much money is collected from fines and fees?

- The state collected \$22.5M in criminal and traffic fines and costs (0.2% of General Fund Revenues)
- Meanwhile, Kentuckians owe \$91 million in unpaid court debt
- Sources: 2021-22 Governors Budget, pg 18; Fines and Fees Justice Center, *Tip of the Iceberg*



The costs of collections

- Fines and fees can be expensive to collect. A study from the Brennan Center found that a sample of counties spent on average 40 cents to collect one dollar in fines and fees. This far exceeds the costs of collection for other kinds of revenue. For example, the IRS spends one-third of a cent collecting federal taxes.
- Data from other states demonstrate that people often do not have the resources to pay, especially if they are incarcerated or recently released from jail or prison.
- In Florida, the courts collected only 73 percent of the amounts they assess. The rate is especially low for fines and fees charged on felony cases (19 percent) and fines and fees charged on juveniles (31 percent).
- In Virginia, court clerks collect only 63 percent of the amount they assess.

Recommendations:

- Reduce or eliminate jail fees
- Implement ability to pay hearings for bail, fines and fees
- Forgive outstanding criminal justice debt
- To reduce jail costs, reduce the number of people held in jail pretrial and on misdemeanor offenses
- Redirect savings toward other types of investments that better respond to community needs & promote community safety, including work training and work transition programs; community-based treatment programs for substance use; local mental health services; homeless services; affordable housing

Recommendations (cont'd):

- Reduce bookings into jail, including for court related charges
- Reduce jail length of stay and ensure the right to a speedy trial
- Divert people with behavioral health needs away from the justice system
- Expand the nonfinancial release of high-needs people, and refer more people with low and moderate needs to community-based services and supports so that pretrial services can effectively allocate services
- Narrowly tailor the imposition of money bail to people who pose a clear and convincing risk to public safety
- Individually tailor the imposition of particularly onerous conditions of pretrial release, including drug testing and GPS monitoring

Data Source & Notes

- Budget data for this analysis comes from the Office of State Budget Director disbursement & receipt reports available for download from the [Kentucky Department for Local Government website](#). This data shows actual disbursements and receipts, and only includes Fiscal Court budget information. No school districts or other taxing districts are reported in the figures.
- Data is for fiscal year 2019 (July 1, 2018 - June 30, 2019)
- Jail Expenditures:
 - Includes all expenditures tied to the office of the jailer, the housing of class D felons in county jails and work release for people being held for the state, regardless of which fund these expenditures originate from
 - Also includes debt service expenses, administration expenses, and capital project expenses from the jail fund or jail construction fund
 - Excludes expenditures related to Juvenile Detention Services
- Jail Revenues:
 - Includes all revenues listed under the jail fund or jail construction fund
 - Also includes specific jail-related revenue items tied to funds other than the jail fund or jail construction items

Jasmine Heiss

Director of In Our Backyards

Vera Institute of Justice

Jheiss@gmail.com

Bea Halbach-Singh

Research Associate

Vera Institute of Justice

Bhalbach@vera.org

Chris Mai

Senior Research Associate

Vera Institute of Justice

Cmai@vera.org