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.
Today, rural counties have the highest incarceration rates in Kentucky.
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%
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

- State Revenue: $94,354 (81%)
- Surplus, Borrowing and Transfers: $22,110 (19%)
- Miscellaneous Revenues: $390 (0%)
- Other Intergovernmental Revenue: $143 (0%)
- Interest Earned: $4 (0%)
- Grand Total: $117,001 (100%)

Carlisle County jail expenditures, FY2019

- Operating Expenses: $60,056 (61%)
- Personnel: $37,632 (38%)
- Equipment: $286 (0%)
- Administration: $175 (0%)
- Grand Total: $98,149 (100%)
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

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus, Borrowing and Transfers</td>
<td>$495,681</td>
<td>55%</td>
</tr>
<tr>
<td>Other County Revenue</td>
<td>$181,055</td>
<td>20%</td>
</tr>
<tr>
<td>State Revenue</td>
<td>$100,162</td>
<td>11%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$97,004</td>
<td>11%</td>
</tr>
<tr>
<td>Miscellaneous Revenues</td>
<td>$15,860</td>
<td>2%</td>
</tr>
<tr>
<td>Federal Revenue</td>
<td>$4,100</td>
<td>0%</td>
</tr>
<tr>
<td>Interest Earned</td>
<td>$84</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$894,246</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Caldwell County jail expenditures, FY2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$619,445</td>
<td>73%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$196,589</td>
<td>23%</td>
</tr>
<tr>
<td>Administration</td>
<td>$23,857</td>
<td>3%</td>
</tr>
<tr>
<td>Equipment</td>
<td>$8,141</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$848,031</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
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%).
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

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

*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

35%

### Projected Annual Budget Savings

$12,662

### Projected Budget Reduction

0.2%

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Jail Population</td>
<td>368</td>
<td>364</td>
</tr>
<tr>
<td>Local Jail Population</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>Budget ($)</td>
<td>$6,643,879</td>
<td>$6,631,217</td>
</tr>
</tbody>
</table>
## Kenton County

### Proposed reduction in local jail population

- 35%

### Projected Annual Budget Savings

- $948,557

### Projected Budget Reduction

- 7.2%

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Jail Population</td>
<td>621</td>
<td>493</td>
</tr>
<tr>
<td>Local Jail Population</td>
<td>365</td>
<td>237</td>
</tr>
<tr>
<td>Budget ($)</td>
<td>$13,099,340</td>
<td>$12,150,783</td>
</tr>
</tbody>
</table>
### Jessamine County

**Proposed reduction in local jail population**

- 35%

**Projected Annual Budget Savings**

- $383,674

**Projected Budget Reduction**

- 13.2%

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Jail Population</td>
<td>87</td>
<td>61</td>
</tr>
<tr>
<td>Local Jail Population</td>
<td>74</td>
<td>48</td>
</tr>
<tr>
<td>Budget ($)</td>
<td>$2,909,595</td>
<td>$2,525,921</td>
</tr>
</tbody>
</table>
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?

- 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

Data excludes Fayette and Jefferson counties as these are outliers in terms of overall spending on jails.
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%).

- 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.

Revenue pie chart excludes revenues for Fayette & Jefferson Counties.
What happened to intergovernmental revenues and jail fees in FY2020?

- 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**

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone Commission</td>
<td>$6,805,562</td>
<td>17%</td>
</tr>
<tr>
<td>Prisoner Reimbursement</td>
<td>$3,839,756</td>
<td>27%</td>
</tr>
<tr>
<td>Charges for Services/Service Fees</td>
<td>$1,531,562</td>
<td>11%</td>
</tr>
<tr>
<td>General Prisoner Population</td>
<td>$560,127</td>
<td>4%</td>
</tr>
<tr>
<td>Jail (work release)</td>
<td>$479,061</td>
<td>3%</td>
</tr>
<tr>
<td>Jailers Bond Acceptance Fee</td>
<td>$370,002</td>
<td>3%</td>
</tr>
<tr>
<td>Home Incarceration Fees</td>
<td>$301,774</td>
<td>2%</td>
</tr>
<tr>
<td>Warrant Service Fees</td>
<td>$258,107</td>
<td>2%</td>
</tr>
<tr>
<td>Concession Sales</td>
<td>$147,913</td>
<td>1%</td>
</tr>
<tr>
<td>Fines and Forfeitures</td>
<td>$95,243</td>
<td>1%</td>
</tr>
<tr>
<td>Vending Machine Commission</td>
<td>$11,199</td>
<td>0%</td>
</tr>
<tr>
<td>Bond Payment Fees</td>
<td>$7,546</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$14,407,873</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

### Jail Fees and Charges

**Fayette and Jefferson Counties, FY2019**

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fayette</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detention Center Bed Fees</td>
<td>$5,654,500</td>
<td>58%</td>
</tr>
<tr>
<td>Detention Center Other</td>
<td>$1,593,600</td>
<td>16%</td>
</tr>
<tr>
<td>Detention Center Medical Reimbursement</td>
<td>$16,140</td>
<td>1%</td>
</tr>
<tr>
<td>Detention Center Prisoner Fees</td>
<td>$300,000</td>
<td>3%</td>
</tr>
<tr>
<td>District Court Jail Fees</td>
<td>$80,000</td>
<td>1%</td>
</tr>
<tr>
<td>Detention Work Release Fees</td>
<td>$40,000</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8,084,500</strong></td>
<td><strong>82%</strong></td>
</tr>
<tr>
<td><strong>Jefferson</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inmate Telephone Fee</td>
<td>$674,700</td>
<td>7%</td>
</tr>
<tr>
<td>Commissary Revenue</td>
<td>$626,700</td>
<td>6%</td>
</tr>
<tr>
<td>Booking Fees</td>
<td>$300,100</td>
<td>3%</td>
</tr>
<tr>
<td>Inmate Room &amp; Board</td>
<td>$81,400</td>
<td>1%</td>
</tr>
<tr>
<td>Home Incarceration</td>
<td>$39,300</td>
<td>0%</td>
</tr>
<tr>
<td>Fingerprint Fees</td>
<td>$5,200</td>
<td>0%</td>
</tr>
<tr>
<td>Vending Machine</td>
<td>$9,800</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,732,200</strong></td>
<td><strong>18%</strong></td>
</tr>
</tbody>
</table>
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
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