

AN EVALUATION OF THE CALIFORNIA PROBATION SUBSIDY PROGRAM

Volume III

AN EVALUATION OF THE EFFECTS
ON STATE AND LOCAL COSTS OF
THE CALIFORNIA PROBATION SUBSIDY PROGRAM

by

Janice Holve

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AN EVALUATION OF THE EFFECTS ON STATE AND LOCAL COSTS
OF THE CALIFORNIA PROBATION SUBSIDY PROGRAM

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AN EVALUATION OF THE CALIFORNIA PROBATION SUBSIDY PROGRAM

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An Evaluation of the California
Probation Subsidy Program
Summary and Conclusions

In 1965 the State of California adopted a program of state subsidies to local probation departments designed to reduce commitments to state correctional facilities. On July 1, 1966, this program went into effect with 31 of the state's 58 counties--representing 91 percent of the population--participating. By 1972-73, 47 counties, representing 98 percent of the population were participating. By the end of 1973-74 the program had been credited with reducing first admissions to state correctional agencies by nearly 30,000 cases, and participating counties had earned subsidies totaling more than 119 million dollars.

The basic idea of the subsidy program was to reduce prison and juvenile commitments by providing more effective correctional services in the community, primarily intensive probation supervision in small caseloads. The program was seen as accomplishing several important purposes: reducing state costs by halting the spiral of increased commitments and ever greater capital construction budgets, while at the same time providing a greater degree of rehabilitation and services for the offenders involved.

From the start, the program contained one highly unique, and ultimately very controversial, feature: payments to the counties were to be geared wholly to reducing commitments. Counties failing to reduce commitments would receive no subsidy. Counties which did reduce commitments, under a state formula for making such determinations, would receive a subsidy approximating \$4,000 for each reduction achieved. All subsidies received were

to be applied to the creation of intensive supervision programs. Participation in the program was essentially voluntary on the part of the counties, but the attraction, and sometimes the pressure, to participate was substantial.

It did not take long for the program to register its impact. Commitments to the California Youth Authority almost immediately began to drop and those to the Department of Corrections leveled off. Richard McGee, long-time head of corrections in California, spoke of the program "as having greater impact on California corrections than any program in the last 25 years." Interest began to be expressed by other states and jurisdictions, and the program rapidly achieved a reputation as a fresh and promising new approach to age-old problems. Other observers, however, particularly in law enforcement and including Los Angeles Police Chief Edward Davis, came to see the program and the commitment reduction principle in a very different way--viewing it as one of the central causes of increasing crime rates in the state. The program thus became something of a political football, with charges and countercharges ringing constantly in the press, the legislature, and in other places where criminal justice is discussed.

The Evaluation

This evaluation was undertaken to produce answers to five of the most important questions raised:

- The extent to which the program has actually achieved a reduction in local commitments to the state agencies.
- The economic impact of the program on both the counties and the state.

--The changes brought about by the program in county probation departments.

--The changes brought about in the state correctional agencies.

--The impact on recidivism in the state.

Each of these questions is addressed in a separate volume. This volume concerns the effects on state and local costs.

Volume III

THE CALIFORNIA PROBATION SUBSIDY PROGRAM:

THE EFFECTS ON STATE AND LOCAL COSTS

by Janice Holve

In California, as in many states, responsibility for correctional programs is shared by both state and local government. The prison system (Department of Corrections) is operated and financed by the state, as is the institutional and community treatment system that has been developed for caring for the more serious juvenile offenders (Department of the Youth Authority). Parole is a state responsibility, while probation, jails and other local correctional programs are county functions and are essentially financed and operated at that level. Most commitments to the state under 18 years of age go to the Youth Authority and those over 21 go to the Department of Corrections. The in-between group may go to either, in the discretion of the sentencing judge.

One of the central purposes of the probation subsidy program was to save the state money. Whether the program accomplished this goal and if so what the financial impact of the program on the counties was are among the most important questions about the program. This volume seeks to answer these questions.

Briefly its findings and conclusions are that:

- The only accurate basis for measuring costs is career cost including recidivism.
- Even after payment of the probation subsidy the state saved over \$60 million in the first six program years (over \$115 million at 1975 prices).
- The cost of operating the state correctional agencies has increased but not nearly as much as it would have in the absence of the subsidy program.
- The probation subsidy program has reduced the impact of inflation on the state budget.
- The saving to the state from each additional reduction in commitments is now over \$12,000.
- The counties have fared much more poorly than the state.
- The monies received have by law been spent for intensive probation supervision--a service not previously provided by the counties.
- Cases not committed to the state have generated other costs for which no compensation has been received. The counties are therefore out-of-pocket these additional amounts which may total more than \$3 million per year (nearly \$5 million at 1975 prices).
- The largest of these costs is due to increased jail incarceration of adult offenders.
- In addition, as the cases received have gotten harder, the monies received by the counties have not only not increased but have been shrunk by inflation.
- Overall the savings to the state government far exceed the

additional costs to county government.

--Not including capital savings, taxpayers were saved some \$35-45 million in the first six program years or about \$6 million per year (about \$10 million at 1975 prices).

Chapter One

THE IMPACT ON STATE COSTS

The 1964 estimates developed by the California Youth Authority and Department of Corrections indicated that at then-current rates at which offenders were being committed to the state, there would be a need for construction of one new correctional institution each year for the next ten years. Estimated total construction costs for these facilities exceeded \$90 million, not including allowances for inflation or other increased costs by the time of projected construction.¹

Faced with these enormous new expenses, state correctional and budgetary authorities began to search for less expensive, and hopefully more effective, alternatives. A study by the California Board of Corrections suggested that 25 percent of first admissions to the state could be treated safely within the community. This 25 percent estimate was made on the basis of studies conducted by the CDC and the CYA in 1963.

In extending the preliminary inquiry...an analysis was made of all 1963 male new admissions with a view to determining how many cases could have been considered good risks for probation. In using the demographic data available and analysing the 1963 intake by one of the critical base expectancy instruments, it was determined that 20 percent of all new admissions could be recommended for probation instead of imprisonment.²

This meant that 1000 of the new CDC admissions were considered good probation risks on the basis of their base expectancy scores. From these, officials could expect that not less than 75 percent of the group would be successful in community supervision situations. However, this group included a number of men sentenced for violent crimes and the researchers felt that these cases might not be accepted

in the community. Consequently, these cases were eliminated.

When all of the men with the more violent commitment offenses against persons were dropped as probation eligibles, this still left 500, or 10%, of the 1963 new admissions that were eligible for probation and were better-than-average risks for probation even under minimum supervision.

Depending on the standard applied, this data indicated between 10 and 20 percent of the 1963 first admissions were good probation risks and did not need state institutionalization.

The CYA study results as described in the 1964 study were similar.

Of 785 Youth Authority first admissions processed during April and May of 1964, 314 cases, or 40%, were judged to be cases that could have been safely handled in the community on probation, providing adequate community services had been available....

Clinical staff selected 471 wards, or 60% of the total, as not safe for retention in the community without institutional training. Of the wards selected as safe, 231 were male and 83 were female....

Foster home placement and psychiatric services were the main rehabilitative needs specified as associated with wards selected for retention in the community. Foster home placement was often prescribed for the girls, psychiatric care for the boys.

When clinical staff judged a ward as not safe for retention in the community, the seriousness of the commitment offense and the negative nature of family support were most often given as the reasons for the judgement....

Although somewhat different in its approach, the Youth Authority study supports the contention that a large number of wards now coming into the state correctional facilities could be retained in the community with good probation services if their prerequisite rehabilitative needs, particularly foster homes, psychiatric services, and specialized training facilities, were available in the community.⁴

Extrapolating the results of the two-month CYA study over the entire year of 1964 indicated that close to 2,000 of the slightly more than 5,500 new admissions could have been kept in the community if special supervision and adequate closed county facilities had

existed. Coupled with the estimated 10 to 20 percent of the 5,000 new CDC admissions that had been determined to be safely returnable to their counties, this made a total of 2,500 to 3,000 probation eligibles or from 25 to 30 percent of the approximately 10,500⁵ combined CYA-CDC first admissions.

The 1964 study then went on to say:

On the basis of these two studies and the information growing out of the earlier studies of diagnostic services, it may be reasonably inferred that at least 25% of the adult and juvenile first admissions to California state correctional facilities can be retained in the community with good probation supervision services.... As Mr. Davis so aptly put it in his article, "There is at present no statistical evidence to suggest that a reasonable increase in the rate of probation will produce a compensating increase in the rate of recidivism. There is probably an upper area where this phenomenon occurs, but it is problematical whether many counties are approaching this saturation point at this time."⁶

The 1964 study emphasized that improved probation services were a prerequisite for reducing the state correctional populations and that from a total cost perspective it was in the state's fiscal self interest to encourage better local supervision. In certain counties probation caseloads were too large for effective supervision and in others the level of expertize in dealing with cases was inadequate. If the state could find a means of encouraging local departments to improve local service and to keep more offenders in the community, then the state would save substantial amounts of money while maintaining a quality correctional system.

The probation subsidy concept addressed itself to most of these concerns. By giving the county part of the money saved by reducing commitments to improve probation services, the state could curb the expansionary trend in state corrections. Importantly, the state could also save significant sums even after providing the subsidy.

A reduction of commitments to state correctional facilities, if only the 25% identified in this study, enables the State of California to pay counties to provide greatly enriched and greatly improved probation services to the 25% new admissions currently coming into our state correctional system that need not come. Even with subvention to probation for supervision services, the savings to the State of California are sufficiently great to enable the state to provide subvention and still save up to \$23 million for the taxpayers during the next ten years.⁷

The \$23 million in savings was based on the concept of commitment reduction:

If commitments to the Youth Authority and Corrections can be reduced by 25 percent from those projected (and expected) through 1975, then 33,682 men, women, and children will not come into the state correctional system. These 33,682 people who do not need state correctional services, but who, at present, are coming into the system, will cost the taxpayers \$164,780,600 during the next decade if something is not done to change existing practices. If on the other hand, the state shares the cost of corrections for this highly selected 25 percent, up to a maximum of \$4,000 for each uncommitted case, then the state would have to spend only \$134,435,508. This means a savings to California taxpayers of \$23,532,542. Savings and sufficient money for greatly improved programs of probation supervision for many cases not now receiving it becomes possible under this plan.⁸

The cost of each individual case was worked out in Table 1 below.

[Insert Table 1]

The 1964 study explained:

The commitment to the state is a long-term cost; it accumulates over a period of years. If the Youth Authority ward is completely successful in his correctional experience he will spend a minimum of eight months in an institution and two years on parole. An adult committed to the Department of Corrections, on an average, will spend at least two years in custody and another two years on parole. The adult will cost the state \$5,700 if he succeeded on the first correctional experience and does not require further institutionalization. The Youth Authority commitment

Table 1

Cost to State for a First Admission "Good Risk" Who
Stays Slightly Less Than the Average Time
In an Institution and on Parole

<u>Operations Costs</u>	<u>C.Y.A.</u>	<u>C.D.C.</u>
Institutional cost per year	\$ 4,500	\$ 2,050
Time in institution	8 months	2 years
Institutional cost	\$ 3,000	\$ 4,100
Parole costs per year	\$ 300	\$ 300
Time on parole	2 years	2 years
Parole costs	\$ 600	\$ 600
Total operations cost	\$ 3,600	\$ 4,700
 <u>Capital Outlay Cost Per Admission</u>		
Cost per bed	\$18,000	\$15,000
"Life" of bed	30 years	30 years
Percent of bed life used by inmate	2.2%	6.7%
Pro-rated capital outlay cost/admission	\$ 400	\$ 1,000
<hr/>		
Total cost for each successful new admission	\$ 4,000	\$ 5,700
Minimum cost of any new admission to the State		\$4,000

Source: California Board of Corrections, Probation Study (1964), p. 181.

will cost not less than \$4,000 if he or she is completely successful in the training experience. If either the adult or the juvenile violates parole, then the cost to the state will increase by another 30 or 40 percent.⁹

A. Subsequent History

On the basis of these projections and the other aspects of the plan presented, the probation subsidy program was adopted by the California legislature in 1965.¹⁰ In 1966 the program went into effect and in the initial year some 31 of the state's 58 counties participated. This number has now grown to 47, including all of the state's major counties and over 95 percent of the total population.¹¹ Among other important results that the program has had is a substantial decline in both the rate and number of commitments to the state correctional institutions. The number of first commitments to the state institutions for 1960-72 are shown in Table 2.

[Insert Table 2]

The 25 percent reduction in commitments projected by the study was rapidly reached, and soon surpassed. Table 3 indicates the average and median decreases in rate of commitment of the participating counties.

[Insert Table 3]

Table 2

First Commitments to CYA and CDC

	<u>CYA</u>	<u>CDC</u>	<u>Total</u>
1960-1961	5,263	6,167	11,430
1961-1962	5,151	5,594	10,745
1962-1963	5,371	5,261	10,632
1963-1964	5,593	5,262	10,855
1964-1965	6,061	5,620	11,681
1965-1966	5,371	5,834	11,665
1966-1967	5,177	5,370	10,547
1967-1968	4,713	5,083	9,796
1968-1969	4,588	4,600	9,188
1969-1970	4,201	4,907	9,108
1970-1971	3,441	4,678	8,119
1971-1972	2,925	4,667	7,592

Source: California Department of Finance, Youth Authority and County Representatives, State Aid for Probation Services (1970), Appendix J-4; California Youth Authority, Office of Research, unpublished data.

Table 3

Decrease in Rate of Commitment
Counties Participating in Probation Subsidy Program

	<u>Average</u> (percent)	<u>Median</u> (percent)
1966-67	16.1	36.7
1967-68	25.4	49.0
1968-69	29.3	41.5
1969-70	29.7	35.8
1970-71	38.6	40.9
1971-72	43.4	49.4

Source: Governor of California, Budget Supplement for Health and Welfare, Education 1973-74, p. 447.

B. Cost Evaluation to Date

There have continued to be questions, however, about the economics of the program as well as other features. Several estimates of savings to the state have consequently been developed on the basis of program experience. These methods are summarized in a 1972 report by the California Department of Finance entitled "A Management Review of the State's Probation Subsidy Program."

The first estimate presented is based on estimates of savings on construction and operating cost of facilities that had been planned or projected in the pre-subsidy years but which were never constructed or put into operation. The estimate of savings based on this method is over \$124 million, as shown in Table 4.

[Insert Table 4]

According to the report:

Construction savings are the estimated construction costs projected, but not necessarily appropriated, in the capital outlay section of the Governor's Budgets during this period. Support savings identified as cancelled construction and institutions completed but not opened are approximations of the cost of operating similar institutions.

The support savings for closed institutions can be better estimated since they are based upon actual costs at time of closure. No information is readily available to determine the increase in costs at other institutions that resulted from the transfer of inmates from the closed institutions.¹²

The report indicated some questions concerning the figures:

The validity of these figures depends upon the accuracy of the projected prison populations, construction requirements, and construction and support costs.

Many of the assumptions embodied in these estimates are unproven.

Table 4

Estimated State Savings
(From June 1, 1966 to June 30, 1972)

	<u>Annual Cost</u>	<u>Accumulative Cost to June 30, 1972</u>
<u>Support Savings Due to:</u>		
Cancelled construction	\$22,090,000	\$ 67,590,000
Closed institutions	5,302,820	9,012,820
New institutions not opened	4,700,000	13,800,000
Construction savings	-	<u>93,576,000</u>
Total	\$32,092,820	\$183,978,820
Total subsidy payments		<u>59,925,705</u>
Total savings		\$124,053,115

Source: California Department of Finance, A Management Review of the State's Probation Subsidy Program (1972), p. 35.

In view of the substantial cutback in construction funds during this period, it is quite possible that the funds would not have been appropriated for this purpose.¹³

The second method of estimating savings is based on essentially the same career cost concept as that upon which the original savings to the state were estimated. Based upon the state estimates of commitment reductions the savings under this method are estimated as \$111 million for the six-year period. These are shown in detail in Table 5.

[Insert Table 5]

Neither of these methods, however, takes into account an additional problem raised by the Department of Finance Report:

The estimate attributes the entire reduction in projected institutional commitments to the Subsidy Program. However, analysis of trends in the early 1960's indicates that commitment rates and institutional populations would have at least leveled off even without the Subsidy Program.¹⁴

A third method of estimating was consequently developed based on a comparison of the commitment rates of participating and non-participating counties. The consultants estimated that a minimum of 46 percent of the reduction could be attributed to the Subsidy Program. The consultants, however, were unable to identify what the maximum reduction might have been.¹⁵ The task force then estimated the range of savings resulting from the Subsidy Program by taking 46 and 100 percent of the maximum savings estimate. The estimated total was \$18 million as shown in Table 6.

[Insert Table 6]

Table

Probation Subsidy Review Computation of
Estimated Savings by use of Career Costs

CYA	Reduction in Number of Commitments	Career Costs ^{1/}	Extension	Computation of Savings (Based upon allowing credit to Probation Subsidy in the amount of)	
				46% ^{2/}	100%
1966/67 F.Y.	460	\$ 4,541	\$ 2,088,860		
1967/68 F.Y.	1,194	5,123	6,116,862		
1968/69 F.Y.	1,432	5,727	8,201,064		
1969/70 F.Y.	1,793	6,362	11,407,066		
1970/71 F.Y.	2,542	7,594	19,303,948		
1971/72 F.Y. ^{3/}	3,107	7,594	23,594,558		
Totals	10,528		\$ 70,712,358		
<u>CDC (Department of Corrections)</u>					
1966/67 F.Y.	938	\$ 8,000	\$ 7,504,000		
1967/68 F.Y.	1,222	8,777	10,725,494		
1968/69 F.Y.	1,887	9,500	17,926,500		
1969/70 F.Y.	1,764	10,275	18,125,100		
1970/71 F.Y.	1,953	11,485	22,430,205		
1971/72 F.Y. ^{3/}	2,070	11,485	23,773,950		
Totals	9,834		\$100,485,249		
Grand Totals	20,362		\$171,197,607	\$78,750,899	\$171,197,607
Deduct Costs - State Reimbursement ^{4/}				59,925,705	59,925,705
Estimated net savings--six-year period				\$18,825,194	\$111,271,902

^{1/}Career costs computed by CYA for juveniles and by Department of Finance for adults.

^{2/}Source, Probation Subsidy Report (1970 Joint Study, Department of Finance & CYA) pg. 20 and Appendix G.

^{3/}Estimated--current information not available.

^{4/}Actual costs for first five years plus estimated for 1971-72 F.Y. (same as used by CYA).

Source: California Department of Finance, A Management Review of the State's Probation Subsidy Program (1972), p. 41.

Table 6

Probation Subsidy Review Computation of
Estimated Annual Savings by use of Career Costs
 July 1, 1966 to June 30, 1972

<u>Fiscal Year</u>	(1) <u>Max. Gross Savings (100%)</u>	(2) <u>Min. Gross Savings (46%)</u>	(3) <u>Cost (Subsidy Reimbursement)</u>	(4) <u>Max. Net Savings (Col. 1-3)</u>	(5) <u>Min. Net Savings (Col. 2-3)</u>
1966-67	\$ 9,592,860	\$ 4,412,718	\$ 1,632,064	\$ 7,960,796	\$ 2,780,654
1967-68	16,842,356	7,747,483	4,072,208	12,770,148	3,675,275
1968-69	26,127,564	12,018,679	8,766,667	17,360,897	3,252,012
1969-70	29,532,166	13,584,796	13,292,266	16,239,900	292,530
1970-71	41,734,153	19,197,710	15,624,005	26,110,148	3,573,705
1971-72 (Estimated)	<u>47,368,508</u>	<u>21,789,513</u>	<u>16,538,495</u>	<u>30,830,013</u>	<u>5,251,018</u>
Grand Totals	\$171,197,607	\$78,750,899	\$59,925,705	\$111,271,902	\$18,825,194

Source: California Department of Finance, A Management Review of the State's Probation Subsidy Program (1972), p. 38. See note 16.

C. The Career Cost Concept

The career cost concept used in the 1964 study and in several of the subsequent estimates was an attempt to define the cost to the state government of caring for a commitment to the state. This cost was seen as including the cost of (1) any institutionalization and (2) any parole involved. This was worked out in terms of the annual cost of caring for one person for the particular service multiplied by the average lengths of time served by offenders in the two different kinds of care. An additional amount was added to the total based on the capital costs of the institutional facilities amortized over an estimated lifespan (in this case 30 years).

All of the figures used are subject to further examination. This can be seen most easily in the case of the capital costs. Arguably, lifespan should be calculated at 20 or 40 years instead of 30: 20 because the times are changing rapidly and facilities become outmoded; 40 because that more closely approximates the time that many facilities have remained in use. Similarly, one can argue whether the capital component of cost should be based on original construction cost, present value, or replacement cost either at the present or at some future contemplated replacement time. Each of these figures will be different, and the highest will be quite different from the lowest. Even current construction costs differ greatly by the type of facility. For example, CYA facilities in the planning stage at the time of the 1964 study ranged from \$12,350 per bed for a projected boys camp to \$37,500 per bed for a girls training.

school. And compared with the \$18,000 cost per bed used in the 1964 study, the average projected cost at 1964 prices for the more than 2,000 beds in the then-projected building program was \$23,600¹⁷ per bed.

There are also some questions concerning the operating cost components of the career cost computation. The 1964 career cost estimates were based on the cost of the units responsible for institutions and the units responsible for parole divided by the number of offenders under the jurisdiction of the particular units¹⁸ involved. The estimates as computed, however, did not include any cost allocations for the higher level administrative parts of the agencies. If these had been included, the average cost would¹⁹ have increased about five percent.

An even more important complication in analyzing the 1964 cost questions involved in the probation subsidy program is the fact that the cost of each case is different. Approximately 16 percent of the CYA cases in 1964, for example, were paroled to the street almost immediately.²⁰ Others stayed many months or years longer than the eight months institutional stay upon which the study estimates were based. A commitment reduction from the direct parole cases might save only a few hundred dollars. A reduction of the cases involving extended institutional care on the other hand might save many thousands.

The key question in terms of state costs is how the cost of the commitment reduction cases compares with the \$4,000 which the state pays the counties for making commitment reductions.

Unfortunately it is not possible to answer this question

directly. Once the subsidy program is underway there is no way of identifying the specific cases which become commitment reductions and even if there were there is no way of knowing what the cost of handling these cases by the state would be.

The best available method for comparing the cost of handling the commitment reductions cases at the state level with the \$4,000 figure is therefore necessarily based on an analysis of the cost of handling the state correctional population prior to subsidy.²¹

This method is quite different from that used in the Department of Finance study shown in Table 5. That study estimates career costs by multiplying the number of commitment reductions for each year by the estimate for career costs for the same year. Thus, in 1969-70 there were an estimated 1764 commitment reductions for CDC while the estimated career cost for a CDC case committed in 1969-70 was \$10,275. Based on these figures the gross savings is estimated as over \$18 million.²² Since the CDC career costs increase dramatically over the period under study--from \$5,700 in 1964 to \$11,485 in 1970-71--this method has the apparent virtue of taking into account the increasing state cost of handling commitments.

It ignores the fact, however, that the commitment reductions which are being valued are reductions from the commitment level which existed in the pre-subsidy period.

If the kind of case going into the state correctional system now is considerably more difficult than that going in in 1964, as many observers believe, then the Department of Finance method of estimate increasingly overvalues the savings to the state of

commitment reductions. The current career cost may be appropriate as a measure of the increasing cost of cases handled by the state, and therefore the savings represented by one additional commitment reduction, but is not appropriate as a basis for measuring the total number of reductions. (The issue here is the kind of case involved not whether its cost should be valued in 1964 or 1972 dollars.)

Even from the perspective of 1964, however, there are a number of problems in estimating the impact of the subsidy program. The 1964 Board of Corrections study projected commitment reductions equal to 25 percent of the new admissions to the state system. Its cost projections, however, appear to have been based on lengths of stay calculated from the total correctional populations rather than from data specific to the populations which it expected to become commitment reductions.

Because of this and other limitations on available data, it is not possible to describe accurately the proportion of low cost to high cost cases in the earlier state correctional population (the marginal cost curve for the state). It is conceivable that the population consisted of a large portion of cases with handling costs less than \$4,000. In such an event the state could be paying out more in subsidy payments than it is avoiding in state costs. One theoretical possibility along these lines is set forth in Table 7.

[Insert Table 7]

On the other hand it is also possible, as illustrated in Figure 1, that the great majority of the cases cost about the same

Table 7

One Theoretical Distribution of State Costs

<u>Cost per case</u>	<u>Number of Cases</u>	<u>Total Cost</u>
\$ 2,500	100	\$ 250,000
3,000	500	1,500,000
6,000	60	360,000
9,000	50	450,000
11,000	<u>40</u>	<u>440,000</u>
Total	750	\$3,000,000

Average cost \$4,000

Average cost first 80 percent of cases--\$2,900

to handle and that the state therefore reaches the point at which it saves as much as pays out very quickly. Still a third possibility is that costs start low and progress gradually but steadily upward.

[Insert Figure 1]

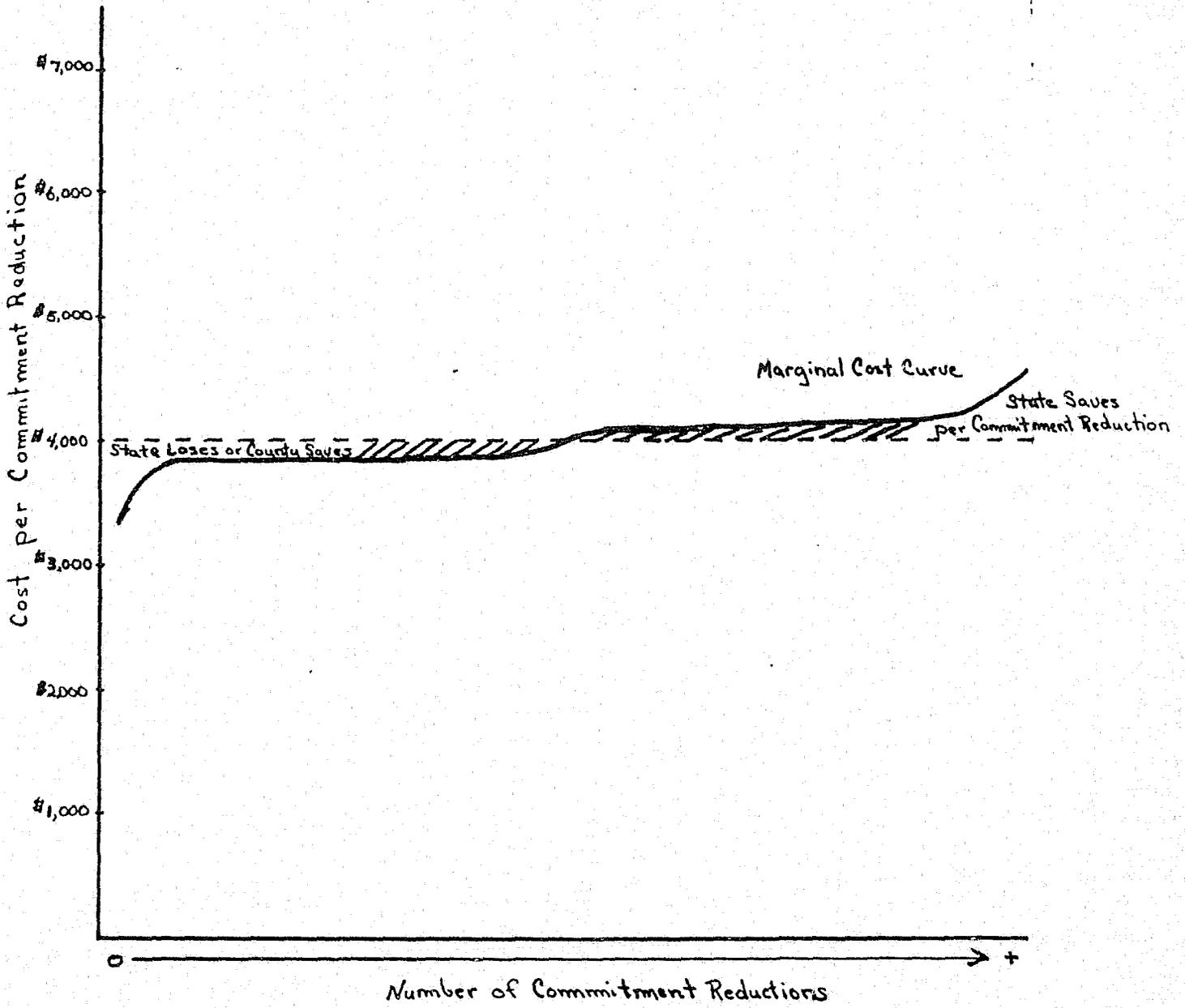
It is not really possible to determine which of these possibilities is the case. What information there is, however, suggests that there is considerable variability in the lengths of stay involved and, since that is one of the prime determinants of cost, this in turn suggests considerable variability in the cost of individual cases. In 1963, for example, one CYA institution had a mean length of stay of 6.7 months while another averaged 12.4 months.²³

This may not be too important, however. As the number of commitment reductions increases, the length of stay that these cases would have required if they had been committed to the state presumably increases also. The average length of stay attributable to these cases thus becomes closer to the overall average (and the base from which the \$4,000 figure was calculated). Since the rate of commitment reduction is now estimated at more than 40 percent of the number of commitments that might have been expected in the absence of the subsidy program, it seems safe to say that the average length of stay for the commitment reduction kind of case²⁴ is close to that upon which the original calculations were based.

Indeed it seems possible, given the proportion of commitment reductions, that the average length of stay in 1964 for the kind

Figure 1

Another Theoretical Distribution of State Costs



of case now being treated locally would exceed the averages used in the original computations. This is particularly true in that the lengths of stay used in calculating the original \$4,000 figure were not the average figures for the CYA and CDC, but were in fact less than the average for first commitments. Thus, the table which set forth these costs was titled, "cost to state for a first admission 'good risk' who stays slightly less than the average time in an institution and on parole." The figures used in the computation are compared in Table 8 with the averages given in the departmental reports for the year.

[Insert Table 8]

Thus far in this paper it has been more or less assumed that the cases which are the safest to handle in the community are also the ones which would be the cheapest for the state to handle as commitments. This is not necessarily true, however. The CYA institution, for example, with the longest average length of stay in 1963 was not the one with the most dangerous cases but rather the one with the youngest.²⁵ As a group, however, it is probably true that the safest cases are also the cheapest. It will be assumed consequently for the purposes of this study that the cheapest cases are the first to become commitment reductions.

The question of recidivism costs is even more complicated. It seems clear that in any true cost sense that the cost of behavior resulting in additional institutionalization, additional parole or both is a cost to the state.

The study authors recognized the fact that recidivism was a

Table 8

Comparison of Average Lengths of Stay

		<u>Board of Corrections Computation</u>	<u>Annual Reports 1963</u>
Time in institution--CYA		8 months	8.7 months
	--CDC	2 years	29.4 months*
Time on parole	--CYA	2 years	24.9 months**
	--CDC	2 years	24 months**

*Including discharge cases.

**Median rather than average.

Source: CYA, Annual Statistical Report--1967, p. 25; CDC, California Prisoners, 1961, 1962, and 1963, pp. 100, 110, 132.

factor in the state cost but did not include such a cost in the \$4,000 estimate. The authors did, however, indicate that if such costs were included that the total might be increased by as much as 30 to 40 percent.²⁶ No calculations to this effect were included in the study.

The question is an important one because half or more of the 1963-1964 cases involved some costs beyond those of initial institutionalization and initial parole.²⁷ These cases include among others both those cases with new offenses and new commitments to the state and those returned to institutions on the basis of a parole violation not involving a new offense.

One way to view the relationship between these cases and the probation subsidy program is to consider that no case involving any additional costs is a commitment reduction until all cases which do not involve such costs have become commitment reductions. That is, to assume that commitment reductions occur in some ordered sequence, starting with the least recidivist cases and proceeding to the more recidivist cases. Under this assumption the kind of case that was discharged in 1964 without violation would be assumed to be the first group that would not be sent to the state under the subsidy program. Such an assumption might be justified on the ground that this is the way in which the program is intended to work.

This assumption was not the assumption made by the authors of the 1964 study, however. Their calculations indicated that the group thought to be safely releasable to the community had about a 65 percent chance of finishing parole successfully.²⁸ In effect, they recognized that while it is possible after the fact to identify those individuals with a successful probation or parole record that

the task of identifying them in advance is much harder. Since the commitment reduction determination is in effect made at the time of sentencing, the advance perspective seems the more appropriate for analyzing the cost effects of commitment reductions.

The cost of cases in which there is some return to institutionalization is obviously the cost of the first stay plus the time on parole plus the cost of the second stay plus the second time on parole and so forth as below:

Time in institution + time on parole + time in institution + time on parole, etc. to discharge.

If the cases not committed to CYA are as successful as the 1964 study projected, they could be expected to have a failure rate of about 35 percent. Considering the fact that over 60 percent of all CYA cases in 1964 and 1965 had violations of some kind, a failure rate of 35 percent for the commitment reductions does not seem unduly pessimistic or unrealistic. ²⁹ Based on CYA figures over two-thirds of the violators would likely be returned to CYA institutions. ³⁰ The remaining one-third could be expected to be discharged--often, however, because in CDC or some other custody. No specific data is available concerning the length of time served by violators upon return. The average length of stay computations, however, include returns. If the same eight month length of stay as that used in the 1964 study to calculate time to first release is assumed, the average cost of a case returned to the institution in terms of the 1964 study figure is \$7,850. If the one-third of the violation cases which are discharged rather than returned to an institution are taken into account as costing no more than a successful case, the average cost for a repeat case would be \$5,677. This

is clearly a conservative figure, as some, perhaps many of the discharge cases are subject to CDC commitment at state cost. Some cases, in addition, will repeat more than once. Since only 35 percent of the commitment reductions are estimated to repeat, the average additional cost due to recidivism for each commitment reduction case is at least \$903. This is close to the 30 to 40 percent projected by the 1964 study.

Another problem in calculating the costs saved by virtue of the reductions in commitments to the CYA is created by the large number of CYA cases handled in 1964 in CDC institutions. Generally these were older youths and many were criminal court commitments to the Youth Authority. What data there is available suggests that costs in the CDC institutions to which these youths were handled were generally lower than those in the CYA institutions, but that the average length of stay was greater, as shown in Table 9.

[Insert Table 9]

Overall it seems likely that the cost of these cases was in line with the cost figures developed for the younger cases handled in CYA institutions. The category is a particularly important one, however, as it now represents a high proportion of the total CYA commitments.

From the beginning, the CDC cases were projected to produce greater savings than the CYA cases. The original 1964 computation indicated savings of \$5,700 on CDC cases--even while proposing that they be compensated at the \$4,000 rate. Like the CYA figures the

Table 9

Comparison of Wards Handled in CYA Institutions
With Wards Handled in CDC Institutions

	<u>CYA</u>	<u>CDC</u>
Cost per year	\$3,060	\$2,417
Average length of stay	9.0 months	13.4 months

Source: CYA, Annual Statistical Report, 1967, p. 25; California Budget, FY 1964-65, p. 121 (Deuel Vocational Institution, 1963-64).

CDC length of stay figures used in these computations were shorter than those for the department as a whole (24 months of institutional stay as opposed to 30), thus making it likely that the state break-even point would be reached very early in the commitment reduction process.³² Although no specific figures are available, it seems likely that for CDC cases the \$4,000 figure is reached almost immediately, and that the \$5,700 figure used in the 1964 study is safely, or more than safely, reached as an average figure exclusive of recidivism costs.

The recidivism cost for CDC cases based on data and assumptions similar to those used in the CYA calculations is \$1,817. The recidivism estimate for CDC cases is based on an assumed return rate of 30 percent. (The overall rate for 1963 was 49.9 percent.)³³ The median institution time served on return was 25.7 months and the median parole time was 24 months.³⁴

The conclusion from the analysis in this section is that the cost in 1964 of handling the kinds of cases that have now become commitment reductions was at least the amounts indicated in the 1964 Board of Corrections study. While the marginal costs of individual cases cannot be determined from available data, the number of cases has become sufficiently great that the lengths of stay used can be safely taken as minimum averages for the commitment reductions as a group. In addition in order to reflect accurately the true cost of handling these cases at the state level, the cost of recidivism and repeat behavior must be included as a part of the total cost.

Based on these concepts a revised estimate for probation subsidy savings to the state is shown in Table 10.

Since counties are required to reimburse the state at the rate of \$25 per month for institutionalized juvenile commitments, the effect cost to the state is reduced by the total amount of these payments.³⁵ As the \$4,000 estimated cost that was computed for the 1964 study was based on an average length of stay of eight months, the repayment would amount to \$200.

[Insert Table 10]

These savings are calculated in terms of 1964 dollars. If adjusted for the amount of inflation to the year in which they accrue, the total value of the savings would be about \$77 million.

This estimate of savings is based on the costs avoided by the state because of cases not committed minus the payments made by the state to the counties under the probation subsidy program. Counties are paid under the probation subsidy program, however, only for monies expended under an approved plan. Because of this and some lag time involved in getting county programs under way, counties actually earned about \$24 million more than the \$59 million which the state paid out.³⁶ If the estimate of state savings is based on county earnings rather than payments, the total savings are \$40,296,630, or about \$49 million if adjusted for inflation.

D. Estimating Commitment Reductions

Obviously this estimate, as those made by the state, depends almost wholly upon an accurate determination of the number of commitment reductions. The principal method used thus far for making these determinations has been that which was developed in the subsidy

Table 10

Estimated Savings By Use of Career Costs

July 1, 1966 to June 30, 1972

	<u>Reduction In Number of Commitments</u>	<u>Career Costs</u>	<u>Extension</u>
CYA	10,528	\$3,800	\$ 40,006,400
CYA Recidivism	10,528	<u>903</u>	<u>9,506,784</u>
CYA Total	10,528	\$4,703	\$ 49,513,184
CDC	9,834	\$5,700	\$ 56,053,800
CDC Recidivism	9,834	<u>1,817</u>	<u>17,868,378</u>
CDC Total	9,834	\$7,517	\$ 73,922,178
Grand Total	20,362		\$123,435,362
Deduct costs--State reimbursement payments			<u>59,925,705</u>
Estimated net savings--six-year period			\$ 63,509,657

formula itself. This method is in essence based on comparing current commitments with the number that might be expected from the average during certain pre-subsidy years. This method, as any method for making the determinations, presents a number of complicated statistical issues. These are the subject of another study in this evaluation which has not yet been completed. This paper will consequently use the state estimates of commitment reductions.

There is a further point about the number of commitment reductions which was made by the Department of Finance in its cost evaluations of the program. This has to do with the question of whether the subsidy program is the cause of whatever commitment reductions there have been or whether those reductions are attributable to some other cause, such as an increasing tendency on the part of judges to grant probation or to be unfavorable to prison commitments.

This subject is also being looked into in greater detail in another portion of this evaluation, and no results of that study are yet available. Some examination should be given, however, to the implied assumptions of the question posed. That assumption would seem to be that to the extent that there are commitment reductions but that these reductions are due to factors not brought about by the probation subsidy program that the state should bear no responsibility for the cost shift involved in the change. This obviously is a possible, and perhaps a correct, conclusion. In states which have traditional state-county splits for correctional costs, however, it would seem likely that major changes in the pattern of these traditional splits are likely to be issues whether

tied to a specific program change or not.

E. Actual State Costs

Thus to the three estimates of savings developed in the state reports a fourth has been added.

[Insert Table 11]

Each of these estimates is in excess of the original projection of \$23 million savings by 1975.

Given these more or less universal estimates of cost savings, one logical question is what happened to the state correctional costs during this period. This is indicated in Table 12.

[Insert Table 12]

The state correctional budget, including the amounts spent for subsidy, for this period increased about 70 percent. This increase was only 33 percent, however, if controlled for inflation, and only 20 percent if controlled for both population and inflation. In a time of rising crime, increasing concern about prisons and intense cost pressure on services, and particularly public services, the fact that the increases have been held to this amount is a solid indication of the favorable cost impact of the probation subsidy program on the state correctional budget.

It does not necessarily follow from this, however, that the state has been able to realize fully the total amount of the savings. How and when potential savings are actually realized depends a great

Table 11

Estimates of Savings

July 1, 1966 to June 30, 1972

Operating and construction savings estimate	\$122 million
Career cost estimate	111 million
Proportional career cost estimate	18 million
Career cost estimate with recidivism (payments)	63 million
Career cost estimate with recidivism (earnings)	40 million

Source: Tables 4, 5, 6, and 10.

and the organizations involved become better able to plan for these changes in a rational way.

Given these more or less universal estimates of cost savings, one logical question is what happened to the state correctional costs during this period. This is indicated in Table 12.

[Insert Table 12]

The state correctional budget, including the amounts spent for subsidy, increased about 70 percent between 1965 and 1970-71. This increase was only 33 percent, however, if controlled for inflation, and only 20 percent if controlled for both population and inflation. In a time of rising crime, increasing concern about prisons and intense cost pressure on services, and particularly public services, the fact that the increases have been held to this amount is a solid indication of the favorable cost impact of the probation subsidy program on the state correctional budget.

F. The Increasing Cost of State Care

As the counties retain the more readily treatable cases, the low cost units from the state's perspective are removed. It would be expected consequently that the cost of the remaining cases would be higher--thus pushing the average cost upward. This effect can be seen in the increasing value of the career cost estimates for CYA and CDC cases, as shown in Table 13.

[Insert Table 13 here]

A substantial part of this increase is due to inflation. Part is also due to the method of calculating the increasing career cost. Part is also due no doubt to the inevitable time lag involved in

Table 12

State Correctional Agencies Non-Capital Expenditures
(In millions of dollars)

	<u>CYA</u>	<u>CDC</u>	<u>Total*</u>	<u>Total* in 1967 Dollars</u>
1963-64	\$25.8	\$61.1	\$86.9	\$94.6
1964-65	28.3	67.3	95.6	102.2
1965-66	32.4	74.5	106.9	112.0
1966-67	39.6	79.6	119.2	122.5
1967-68	46.7	82.4	129.1	129.1
1968-69	53.2	89.2	142.4	136.8
1969-70	61.1	98.5	159.6	146.0
1970-71	67.8	103.5	171.3	149.1

*Includes probation subsidy payments to counties.

Source: Governor of California, Annual Budgets.

Table 13
Career Costs

<u>Fiscal Year</u>	<u>CYA</u>	<u>CDC</u>
1963-64	\$4,000	\$ 5,600
1966-67	4,541	8,000
1967-68	5,123	8,777
1968-69	5,727	9,500
1969-70	6,362	10,275
1970-71	7,594	11,485
1971-72 (estimated)	7,594	11,485

Source: See Table 5.

bringing institutional costs into line with reduced populations (the state cost function discussed in the last section). Part, however, is due to increasing average lengths of stay, as shown in Table 14.

[Insert Table 14 here]

These have been attributed by state officials to a tougher, more violent population. Thus the 1973-74 budget statement for the Department of Corrections indicated:

The profile of the inmate population has changed significantly in recent years. The drop in population from 28,600 in 1969 to today's 19,200 leaves a tougher, more volatile individual in prison....³⁸

While these figures are based on the average cost throughout the whole system, they nevertheless suggest that the present marginal saving for an additional commitment reduction is considerably above that of the original \$4,000.

G. Conclusion

The principal conclusion of this chapter is that the probation subsidy program has resulted in substantial cost savings to the State of California and that the amount of this saving is still increasing. The effect of inflation is to increase the state's savings even more.

Table 14

Average Lengths of Stay--
CYA and CDC Institutions and Parole

	<u>CYA Institutions (months)</u>	<u>CYA Wards in CDC Institutions (months)</u>	<u>CDC Institutions (months)</u>	<u>CYA Parole (months)</u>	<u>CDC Parole (months)</u>
1962	8.9	12.5	27	26.4	25
1963	8.7	13.3	30	25.6	24
1964	9.0	13.4	30	25.5	27
1965	8.8	13.7	30	24.9	29
1966	8.6	14.2	30	25.4	25
1967	9.4	12.1	30	25.0	25
1968	10.0	12.6	36	25.9	25
1969	9.9	15.1	36	26.5	25
1970	10.5	15.5	-	27.9	-
1971	11.2	16.1	-	28.4	-

Source: CYA, Annual Statistical Reports; CDC, California Prisoners.

Chapter Two

INDIRECT EFFECTS ON STATE COSTS

Not all effects of the probation subsidy program are of the direct kind discussed in Chapter One. Rather some effects result from increased usage of facilities or services which are not formally tied to the subsidy program. At the state level the principal programs involved are the California Rehabilitation Center and the state diagnostic facilities in both the Youth Authority and the Department of Corrections.

A. California Rehabilitation Center

The California Rehabilitation Center (CRC) is a compulsory treatment program for persons addicted to narcotics or in danger of becoming so. Commitments to CRC are considered civil in nature and may come from a number of sources. If a criminal defendant's prior record does not indicate a pattern of criminality that would make him an unfit subject, the judge may after conviction suspend the proceedings and commit him to CRC. Addicts may also be committed to CRC without criminal involvement, either at their own initiative or that of another.

Since the CRC program began full operation in 1962, the number of felony defendants committed to CRC has more than tripled, as shown in Table 1. The admission rate per 100,000 population in the state has also increased at a very rapid rate.

[Insert Table 1 here]

The total number of admissions from all categories has also increased substantially, as shown in Table 2.

[Insert Table 2 here]

Table 1

C.R.C. Commitments of Felony Defendants

	<u>Number</u>	<u>Number per 100,000 population</u>
1962	597	3.5
1963	772	3.8
1964	896	4.2
1965	869	4.7
1966	961	5.1
1967	1,195	6.2
1968	1,389	7.1
1969	1,855	9.4
1970	1,903	9.5
1971	2,350	11.5
1972	2,084	10.6

Source: California Bureau of Criminal Statistics, Delinquency and Probation in California, 1963, 1964; Crime and Delinquency in California, other year.

It should be noted that not all defendants committed by the courts are admitted to CRC. Some are returned as inappropriate for admission. The trend of admissions is essentially the same as the trend of commitments, however.

Table 2

Civil Narcotic Addicts Admitted to CRC

	<u>Admitted with Felony Charge</u>	<u>Admitted with Misdemeanor Charge</u>	<u>Admitted without Criminal Charge</u>	<u>Total</u>
1962	661	280	238	1179
1963	796	289	159	1244
1964	903	320	80	1303
1965	816	177	63	1056
1966	854	192	185	1231
1967	1122	208	315	1645
1968	1266	241	276	1783
1969	1801	200	244	2245

Source: Summary Statistics: Civil Commitment Program for Narcotic Addicts; Department of Corrections, Research Division.

The CRC figures pose a special problem in connection with the probation subsidy program. Although operated by the Department of Corrections and financed by the state, CRC cases do not count as county corrections commitments for purposes of the subsidy program. The overall number of CRC cases occurring in the base rate years, however, were included as county commitments in the development of the base rate tables upon which the subsidy payment is based.

These facts plus the fact that there are state costs involved have led some observers, including the State Legislative Analyst and the Department of Finance, at various times to conclude that CRC commitments should be counted as part of the county total for subsidy purposes.¹

Several issues seem involved in this question. The most basic of these undoubtedly is whether the subsidy has been the cause of the increase in CRC admissions. A second question is the extent to which the reasons for encouraging local handling of criminal defendants through the subsidy program apply to the kind of drug problems handled by CRC. Third, assuming that these reasons do not apply, there is an economic issue as to where the financial burden for CRC cases should be placed. Finally, there is the question as to whether any CRC commitments counted against the counties should be limited solely to felony defendants--the only CRC category from which prison commitments might come--or whether other kinds of commitments should also be counted against the counties as well.

The first question is perhaps the easiest to answer. It seems quite clear that probation subsidy is not the principal

cause of the increase in the CRC program. CRC did not open its doors until September 1961 and during the early subsidy years was still in its build-up stage.² The CRC population would have increased whether there had been a subsidy program or not.

In addition to the process of expanding to its planned size, the CRC program increased because the drug problem itself increased. Adult felony drug arrests increased by more than 500 percent between 1960 and 1972, as shown in Table 3, and the rate per 100,000 population by over 400 percent (from 89 to 416).³

[Insert Table 3 here]

That the build-up in the CRC program was caused by factors other than simply committing the drug cases to CRC that had previously been committed to state prison can be seen even more clearly in the CDC commitment figures. These show, in Table 4, an increase in CDC drug commitments during the subsidy years.

[Insert Table 4 here]

It is no doubt true that in the absence of the CRC program, counties would probably have made more commitments to CDC or CYA. Given the incentive of the subsidy program, however, it seems likely that the rate of commitment would have been substantially less than the previous rate. The consequences of the additional cases the counties would have had to have handled, however, clearly would have been substantial increased economic pressure on the correctional resources available to the local communities.

Should the counties have been discouraged from making this kind of commitment to CYA and CDC in the same way they were discouraged from making other commitments to the CYA and CDC? One of the major premises of the subsidy program was that some per-

Table 3

Adult Drug Arrests Reported
By California Law Enforcement Agencies

	<u>Marijuana</u>	<u>Opiates</u>	<u>Dangerous Drugs</u>	<u>Others</u>	<u>Total</u>
1960	4245	9135	3533	736	17,649
1961	3386	8171	4530	830	16,917
1962	3433	5939	5865	1040	16,277
1963	4883	5939	5865	1164	16,787
1964	6323	7597	4577	1210	19,707
1965	8383	6104	5930	1268	21,685
1966	14,209	6364	6064	1630	28,267
1967	26,527	8197	9558	2750	47,032
1968	31,185	9402	6577	2110	49,274
1969	24,408	9707	22,246	3028	69,389
1970	44,718	10,876	23,044	3279	81,655
1971	42,745	12,293	26,067	3279	84,384
1972	52,027	15,637	23,652	3935	95,251

NOTE: Data for years 1960 through 1967 are based on an individual reporting project; for years 1968 through 1972, the basis is on statewide summary reporting. Data for years 1968 through 1972 are based only on felony arrests.

Source: Crime and Delinquency in California, 1972 - Drug Arrests Dispositions; Bureau of Criminal Statistics, Division of Criminal Investigation and Information.

Table 4

New Drug Commitments to CDC

1960	941	1967	911
1961	888	1968	631
1962	576	1969	737
1963	532	1970	834
1964	628	1971	921
1965	664	1972	818
1966	698	1973	905

Source: CDC Research Division, California Prisoners.

centage of the state committed cases could be handled better or at least as well at the local level. The major reason for starting the CRC program, however, was that a problem existed which was not being handled well by either the state agencies or the local communities. It seems clear, therefore, that the policy basis for the CRC program was exactly the opposite of that of the subsidy program, that is, that in the case of CRC, state handling for appropriate cases were to be encouraged rather than discouraged.

The subsidy base rate formula makes no allowance for increases in the number of crimes. It is based solely on the historic number of commitments and the amount of population increases in the county. This means that according to the subsidy formula the whole burden of the increase in the drug problem would have been borne by the counties.⁴

The effect of the decision not to count CRC cases against the counties was that the state absorbed the cost of some of the increase in drug cases, particularly the more serious cases. The state clearly did not assume anything like the overall burden, however, and the state share even for the more serious cases clearly declined. Had judges continued to commit the same proportion of felony drug defendants to CRC in the 1966-71 period as they did in 1962-65, there would have been 311 more CRC commitments in 1966, 2,715 more in 1969 and 3,202 in 1971. In light of the policy objective to be obtained and the fact that neither the state nor the localities anticipated the increases which came, the split in costs which evolved does not seem unreasonable and certainly was not unfair to the state.

There is something to be said for the argument that if CRC

cases are not to be counted as commitments for subsidy during the subsidy years they should not be included in the base rate tables from which reduction in commitments are computed. For most counties this is not really an issue. For these counties, commitment reductions are computed projections based on 1959-61--years prior to the beginning of CRC and in which there are no CRC admissions. Some few counties, however, compute commitment reductions on the basis of an alternate method which uses 1962 and 1963 as the base years. In these years there were CRC admissions, and these were included in the base rates. Statewide in 1962 the total number of felony defendants admitted to CRC was 661 and in 1963, 796. Even if all of these were persons who would today be counted as state commitments, these figures compare with total commitments of over 10,500 for each of these years.⁵

Subtracting the CRC cases from this total would lower the base commitment rate by about six percent. This would make it somewhat more difficult for counties to reduce commitments but would have a relatively minor effect on the overall program.

Because of the growth in the CRC program, counting all the present CRC admissions on felony charges as commitments, however, would knock many counties out of the program altogether and would substantially reduce the program in others, as shown in Table 5.

[Insert Table 5 here]

The effects of including all CRC cases including those admitted voluntarily and on misdemeanor charges as commitments would have an even more serious effect on the program. There is no real argument for including these cases, however, as they were

Table 5

Impact on County Probation Subsidy Programs

Counting All Felony CRC Sentences as Commitments
(In Percent of Reduction in Funds to the County)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1971</u>
Alameda	-4.2	-2.2	-7.4	-13.7	-43.7
Contra Costa	-6.3	-15.4	-16.5	-91.2	-81.5
Los Angeles	would have resulted in no earnings	-21.0	-20.4	-20.6	-13.9
Orange	----	----	-7.0	-28.9	-16.4
Sacramento	no com- mitment reduction	no com- mitment reduction	no com- mitment reduction	-33.3	-30.7
San Bernadino	-3.8	-8.2	-3.0	-90.7	-77.9
San Diego	----	----	-17.0	-28.5	-21.5
San Francisco	----	-39.0	-24.6	would have resulted in no earnings	would have resulted in no earnings
San Mateo	-31.7	-42.0	would have resulted in no earnings	would have resulted in no earnings	would have resulted in no earnings
Santa Clara	-3.5	-9.7	-18.0	-53.3	no commitment reduction
State Total	-13.0	-16.3	-17.6	-29.6	-33.8

Note: These figures were calculated by subtracting CRC commitments from total commitment reductions for each county. As the commitment reduction data is in fiscal years and the CRC data is in Calendar years, the results are necessarily approximations.

never included in the base rate tables and are not cases that could legally be sentenced to prison.

B. CDC Diagnostic Facilities

Since 1957 California law has provided that in the case of defendants "convicted of an offense punishable by imprisonment in the state prison" the judge before passing sentence may refer the case to the Department of Corrections "for a period not to exceed 90 days," for a "diagnosis and recommendations" as to what the sentence should be.⁶

This program was intended to assist judges in determining the most appropriate sentence, particularly those in smaller counties which did not have diagnostic facilities of their own.

For the first six years of the program, between 1957 and 1962, only 62 defendants were committed under this program.⁷ Following adoption of the subsidy program, however, the program increased to 763 cases in 1965, to 1,035 in 1966, and to 2,644 in 1972 as shown in Table 6.

[Insert Table 6 here]

The timing of this increase has led some observers to conclude that the subsidy program was responsible for the increase. This would seem to be a wrong conclusion, however, at least in large part. The key factor in the increase appears to be a change in the cost of the diagnostic program brought about by the legislature in 1963. Prior to this counties using state diagnostic services had been obliged to pay the full cost of the service. After 1963, however, the entire cost was absorbed by the state. In addition the Department of Corrections began actively to sell the program to the judges and the counties, through presentations

Table 6

Defendants Convicted; Committed to Prison and Diagnosed

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
Total sentenced	27,960	27,084	28,393	27,830	30,840	32,000	24,683	40,477	50,568	49,950	56,018	----
Adjusted	----	----	----	----	----	----	----	----	----	55,050	64,518	----
Total to Prison	7,248	6,420	6,606	6,365	7,184	6,731	5,990	5,492	4,940	5,025	5,386	----
% to Prison	25.9	23.7	23.3	22.9	23.3	21.0	17.3	13.5	9.8	10.1	9.6	----
Adjusted	----	----	----	----	----	----	----	----	----	9.1	8.3	----
Total Diagnosed	----	----	----	271	763	1,035	1,275	1,325	1,714	2,172	2,424	2,644
% Diagnosed (of convicted)	----	----	----	1.0	2.5	3.2	3.7	3.3	3.5	4.3	4.3	----
Adjusted	----	----	----	----	----	----	----	----	----	3.9	3.8	----

Source: K. Mann, Sentencing in California: A Study in Organization Interaction. (Draft thesis for Master's in Law and Society, University of California, Berkeley, 1973), p. 45.

at sentencing institutes and other meetings. In 1966, the Director of Corrections stated to that year's sentencing institute: "We had only 114 cases in 1963 but after we talked to you last year the number grew to 1,001 for the year just finished."⁸

Much of the increase in the diagnostic program thus took place prior to the actual beginning of the subsidy program. It is also clear, however, that one of the purposes which the state had in mind in 1963 in lowering the cost of the diagnostic facilities was that of reducing commitments. Since this was also one of the major reasons for the subsidy program two years later, these two programs can be seen as parallel efforts to the same end.

It is not possible at this time and with the data available to say which program has played the more important role in the reduction of commitments of adults to CDC which has taken place. Program figures indicate that a larger percentage of the marginal cases--the group from which commitment reduction almost surely come--have gone through the diagnostic centers, as shown in Table 7.

[Insert Table 7 here]

From this and other data it also seems clear that the availability of the diagnostic centers has enabled judges ultimately to make more dispositions to the community than they otherwise would have done. This results in part from the additional information provided from the diagnosis, in part because the judge is taken off the political hook as to the final disposition to some extent, and in part because some judges look upon the diagnostic commitment itself as a short prison term. (*I'll let them see the walls, get a taste of what's in store for them if they turn up in court again.")

On the other hand it seems even clearer that the diagnostic

Table 7

Number of Defendants Diagnosed by Year

(1967-1971)

	1967	1968	1969	1970	1971
Recommended to community	513	524	669	851	1026
Committed as felon	22	26	38	54	80
Percent committed	4.3	5.0	5.7	6.3	7.8
Recommended for Commitment	666	680	834	1000	1070
Committed as felon	477	525	633	645	576
Percent Committed	71.6	77.2	75.9	64.5	53.8
Number diagnosed minus other	1179	1204	1503	1851	2096

Source: K. Mann, *Sentencing in California: A Study in Organizational Interaction*. (Draft thesis for Master's in Law and Society, University of California, Berkeley, 1973), p. 89.

centers are by no means the most powerful influence on the trend toward community dispositions. Diagnostic center recommendations for prison sentences, for example, are often rejected, as shown in Table 8. From this the most comprehensive study to date of the diagnostic center program concluded: "[C]ourts are decreasing their reliance on state prisons at a faster rate and in a more comprehensive way than the CDC...[I]ndependent factors are causing courts to modify their sentencing criteria."⁹ One of these factors presumably is the probation subsidy program.

[Insert Table 8 here]

From a cost point of view it seems clear that the diagnostic center program requires the expenditure of state funds and that it results in some commitment reductions.

These expenditures can be analyzed in at least two different ways. One is to look at the marginal increases during the subsidy period and ascribe these as additional costs to the subsidy program. When looked at in this way the cost of the diagnostic program appears as a very minor part of the entire picture, as shown in Table 9.

[Insert Table 9 here]

The other way is to consider the total cost of the diagnostic program as part of the state's costs for reducing commitments. Even if this is done, however, the impact when weighed against the savings are not great, as shown in Table 10.

[Insert Table 10 here]

C. CYA Diagnostic Facilities

The CYA also operates diagnostic facilities in order to help counties make the most appropriate placement decision. The diag-

Table 8
Court Response Impact by Year
 (1967-1971)

	1967	1968	1969	1970	1971
A. Number diagnosed (minus other)*	1,179	1,204	1,503	1,851	2,096
B. Rate of recommendations for prison from probation departments.	95	95	95	95	95
C. Rate of acceptances of prison recommendations by courts from probation departments.	72.3	69.0*	66.0	57.2	55.0*
D. Rate of acceptance of community recommendations by courts from probation departments.	97.0	96.5*	96.0	96.1	96.0*
E. Number committed to prison without diagnosis (based on A, B, C, D).	812	791	945	1010	1070
F. Number committed to prison after diagnosis.	499	551	671	699	656
G. Number "diverted" (E minus F).	313	240	274	311	433
H. Number committed (actual) to prison.	5,990	5,492	4,940	5,025	5,386
I. Number committed plus number diverted.	6,303	5,732	5,214	5,336	5,829
J. Percentage reduction in commitment level H/I.	5.0	4.2	5.3	5.8	7.6
K. Percentage reduction in commitment of population diagnosed.	61.5	69.7	71.0	69.2	59.7

*Estimated.

Source: K. Mann, Sentencing in California: A study in Organization Interaction. (Draft thesis for Master's in Law and Society, University of California, Berkeley, 1973), p. 45.

Table 9

CDC Diagnostic Cases - Cost of Marginal Increases

	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72
Diagnostic Cases (Rate per 100,000 population)	6.1	7.6	7.4	9.9	13.6	16.6
Rate increase over base year (In percent).	---	25	21	62	123	172
Increase in Number of cases over base number	---	289	243	716	1421	1987
Average cost per case	---	\$111.30	\$152.44	\$162.19	\$118.21	\$112.54
Total cost	---	\$32,166	\$37,043	\$116,128	\$167,976	\$223,617

Table 10

CDC Diagnostic Cases - Total Cost

	<u>Number of Diagnostic Cases</u>	<u>Average Cost Per Case</u>	<u>Total Cost to State</u>
1967 - 1968	1,461	\$111.30	\$162,616
1969 - 1969	1,436	\$152.44	\$218,899
1969 - 1970	1,962	\$162.19	\$318,222
1970 - 1971	2,720	\$118.21	\$321,531
1971 - 1972 (estimated)	3,360	\$112.54	\$378,134
1972 - 1973 (estimated)	3,900	\$118.47	\$462,033

Source: Letter from Mr. Irwin F. Cohn, Program Analyst, Human Relations Agency, Department of Corrections, dated January 29, 1971 (data for years 1967-68 to 1970-71). Other figures from the California State Budget.

nostic center shares the risk of placing the tougher cases locally and serves to increase the percentage of probationers.

In the beginning the CYA encouraged the use of their diagnostic centers by providing their service at low cost--generally lower than could be found in-house or by contracting with private facilities--and by a well organized information campaign throughout the state. The diagnostic center was discussed widely with court and probation department officials. The result was frequent use by the counties of the 90-day observation initial commitment.

The state diagnostic centers soon had more applicants than they could comfortably handle and so sought to limit commitments by raising the price and, later, by establishing a county quota on the number of commitments a county could have at CYA facilities at one time. The cost schedule is shown in Table 11.

[Insert Table 11 here]

As the cost increased, usage by counties decreased. This was especially true when the state facility approached or passed the average cost of diagnosing a youth at the local level. It became a question of the least expensive means of getting information. Cost is a major determinant of use.

Many counties now indicate that only highly political cases are likely to be sent for CYA evaluation. Thus if community or media pressure for institutionalization is such that a short term diagnostic stay in a CYA facility provides some cooling off time for thought and reflection such a disposition is likely. Otherwise it is not. In all cases, though, the average length of time a youth spends at the diagnostic facility has decreased over the six-year-period.

Table 11

Cost of CYA Diagnostic Services

<u>Prior to June 30</u>	<u>Rate per Person</u>
1967	\$140 plus \$5.76 per day
1968	\$155 plus \$7.20 per day
1969	\$165 plus \$7.20 per day
1970	\$180 plus \$7.20 per day
1971	\$24 per day or \$705 per month
Present	\$25 per day or \$750 per month

Source: California Youth Authority

Initially, the subsidy program may have created some added incentive for counties to use the state diagnostic centers. Such a procedure had obvious appeal to officers or judges who were reluctant to recommend placing more difficult cases on probation, but who were willing to do so if the state recommended it. It also provided a way for the county to temporarily remove a youth, considered a good probation risk but involved in a sensational case, with minimal cost to the county. And in some instances it may at least have avoided adding to the number of CYA commitments from the county. As local probation officers and psychological staffs grew more confident in their recommendations to the court and as the cost of state diagnosis increased, the larger counties developed their own resources.

At this time, the subsidy program is having virtually no impact on the number of youths sent to the CYA diagnostic centers from the more urban counties which annually process a great many cases. The \$2,250 cost of a 90-day diagnostic commitment plus the cost of final placement would likely be more than the county would make by earning the \$4,000 for commitment reduction.

For counties with few cases requiring psychological evaluation, it is still advantageous to use the state diagnostic center both to avoid commitments and to save money in consultant fees.

Chapter Three
THE IMPACT ON COUNTY COSTS

It is difficult to discuss a correctional program solely in economic terms. Whether a program is sound fiscally depends in large part not only upon what the program costs but also upon what it accomplishes. Ignoring all offenders either by making no arrests or by turning all arrestees loose without any court processing whatsoever would be a very low cost program in terms of processing cost. To the extent that this kind of policy fails to prevent further criminal activity, however, other and later costs may be generated.

Ultimately, then it seems clear that one can measure fiscal impact only when the correctional impact of the program is known. For many programs, however, this impact is never known or known only at times which are much later than those at which budgetary decisions concerning the programs have to be made. It is common, therefore, for budget planners and others to make judgments about programs on the basis of initial cost as opposed to what might be called final or ultimate costs. Even in this more usual process, however, some assumptions concerning program effectiveness are usually made. A few jurisdictions choose only minimum cost programs but most have a mix of both cheap and more expensive programs. In the absence of the detailed data necessary to focus on ultimate cost, this chapter will focus primarily on the immediate costs and impacts of probation subsidy upon the counties.

Examination of a program operating at one level of government but funded from a different level introduces several additional questions. From the point of view of the unit receiving the funds

(and operating the program) budget and other officials will presumably want to know (a) whether the payments received cover the direct costs of the program itself, (b) whether the program generates any indirect costs, and (c) if so, whether the payments received cover these amounts as well. Even if the answer to these questions is that the program costs more than it brings in, the governmental unit receiving the funds--in the case of the probation subsidy, the county--may well conclude that it wishes to participate. Decision-makers will now know, however, how much the county is paying for the program in addition to the amounts received from somewhere else.

One other set of assumptions is necessary in order to discuss this problem. The California probation subsidy program is based on the concept that if a county reduces its commitments to state correctional institutions it will receive approximately \$4,000 for each person who is not so committed.¹ The determination as to whether a commitment reduction has taken place or not is based upon a set of base rate tables. These tables in turn are based upon the average number of commitments made in certain pre-subsidy years. To the extent that this formula accurately measures the extent of commitment reduction the amounts received by the county are in line with the \$4,000 per reduction figure. If the formula understates the number of commitment reductions, however, the amounts received are less than \$4,000 per reduction. Conversely, if the formula overstates the reductions, the amounts received per reduction are more than \$4,000. For the purposes of this chapter it will be assumed that the state formula accurately measures the extent of commitment reduction.

A. The Cost of Special Supervision

One way of looking at the probation subsidy program is to consider it as a method for transferring marginal prison cases handled by the state to the care of local probation services utilizing intensive supervision units. As a condition of receiving subsidy payments, these units must meet certain standards, including supervision caseloads no higher than 50 per officer and the provision of adequate clerical support services for each unit.² If, for the purpose of illustration, an assumption is made that this is the standard method of handling commitment reductions, the basic cost plan of the subsidy program from the local point of view can be examined.

The budget for a special supervision unit in a typical county is shown in Table 15.

[Insert Table 15]

It indicates that the direct cost of handling a typical special supervision case for one year is between \$911 and \$1,025.³ This compares with the estimated average of \$350 for the handling of a case under regular supervision.

Since cases normally stay under intensive supervision for longer than one year, this figure must be multiplied by the average duration of supervision.

The median stay in a special supervision unit is slightly over 11 months for juveniles and about two years for those adults who stay under special supervision for the duration of their local sentence.⁴

Based on the length of stay for those cases in special

Table 15

A Typical Subsidy Unit

	<u>Cost</u>
1 supervisor	\$ 16,000
6 deputy probation officers	78,000
3 clerks	20,000
Other costs	<u>22,800</u>
Total	\$136,800

supervision caseloads for the duration of their stay and assuming no other costs such as foster care, the average cost for special supervision cases is about \$900 for juveniles and \$2,200 for adults. Based on the state reimbursement rate of \$4,000 per case, this indicates a surplus to the county for each case of this kind. Many cases, however, particularly adult cases, spend some part of their time under special supervision and the remainder in some other kind of care, usually regular supervision. These cases are much harder to cost out because of the absence of population movement data.

B. Some Other Possibilities

This method of looking at the direct costs to the county of the probation subsidy program may be too simple, however. This is because there is no requirement in the subsidy program that cases not committed to prison be placed in special supervision units. In fact it is not usually even possible to identify which persons are held locally rather than being sent to prison. This is because the calculation of commitment reductions is based on a comparison of commitments this year with commitments in prior years rather than on the basis of some identification by the judge of the offender as a person not being sent to prison at the time of his being sentenced.

Thus, in theory at least, it is possible that an adult offender who would have gone to prison prior to subsidy could since the adoption of the subsidy program wind up with a jail sentence, under regular probation supervision, in intensive supervision, in some special program or in some mixture of these alternatives.

The basic decision as to whether a particular offender receives a prison sentence or a local sentence is, of course, that of the

judge. If he opts for a local sentence, he also makes the decision as to whether the offender goes to jail and as to how long the jail sentence will be--within the limits of a one-year maximum jail sentence.⁵ If he decides on a local sentence, he also decides whether probation will be part or all of the sentence. Within this general framework, the decision as to whether the offender will be placed within a regular or a special supervision program is usually made by the probation department.

This variety of placement options creates a greater range of possible financial impacts than that based solely on the cost of intensive supervision alone. It is not possible to discuss separately the impact of each of these alternatives, or to unravel on the basis of existing data the many possible combinations that can result from them. In order to better understand these effects, however, three alternatives to special supervision will be discussed: assignment of all commitment reduction cases to regular supervision, assignment to jail or other institutional programs, and assignment among the various programs in some normal distribution. A fourth alternative, that of not participating in the program and therefore continuing to send the cases which could have been commitment reductions to the state will also be discussed.

Regular Supervision. Regular supervision is the normal probation service offered by the county in the absence of the subsidy program. This kind of supervision varies enormously by county, and even within individual departments may include a variety of different kinds of caseloads. The cost of regular supervision is estimated at \$350 per year on a statewide basis.⁶ No statewide data is available but there are indications from some counties that

juvenile programs cost more than adult on a per month basis. Thus, in Santa Clara County the cost of juvenile supervision is \$90 for juveniles as compared with \$18 for adult. The cost differential in other counties may be much less or nonexistent.⁷

The average length of stay on regular supervision is 1.3 years for juveniles and two years for adults. Using the \$350 average cost figure, the career cost for juveniles is \$455 and \$700 for adults.

If all commitment reduction cases were placed under regular supervision, such placement would free between \$3,300 and \$3,545 per case to be used in some other way. Whether such a strategy would bring an additional economic benefit, however, is not certain. Subsidy earnings can be claimed only if the county has set up a special subsidy program.⁸ Any subsidy monies received, consequently, would have to be spent in placing cases of some kind under special supervision or in some other kind of approved program. If the commitment reduction cases are not placed in such supervision or programs, then other kinds of cases would have to be. If these cases came from regular supervision, there would be no economic benefit to the county beyond that where the commitment reductions go into subsidy. The regular and commitment reduction cases would simply have switched places. However, if the cases going into the subsidy treatment program came from a program that cost the county more than the subsidy treatment program, there would be a benefit to the county. This benefit would amount to the difference between the institutional career cost involved and the cost of subsidy treatment.

Institutional Care. Another alternative is that of assignment to some form of institutional care. This might be jail or a half-way house for adults or a ranch, camp, school, foster home or private

placement for juveniles. Caring for offenders in this way is more costly than probation treatment. Consequently, whenever a local institutional stay is included in the correction plan, the career cost increases. The cost of this kind of care varies greatly and it is not possible to establish averages that are very precise. Some idea of the average cost is, however, given in Table 16.

[Insert Table 16]

It is theoretically possible for an offender to be kept in a juvenile or adult facility for the full time under local correctional care. Such a stay, however, is usually accompanied by probation involving either regular or special supervision, for at least a year.⁹ Often the length of time involved is greater. In the case of foster care, supervision is usually involved from the beginning and continues throughout the foster care.

For the purpose of illustration, a series of career costs have been computed for each of the different kinds of institutional care. These assume a total career length of two years, which is figured on the basis of the average length of institutional stay plus the period of probation stay necessary to complete the two-year time span. These are shown in Table 17.

[Insert Table 17]

Table 16

Cost of Institutional Stay

	<u>Monthly Cost</u>	<u>Average Length of Stay</u>	<u>Average Cost</u>
Jail	\$180	6 months	\$1,080
Juvenile Camp or Ranch	\$500	6.3 months	\$3,150
Private Placement	\$500	10 months	\$5,000
Foster Care	\$130	12 months	\$1,560

Source: See note 10.

Table 17

Cost of Institutional Stay Plus Probation

	<u>Institutional Cost</u>	<u>Added Time on Probation</u>	<u>Total With Regular Supervision</u>	<u>Total With Special Supervision</u>
Jail	\$1,080	18 months	\$1,620	\$2,610
Juvenile Camp or Ranch	\$3,150	17.7 months	\$3,681	\$4,655
Private Placement	\$5,000	14 months	\$5,420	\$6,190
Foster Care	\$1,560	24 months*	\$2,280	\$3,600

*Cases in foster care are assumed to remain under active probation supervision throughout the out-of-home placement period.

Placement in a local institution and on probation for an average length of time thus results in a career cost averaging from \$1,620 to \$7,190 per commitment reduction depending on the type of placement and supervision. Since, in most counties, jail is the only local placement option available for adults, the adult career cost is more clearly defined than the juveniles. It ranges from \$1,620 to \$2,610. The juvenile career cost on the other hand fluctuates from \$1,920 to \$7,190, depending upon the type and cost of the institution involved.

Normal Distribution. If the commitment reduction cases, instead of all being handled in one specific treatment program, are divided among the various sentencing options in some normal way, such as the normal sentencing pattern for a county, the average career cost would vary between \$874 and \$3,082 per case. The assumption for the lower figure is that most cases are placed on regular probation and that smaller numbers are sent to other options. This is the usual sentencing pattern for counties. The higher figure assumes that commitment reduction cases are somewhat tougher than other cases and that they will therefore be placed on regular probation less. The division of cases among intensive supervision, jail, camps, foster care and private institutions in this assumption is similar to the actual division of cases among these programs.¹¹ More than likely the actual average career cost in any "normal" distribution for commitment reduction cases lies within the top third of the range given.

Commitment to the State. The final alternative for the county is, of course, simply not to participate and to send all its cases to the state. The career cost of juvenile cases should be \$25 a

month for juveniles times the average length of stay of nine months or \$225 per case.¹² The state does not charge the counties anything for keeping adult inmates, and thus the cost for an adult commitment would be zero. Counties not participating in the program tend to be affected, however, by the trends in criminal justice around them. A nonparticipating county might therefore experience an increase in local placements without any offsetting state payment.

C. Some Cost Comparisons

The impact on the counties of these career cost options can be seen more clearly in Table 18.

[Insert Table 18]

The lowest cost care of the various options is obviously that of regular supervision. For the reasons already discussed, however, the effective cost of that care is the same as that of special supervision. The effective cost of care consequently ranges from \$900 to \$6,190 for juveniles and from \$2,200 to \$2,600 for adults. The highest cost option for adults is that of commitment to the state, and all of the adult local treatment options cost the county less than the \$4,000 subsidy payment. Insofar as the juveniles are concerned, however, at least two of the possibilities involving institutional care cost the county more than the \$4,000. One of these is the higher cost private placement; the other is a camp or ranch stay followed by intensive supervision.

Table 18

Adult and Juvenile Career Cost Comparisons

Fiscal Year 1970-71

	<u>Adult</u>	<u>Juvenile</u>
Regular supervision	\$ 700	\$ 455
Special supervision	2,200	900
Institutional care	2,115	4,361
Normal distribution		\$2,050
Commitment to state	4,000	4,000

Source: See note 13.

D. Career vs. Annual Cost

The cost to the county of handling a commitment reduction can be computed in several different ways. Sometimes, for example, such costs have been computed on an annual basis. Thus, the State Finance Department report states:

As...[the table] shows, where the per capita cost is \$274, the \$4,000 subvention level will serve 14.6 probationers annually, while where the per capita cost is \$1,740, the subvention will serve only 2.3 probationers annually.¹⁴

The true cost to the county, however, for handling a commitment reduction would seem to be the local career cost--based on length of stay as well as annual cost of treatment. This is easily seen in the case of a person is not committed to prison, who is placed in an intensive supervision unit, and remains there for a three-year period. The total cost to the county is clearly the three-year rather than simply the first-year cost. And since the county receives the \$4,000 payment for the commitment reduction only once rather than each year, the appropriate method of analysis is that of the local career cost. This is the way in which this report has proceeded thus far.

It follows from this method, however, that the true cost to the county includes the cost of recidivism as well. This seems obvious as long as the offender stays in the county correctional system--for as long as this occurs, the county is continuing to expend funds on account of the offender. Had the offender involved been sentenced to the state, county costs would have ended at the time of commitment. Any subsequent offenses would be more likely to extend time in state incarceration or on state parole than to involve any additional county cost.

Insofar as the probation subsidy program is concerned, the cost of recidivism is particularly a county cost. For under the counting rules relating to the subsidy program a commitment is charged to the county only once. If the offender involved is subsequently paroled, commits a new offense and is then sent back to state prison, the recommitment does not count as another "commitment" from the county. The case thus remains a state responsibility insofar as subsidy is concerned (at least until after the entire state sentence including any recommitments is served). 15

The other side of this coin, however, is that the \$4,000 payment is received at the time the reduction first occurs, and no matter how long the individual stays out of prison is never again repeated. In a statistical sense, he is a county responsibility for the same length of time he would have been a state responsibility had he been committed to the state. Moreover, if the commitment reduction commits a new offense at some later time and is then committed to the state, the \$4,000 payment is in effect wiped out. He is no longer a commitment reduction, but rather a delayed commitment. The county has had the use of the \$4,000 for the time period involved but has incurred whatever cost there has been expended upon the case in the meantime.

The implications of recidivism thus loom large for the counties. If the 35 percent rate of recidivism assumed for the commitment reduction cases in evaluating the impact of state costs is also assumed for the purpose of evaluating county costs, some of these implications can be seen. 16

At the county level a further offense may produce further treatment of the same kind as before or some kind of more intensive or more

closed treatment. Ultimately it may produce commitment to the state. It seems likely that overall there is some progression toward the more serious dispositions. Since some cases commit more than one additional offense, this tendency becomes somewhat more pronounced over time.

Juvenile cases present a particularly wide range of options. For example, a youth could be originally placed in a foster home and after a time reassigned to a private institution before completing his wardship on probation. The mix of the particular placements has significant cost implications. A number of different possible mixes are indicated in Table 19. All of these are based on a three-year career length.

[Insert Table 19]

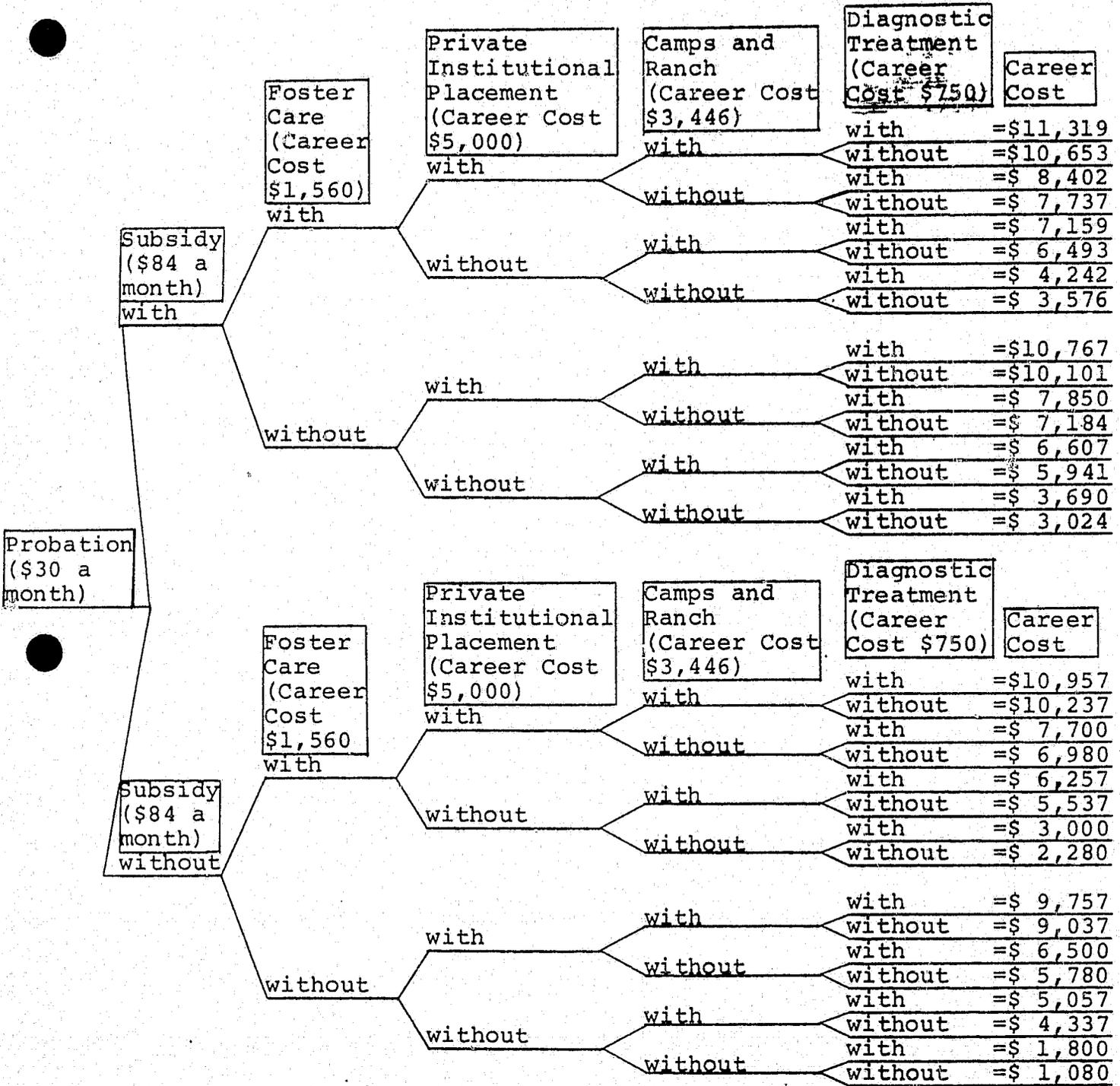
The cost of these options ranges from \$1,080 for a case under regular supervision for three years to a cost of over \$11,000 for a case with many expensive components.

For the purpose of evaluating these possibilities further insofar as a whole caseload is concerned and in the absence of more specific data, it will be assumed that of those cases involved in repeat criminal behavior (either once or more), 60 percent receive an additional year of the same treatment, 30 percent receive one year of a treatment that is more intensive than that previously received, and ten percent are committed to the state.

The implications of such a pattern of recidivism is a very substantial increase in the average career cost of the recidivist cases. This may be seen by comparing Tables 18 and 20. If the increases

Table 19

Career Cost Possibilities--Juveniles
Three Year Period of Stay - Fiscal Year 1970-71



Note: Total career cost assumes an average stay of three years. A stay in any county facility is calculated for the following periods: juvenile camp--6.3 months, foster care--12 months, private institutional placement--10 months, and CYA diagnostic center--1 month. The sum of the average lengths of institutional stay is subtracted from three years. The additional time is calculated as if the case is on probation.

involved are discounted by the 65 percent of the cases that are assumed not to recidivate, the increases are less but nonetheless substantial.

[Insert Table 20]

The county still accrues a surplus or at least breaks even under all the options involved except those relating to institutional care for juveniles. The possibility that county costs will exceed county income from the subsidy program are increased in this category, however.

E. Trends in Local Costs

If county costs for handling commitment reduction cases had in fact been substantially greater than the \$4,000 payment received from the state for any appreciable number of cases, some of these increased costs might be expected to show up in the county correctional budgets. No such impact is apparent, however, in the statewide figures for the counties.

During the 1954-65 period, county correctional costs, excluding costs for foster care and private placements for which adequate figures are not available, rose steadily from about \$28 million in 1954-55 to just under \$100 million in 1965-66. In the post subsidy period this increase continued--going from around \$113 million in 1966-67 to nearly \$185 million in 1970-71 (not including the amounts received from the state pursuant to the subsidy program). The rate of increase in the post-subsidy years was about 15 percent a year as compared with a rate of about seven percent in the pre-subsidy period.

Table 20

Average Career Cost of a Recidivist Case

	<u>Adult</u>	<u>Juvenile</u>
Regular supervision	\$1,640	\$1,127
Special supervision	3,577	2,224
Institutional care	3,846	6,859

Source: Based on Table 18 and disposition distribution discussed in text.

Corrected for inflation and population growth, however, the rates of increase for pre and post-subsidy periods are remarkably similar, averaging about six percent per year over the entire period, as shown in Figure 2.

[Insert Figure 2]

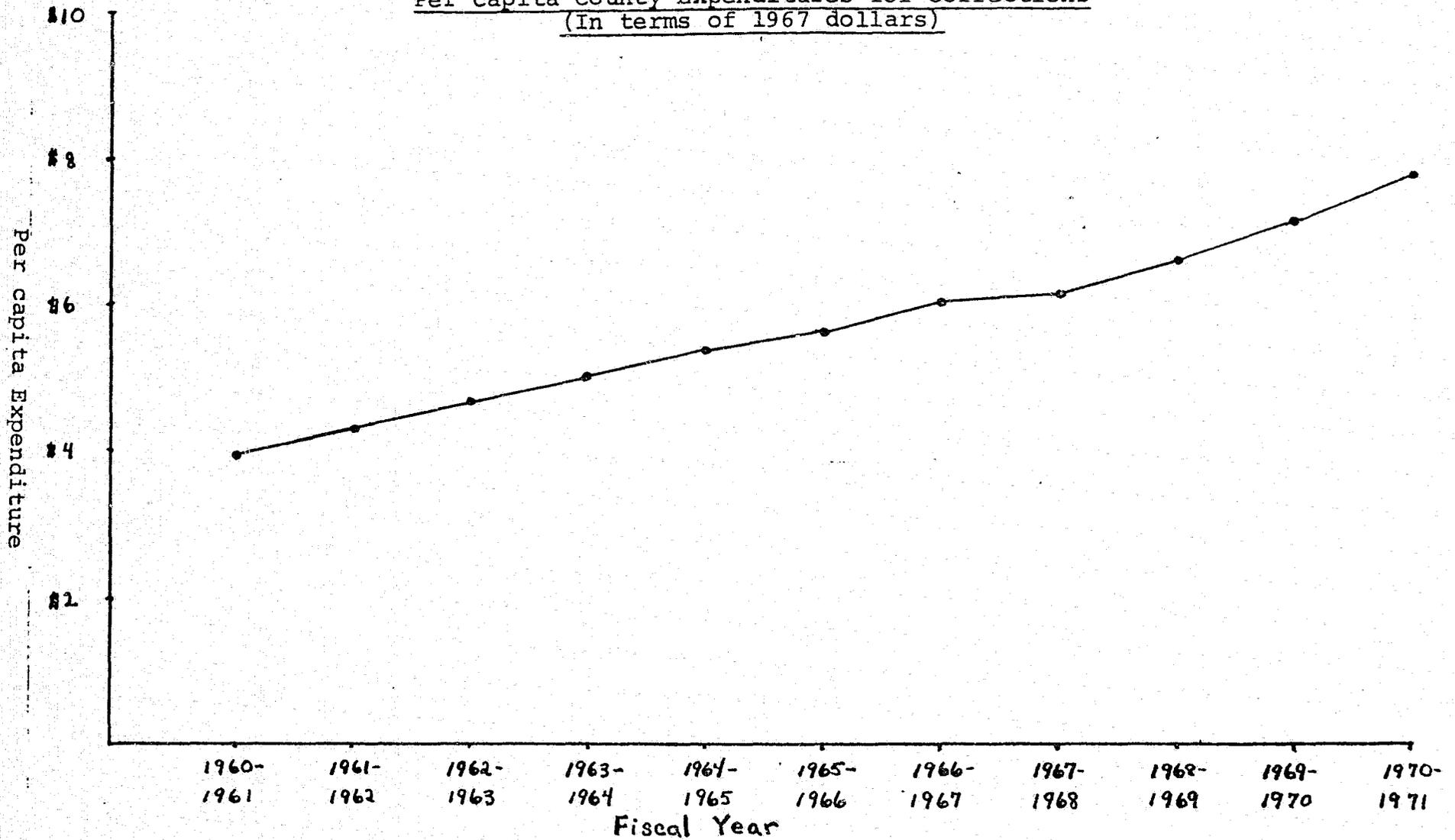
The advent of the subsidy program thus appears to have brought no appreciable change to the overall pattern for county correctional budgets and on the basis of available figures does not appear to have generated any substantial new county correctional expenditures beyond those for which the county has been reimbursed.

The pre-subsidy increases are clearly not related to the subsidy program and seem explained by other factors such as increasing crime rates, improved standards of local care, and the extent to which public service costs have risen faster than general price levels. These same factors also seem a much more persuasive explanation for the post-subsidy increases than does the subsidy program.

Analysis of the individual components of the county correctional budgets also suggest that there has been no identifiable drain on county budgets as a result of subsidy. Had such a drain occurred it could be expected to show up primarily in the budgets for institutional facilities--camps, ranches, placements, foster homes or jails. As indicated in Table 21 below, however, costs for those institutions for which figures are available have risen less than the costs for probation.

Figure 2

Per capita County Expenditures for Corrections
(In terms of 1967 dollars)



Note: County expenditures for corrections include probation, jail, and county camps and ranch costs.
Source: California Controller's Report "Financial Transactions Concerning Counties--Annual Report." Base year for California Consumer Price Index is 1967 (1967 prices = 100).

[Insert Table 21]

Costs for probation, excluding subsidy payments, and controlling for both inflation and population have risen about 43 percent since 1966-67. Camp and ranch costs during this same period grew about 37 percent and jail costs about 28 percent.

Population data for camps, ranches and jails also suggests that costs in this area have not increased in any disproportionate way during this period. This data indicates that while admissions to these kinds of facility have increased, the average lengths of stay have decreased, thus enabling the cost of these institutions overall to remain under control.

Table 21

County Correctional Budgets: Fiscal Years 1965-66 to 1970-71
(In millions of dollars)

	<u>1965-66</u>	<u>1966-67</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>
Probation	\$38.2	\$40.2	\$44.9	\$50.9	\$61.4	\$72.2
Juvenile camps & ranches	8.1	8.4	9.5	12.6	12.1	14.4
Jail	22.9	27.1	29.2	32.5	39.1	44.7
County farm or camp	13.3	12.7	11.1	12.7	13.1	16.1
Juvenile hall	21.1	26.3	26.9	27.6	33.5	37.1
County budget total	103.4	114.7	121.4	136.3	154.0	184.5
State subsidy payments*	--	1.6	4.1	8.8	13.3	15.6

*Not included in total.

Source: California Taxpayers Association, California Counties Departmental Budgets.

Chapter Four

INDIRECT EFFECTS ON COUNTY COSTS

When a defendant is handled within the county as opposed to state prison, the county immediately incurs certain costs directly related to the probation subsidy program, such as the cost of probation for that defendant. These costs are discussed in Chapter Two. These costs do not end the economic effects of the program, however, for many other county services may also be affected--either positively or negatively. This chapter discusses these effects--principally those involving jails, juvenile camps and ranches, foster care and private institutional placement, schools and welfare.

A. Jails

The question of the probation subsidy program's impact on the county jails is one that has aroused considerable controversy. Many sheriffs feel that probation subsidy has been responsible for dumping large numbers of difficult inmates into jails which are prepared neither to handle the number of prisoners involved nor prisoners of this degree of difficulty. Their concern is heightened by the fact that they do not receive any increase in resources for dealing with these prisoners, while the probation departments do. As a consequence, there have been a number of efforts made to have jail programs made eligible for subsidy programs funds.¹

Several questions are involved in this controversy: (1) whether there has been an increase in county jail populations, (2) whether the character of these populations has become more difficult, (3) whether this is attributable to the probation sub-

CONTINUED

1 OF 2

sidy program, (4) the cost implications of the above, and, (5) whether jails should be included in the subsidy program. These questions are interrelated.

Increase in County Jail Populations. There is no question that the overall jail population is now larger than it was in the years preceding adoption of the program. Based on the annual one day census taken each year by the Bureau of Criminal Statistics the average county jail population increased from 18,829 in 1960 to 24,332 in 1972, an increase of 36 percent. Nearly all of this increase, however, is due to a larger number of unsentenced prisoners. The number of sentenced prisoners has increased only 5 percent from 13,696 in 1960 to 14,074 in 1972, as shown in Table 1. Moreover, if increases in the overall state population are taken into account, the number of inmates sentenced to jail actually decreased, from 86.3 per 100,000 in 1960 to 68.6 per 100,000 in 1972.

[Insert Table 1 here]

Based on these facts one study concluded that: "Probation subsidy has not shifted state institutional costs to city and county jails and/or farms. Per capita rates for incarceration are less today than they were in 1965, prior to the probation subsidy."²

These figures do not completely settle the matter, however. While the number of sentenced inmates overall has declined on a per capita basis, this decline is largely attributable to a decrease in the number of persons sentenced for drunkenness. The decline in the number of sentences for drunkenness is particularly important because of the fact that this offense accounts for such a large proportion of the jail population. While statewide figures are not available with respect to this decline, it is clearly

Table 1

County Jail Population
(Based on an annual one-day census)

	<u>Sentenced</u>	<u>Unsentenced</u>	<u>Total</u>
1960	13,696	5,133	18,829
1961	14,468	5,816	20,243
1962	15,292	5,413	20,668
1963	14,552	6,734	21,215
1964	15,527	5,369	20,781
1965	16,201	7,890	24,037
1966	15,347	6,322	21,671
1967	15,479	6,306	21,710
1968	14,661	9,435	24,096
1969	14,448	10,896	25,344
1970	15,752	10,066	25,818
1971	14,431	11,126	25,557
1972	14,074	10,258	24,332

Source: California Bureau of Criminal Statistics, Crime in California 1960-65; Crime and Delinquency in California-1972, p. 60. County camp populations are included. The city jail populations and juveniles housed in jails are excluded. City jail defendants are largely either unsentenced or sentenced for violations of city ordinances.

illustrated in Table 2 with respect to San Joaquin county.

[Insert Table 2 here]

Reductions in commitments to state prison do not come from drunkenness cases, however.² They come from felonies, and the number of persons sentenced to jail for these has increased dramatically. In 1960 the number of Superior Court jail sentences was 9,656; in 1972 it was over 21,000--an increase of more than 130 percent. Even when adjusted for population increase, the change is over 60 percent.³

These figures still do not settle the issue, however. The total number of straight probation dispositions not involving a jail sentence has increased at least as much as the jail disposition, and the total number of dispositions has increased nearly as much.⁴ The increase in jail sentences can thus be seen in one light as simply a manifestation of the fact that the system has been required to handle a much larger number of offenders than previously--not just jail but all parts of the system. The question of whether subsidy was wholly or partly responsible for this increase in crime and defendants is dealt with in another study.⁵ Here the concern is the extent to which subsidy has caused the jails to receive more than their share of the increased number of defendants.

The upper limit of any subsidy effect of this kind presumably is the number of commitment reductions. To the extent that individuals have been diverted from prison to some form of local disposition, it is possible that they may have wound up in jail. Projected on the basis of average number of prior commitments, the number of adults diverted from prison is about 2,000 per year.

Table 2

Sentencing Patterns-San Joaquin County

	<u>1966</u>	<u>1968</u>	<u>1971</u>
Municipal Court			
-Drunkenness and disturbing the peace	3,096	2,441	891
-Traffic	670	536	510
-Other	516	321	534
Superior Court	<u>225</u>	<u>279</u>	<u>346</u>
Total	4,511	3,671	2,381

Source: California Bureau of Criminal Statistics, Extended Tables,
Adult Detention.

Projected on the basis of the ratio of prison to other commitments, this number would be around 6,000 per year.⁶ Some of these reductions are undoubtedly due to factors other than subsidy. The program is probably responsible statewide for a reduction of 1,500 to 3,000 state commitments per year.⁷ Given the fact that the commitment reductions are presumably the more serious cases, it seems likely that most, perhaps all, of these offenders receive some jail sentence--usually as a condition of probation.

From this it seems possible to conclude that as a consequence of the subsidy program there has been some increase in the number of felony offenders sentenced to county jails. It also seems clear, however, that subsidy accounts for a relatively small percentage of the total increase that has taken place. Based on a total increase of some 10,500 felony-based jail sentences, the 1,500 to 3,000 cases attributable to subsidy would account for 10 to 30 percent of the total change in jail admissions, as shown in Table 3.

[Insert Table 3 here]

Statewide figures on average jail days served for felony defendants are not available. Based on figures from a number of individual counties, however, it can be estimated that all defendants sentenced to jail as a result of a felony charge served roughly one million days in jail in 1971.⁸ Thirty percent of this would be 300,000 days. If \$10 per day is the cost of this confinement, the cost of these jail stays would total \$3 million to the counties.⁹

In 1972 the legislature appropriated two million dollars additional to the regular probation subsidy funds in order to

Table 3

Changes in Prison and Jail Sentences

	<u>1964</u>	<u>1972</u>	<u>Change</u>
CDC new commitments	5,307	4,579	- 728
Jail sentences	10,500	21,380	+10,880
Straight Probation	8,000	17,606	+ 9,606
Felony defendants	27,830	49,024	+21,194

Number of Commitment Reductions

-State Method of Computation (1971-72)	- 2,063
-Alternate Method (Based on ratio of commitments to sentences)	- 6,000

Source: California Bureau of Criminal Statistics, Crime and Delinquency in California; Hirschi and Rudisell.

assist local law enforcement agencies in the "diagnosis, control or treatment of offenders or alleged offenders."¹⁰ This in effect recognized to a limited extent the impact of the program on the jail and other agencies.

B. Juvenile Camps and Ranches

California counties, with the assistance of an earlier and different state subsidy begun in 1960, have developed an extensive system of juvenile camps, ranches and schools. The camps and ranches are in one sense to the juvenile system what jails are to the adult system. They are the local institutions of last resort. Generally they are also expensive.

Many of the issues raised with respect to the relationship between jails and the subsidy program have also been raised with respect to camps and ranches. Some feel that the number of juveniles assigned to the camps and ranches has increased as a result of subsidy, and that the type of juvenile sent to the ranches has become "harder core." Some of the same feelings about finances also apply. Although camps and ranches, unlike jails, are generally part of the probation department, like jails they have not benefited directly from the subsidy program. In fact, like jails, they are specifically prohibited from receiving funds under subsidy.¹¹ This is in part due to the existence of the earlier camp subsidy and in part a reflection of a preference under the probation subsidy program for non-institutional programs.

The average daily population in California county youth camps has shown a steady increase over the past 25 years, as shown in Table 4. The maximum period of this increase occurred during the pre-subsidy years of 1955-65. Since this time, the average daily

population has increased less than has the population aged 10-17. According to the Bureau of Criminal Statistics, the increase in the population of the state's 45 county-operated juvenile treatment facilities closely paralleled the rise in the youth population during the period from 1960 to 1968.¹²

[Insert Table 4 here]

The average length of stay during the period 1960-67 remained relatively constant at around seven months. From 1968 on, however, this began to drop, as indicated in Table 5.

[Insert Table 5 here]

With the average daily population remaining relatively stable, the decrease in length of stay suggests the number of juveniles sent to camps and ranches increased during the period. The available data indicates that this did occur to some extent. Thus in 1966 there were 4,976 admissions to camp and ranches, while in 1971 there were 5,707. The increase is thus less than a thousand admissions per year.¹³

As in the case of adults, however, it is not clear whether this increase is due to the subsidy program or to other factors. The total number of juvenile court dispositions involving juveniles, for example, has increased much more dramatically during this period. Figures are not available as to all petitions, but the number of initial petitions has increased from 27,319 in 1960 to 49,788 in 1972. Other indicators such as juvenile arrests have also increased substantially from 182,715 in 1960 to 353,232 in 1972, as shown in Table 6.

[Insert Table 6 here]

Thus even in the absence of the subsidy program there probably

Table 4

Average Daily Population

California County Youth Camps and Schools

	<u>Average Daily Population</u>
1949-50	704
1950-51	761
1951-52	781
1952-53	816
1953-54	864
1954-55	821
1955-56	851
1956-57	1,108
1957-58	1,333
1958-59	1,528
1959-60	1,590
1960-61	1,845
1961-62	2,162
1962-63	2,316
1963-64	2,506
1964-65	2,667
1965-66	2,669
1966-67	2,648
1967-68	2,817
1968-69	2,992
1969-70	2,787
1970-71	2,740
1971-72	2,446
1972-73	2,612
1973-74	2,837*

Source: California Youth Authority

Table 5

Median Length of Stay
County Camps and Ranches

<u>Year</u>	<u>Median Length of Stay</u> <u>Months</u>
1964	7.8
1968	7.0
1969	5.8
1970	5.2
1971	5.6
1972	5.6

Source: California Youth Authority.

Table 6
Trends in Delinquency
Juvenile Arrests and Petitions

<u>Year</u>	<u>Arrests</u>	<u>Initial Petitions*</u>
1960	182,715	27,319
1961	189,400	28,390
1962	210,600	30,539
1963	244,300	34,753
1964	269,600	35,234
1965	277,600	26,759
1966	303,020	38,757
1967	323,427	43,007
1968	366,451	48,707
1969	394,117	58,374
1970	382,935	54,716
1971	379,454	54,147
1972	353,232	49,788

Source: California Bureau of Criminal Statistics, Crime in California, 1968 p. 152; 1972, p. 52.

*Data on petitions excludes transfers.

would have been some increase in the number of ranch and camp commitments. It is also likely, however, that subsidy has increased usage somewhat. Based on the average number of commitments per year and population changes, the number of juvenile commitment reductions is about 2,000 per year. Based on other methods of projecting, this number is about 3,500.¹⁴ Given the fact that commitment reductions are likely to be the more serious cases, it seems reasonable to assume that some of these did in fact wind up in camps and ranches. Overall, perhaps as many as 500 camp and ranch commitments annually could fairly be attributed to the subsidy program. This is about half the total increase in admissions.

Whether these cases resulted in any costs fairly attributable to the subsidy program is another question, however. As previously indicated, the average daily population remained relatively stable during the period. As the increase in number of cases including commitment reductions were handled primarily through decreasing lengths of stay, it could be argued that the admissions brought about by subsidy imposed no costs.

From this point of view, the decrease in length of stay could be seen as attributable to pressures created by the subsidy program for handling more of the serious cases in the community. Undoubtedly this did occur to some extent. By far the greater amount of the change, however, appears to have resulted from a state study of recidivism of juveniles in camp programs which showed that youths held for periods of three to four months did as well as those held for much longer periods.¹⁵ The significance of these findings was aggressively sold to the counties--both to the probation departments and the juvenile court judges--by CYA, which used the study as a

basis for arguing for shorter lengths of stay. The possible connection between reducing camp stays and further reducing CYA commitments was undoubtedly lost on no one. The push would almost certainly have been made, even in the absence of the subsidy program, however, and cannot logically be attributed to it.

Thus in the absence of the subsidy program, camp and ranch stays might have gone down anyway. Given the huge increase in intake not related to subsidy, however, it seems likely that, in the absence of subsidy, populations would not have declined, but bedspace would simply have been used to help handle this increased workload. The consequence of this might have meant somewhat less change in composition of the camp population, but no great change in the number of admissions.

One other factor bearing on this picture is that of increasing county bed capacity. Overall this seems related to population growth rather than pressures from subsidy.

Bed capacity statewide went from about 3,000 beds in 1963-64 to nearly 3,700 in 1969-70. By 1972, the total was down somewhat--to 3,465, largely due to closings in Los Angeles County. This total was still nearly 20 percent above the 1963-64 total. By far the largest increase was in Orange County, the county with the largest increase in population. Santa Clara and Contra Costa, two other counties which grew rapidly during this period, also had substantial increases in bed capacity. San Francisco was the only county studied which showed both a substantial increase in bed capacity and a stable or declining population. Statewide, the number of beds per 100,000 youths aged 10-17 remained static. Virtually all the capacity increases that have occurred in the subsidy period were planned before

the subsidy began.

The actual costs of ranch and camp programs in the period studied increased considerably, as shown in Table 7. From the above analysis, however, this seems attributable more to inflation and population growth than to subsidy.

[Insert Table 7 here]

Changes in Camp Operation. Interviews with county camp and ranch personnel on the effect of the subsidy program show great differences of opinion.¹⁶ Virtually no one believes that subsidy has had no impact on camp operation. Some say subsidy has created enormous problems in two major areas: (1) changes in the caseloads received by the camp and the staff's ability to deal with the youths, and (2) organization and staff problems that have been growing for many years which subsidy accelerated. Others, while agreeing that these changes have occurred during subsidy years, believe it is impossible to blame subsidy for these changes. They indicate that the changes in camp commitments and in camp programs would have occurred without subsidy.

In one respect, however, it seems clear that camp operations have changed drastically as a result of the subsidy program. In the years prior to the subsidy program runaways from county camps or failures in the camp program quite frequently were committed to the CYA. In the years following introduction of the subsidy program, however, this practice has been sharply curtailed.¹⁷

Many camp and ranch personnel also believe there have been qualitative changes in the populations they must handle. They feel that youths are kept on probation much longer and that by the time the camp receives the case the adolescent is in many cases more

Table 7

Expenditures for Juvenile Camps and Ranches

	<u>1965-66</u>	<u>1966-67</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>
Alameda	\$ 899,616	933,155	917,250	920,461	976,606	1,057,211
Contra Costa	452,944	578,919	676,096	863,295	1,001,494	----
Los Angeles	4,202,330	4,526,400	4,687,612	4,880,225	5,224,352	----
Orange	470,983	503,531	551,574	872,888	1,498,715	1,895,245
Sacramento	304,327	324,311	333,322	360,236	399,751	487,554
San Bernadino	270,579	343,756	358,401	384,600	464,879	578,670
San Diego	436,573	616,045	761,115	924,841	924,841	1,032,561
San Francisco	----	354,412	663,251	790,841	790,841	820,624
San Mateo	282,280	360,650	398,232	479,927	479,927	576,290
Santa Clara	658,433	732,556	824,353	1,156,308	1,156,308	1,262,932

Source: County final budgets. Some care should be exercised in making comparison due to varying procedures in regard to capital improvements, fringe benefits, rent of facilities, fixed assets and school costs.

criminally experienced. Most see little change in the kind of criminal offense for which youths are sent to camp, but believe the youths find it more difficult to accept a camp sentence when a past and often more serious offense brought only probation.

A few camp staff members feel that, as the county has sought to reduce commitments, the camps have been forced to take and keep youths who would have been in the Youth Authority prior to subsidy (and some whom they feel belong there now). Others within the camp system feel that in the attempt to reduce commitments more psychologically disturbed, drug oriented youths have been accepted, and that the staff is not able or has not been trained to deal with these problems.¹⁸ This is again a plea for training and program funds for what the staff feels is a subsidy-induced change in their workload.

Camp personnel are often junior, inexperienced, and have had little training. They question how they can succeed where the better trained subsidy staff has failed. This dilemma is the foundation of the argument that subsidy money should be used to improve camp and ranch training. Some camp staff members perceive that regular and subsidy units are "dumping" their failures in the camps. The logic is that "the Probation Department doesn't think enough of us to upgrade our training and working conditions, but on the other hand expects us to clean up their messes and save the probation subsidy program." In some camps this attitude is prevalent enough to cause suspicion that the subsidy program's existence has severely strained the intra-departmental relations.

During the subsidy years some probation departments have exerted more central control over camp admission and release procedure.¹⁷ It is questionable whether all of this organizational change can be

attributed to subsidy, but some camp officials think so. Some counties are trying to reroute youths who would have gone to the Youth Authority to the camp system and in their effort to reduce commitments many departments have concentrated considerable effort in reducing the number of youths going to CYA after release or escape from a camp. This can be seen most clearly in the reduced number of CYA cases admitted for camp and ranch runaways. Thus, there were 374 such admissions in 1964 but only 202 in 1972.²⁰ In many camps, the formal decision-making on these matters has been more centralized with the result that the individual camp deputy, counselor and supervisor has less discretion in handling a case.

Despite their viewpoint of the impact of the subsidy program on camp and ranch operations, all the officials interviewed supported the subsidy philosophy. That is, that in most cases local treatment is preferable to state institutionalization. Most of their complaints centered on the exclusion of camps from receipt of the program's burden.

Overall it does not appear that the subsidy program has increased the cost to the counties of operating the camp and ranch program.

C. Foster Care and Private Institutional Placements

Many youths on probation live in foster homes or in privately operated group homes or schools. The impact of the probation subsidy program on the number of youths handled in this way is one of the most difficult but economically important effects to measure. Considering the costs of these programs surprisingly little is known about them.

One recent study by the Joint Legislative Audit Committee estimated the total number of children receiving foster care in the

state from all sources at 50,000 to 120,000 youths.²¹ Those financed by county welfare programs alone were estimated to cost \$125 million per year. An earlier study by the State Social Welfare Board estimated the total foster care caseload for the state for 1972 at 33,550.²² This total was found to be an increase of 100 percent over 1964. The increase from 1960 to 1964 was nearly as great, however, and that between 1948 and 1960 even greater, as shown in Table 8.

[Insert Table 8 here]

No statewide figures are available as to the percentage of these totals attributable to probation cases. A sample of cases in counties representing 70 percent of the state, however, indicated that in 1972 about 10 percent were probation cases.²³

No figures are available on a statewide basis to indicate whether the probation totals have increased in the same proportion as the other kinds of cases or whether they have increased at a greater rate. An attempt was made, however, to examine this question in a number of individual counties. In most this proved impossible because the county figures lump dependent and neglect cases which cannot be sentenced to the Youth Authority (and are therefore not involved in the probation subsidy program) together with delinquency cases which are eligible (and therefore involved). In addition, in most counties studied it was not even possible to compare the totals for foster care during the pre-subsidy period with those of the post-subsidy period. This is because the dependent and neglect cases were shifted during this time from the probation department budget to the welfare or social service department. (This shift enabled the counties to obtain partial federal funding for the handling of these

Table 8

Foster Care Caseload

1948	4,071
1953	9,375
1958	10,746
1963	14,861
1964	16,960
1965	18,914
1966	21,002
1967	24,251
1968	26,785
1969	29,267
1970	31,979
1971	34,074
1972	33,550

Source: State Social Welfare Board, Children Waiting (1972)
p. 6.

cases.)

What little data there is, however, suggests that the budgets for the care of court wards have increased substantially. In Los Angeles County, for example, both foster home placements and private institutional placements have increased in recent years, as shown in Table 9.

[Insert Table 9 here]

D. School Costs and Probation Subsidy

Another area of possible cost to the county is that of schooling. If juvenile commitments to the Youth Authority are reduced, it is reasonable to assume that more youths will be enrolled in local schools. Some school officials have also argued that, since school problems and juvenile delinquency often go hand in hand, the youths not committed to the CYA are particularly likely to be school and discipline problem cases.

Obviously a number of commitment reductions--even if all are assumed to be in school--is only a very minor proportion of the total school population. At its maximum the number of juveniles not committed is estimated at 3,000 in 1971-72 as compared with a total school population of the year of over 4,000,000.²⁴ Based on a statewide average cost of \$800 per pupil per year the cost to the counties of educating all the commitment reductions would be roughly \$2.5 million.²⁵ While this is only a small portion of the total state school budget of \$4 billion, it is a sizeable portion of the subsidy payments of \$15 million.

A survey conducted by CYA staff in 1969, however, found that "the number of persons attending school who are granted probation in lieu of state commitment is relatively small considering that

Table 9

Foster Home and Private Institution Placements

Los Angeles County

	Foster Home Placements		Private Institutional Placements	
	<u>Non-Criminal Delinquencies</u>	<u>Criminal Offenses</u>	<u>Non-Criminal Delinquencies</u>	<u>Criminal Offenses</u>
1968	302	122	577	376
1969	391	136	513	247
1970	378	113	511	344
1971	509	167	779	438

Source: Los Angeles Probation Department, Division of Research.

most of these offenders have either completed their secondary education, dropped out, or are employed."²⁶

The impact of those who do remain is further reduced by the fact that 30 to 40 percent of the cost of the schools is borne by the state and federal governments.²⁷ Moreover, even CYA cases involve some educational expense to the counties. When returned to the local community on parole, these cases are generally in the local schools to the extent that they are in schools at all.

If it is assumed that one third of the commitment reduction cases are in some kind of school, the additional county expense for handling these is probably no greater than \$350,000. This figure of course assumes that these students are like all others and does not take into account any particular problems attributable to them. School officials tend to feel that these students pose special problems. This has not been demonstrated in any significant way, however. In addition, some probation departments have developed special liaison programs with the schools to minimize any added problems. For these reasons, a 1970 study by a state task force concluded that the problem was not of sufficient magnitude to warrant any shift in funds to the school system for the probation subsidy program.²⁸

E. Welfare Costs

The desire to keep convicted men and women gainfully employed while they pay their debt to society was one of the motivations behind the probation subsidy program. A person who has a steady job is more likely to avoid future criminal activity and to make restitution to the injured party than an unemployed defendant. Additionally, if the breadwinner is able to stay on the job while completing his sentence, his family is less likely to go on welfare.

Approximately five percent of all AFDC families indicated that they needed help from welfare because the husband was incarcerated.²⁹ Based on the total number of persons incarcerated, this suggests that as many as 20 to 40 percent of men in prison in California have families that are enrolled in the Aid to Families with Dependent Children Program.

Assuming that these families were not already on welfare at the time of the breadwinner's commitment to prison, this means that statistically, for every five men retained in the community, one or two families avoid being placed on welfare. Based on these figures, the existence of the subsidy program has kept from 200 to 600 families per year off the welfare rolls. In economic terms this means savings of something on the order of \$360,000 to \$1,200,000 per year. Based on 1972 formulas, approximately half of these savings accrue to the federal government, 30 plus percent to the state, and less than 20 percent to the local jurisdiction.³⁰

Economically these savings hardly make a dent in the welfare budget, but in terms of the probation subsidy budget the sums are considerable. More importantly, the integrity of the family unit is often maintained and one fewer problem exists for the family trying to rehabilitate its head of the household. Overall, the state and local savings in welfare costs offset one to six percent of the total cost of the probation subsidy program.

Notes

Chapter One

- 1 R. Smith, *A Quiet Revolution*, (U.S. Department of Health, Education and Welfare, 1972), p. 11.
- 2 California Board of Corrections, *Probation Study* (1964), pp. 91-92 [referred to as 1964 study].
- 3 *Id.* at 93.
- 4 *Id.* at 94-96.
- 5 The number of first commitments in 1963-64 was 5,593 CYA and 5,262 CDC for a total of 10,855. California Department of Finance, Youth Authority, and County Representatives, *State Aid for Probation Services* (1970), Appendix J-4.
- 6 1964 Study, *supra* note 2, at 96-97.
- 7 *Id.* at 97.
- 8 *Id.* at 180.
- 9 *Ibid.*
- 10 California Welfare and Institutions Code §1820-26 (West 1972).
- 11 Governor of California, *Budget Supplement for Health and Welfare, Education, 1973-74*, p. 447.
- 12 California Department of Finance, *A Management Review of the State's Probation Subsidy Program* (1972), pp. 35-36.
- 13 *Id.* at 36.
- 14 *Id.* at 37.
- 15 *Ibid.*
- 16 *Id.* at 38.
- 17 R. Smith, *supra* note 1, at 70.
- 18 See California Department of Finance, Youth Authority and County Representatives, *supra* note 5, at Appendix K.
- 19 See Governor of California, *Budget, 1964-65*, pp. 155-57.
- 20 1964 Report, *supra* note 2, at 95.
- 21 An alternative method would be to try to identify the specific kinds of cases not now being committed and to cost these cases.

- 22 See Table 5.
- 23 California Youth Authority, Annual Statistical Report, 1967, p. 25.
- 24 See Governor of California, note 11 supra. The current percentage for participating counties is given as an average of 43.4 percent and a median of 49.4 percent.
- 25 See note 23 supra.
- 26 See note 9 supra.
- 27 The CYA and CDC figures are computed somewhat differently. The CYA figures, computed on the basis of parole violations, indicate that 62.8 percent of the wards released to parole supervision in 1964 and 1965 had violated parole status as of December 31, 1970. CYA, Annual Statistical Report, 1970, p. 37. The CDC figures calculated on the basis of returns to institution indicate 49.9 percent of the male inmates released in 1963 had been returned to prison by the fifth year of release. CDC, California Prisoners, 1968, p. 125.
- 28 See 1964 study, supra note 2, at 90-97.
- 29 See note 27 supra.
- 30 CYA, Annual Statistical Report, 1967, p. 28.
- 31 CYA, Annual Statistical Report, 1971, p. 19. Criminal court commitments have remained relatively stable while juvenile court commitments have decreased from 6,190 in 1965 to 3,218 in 1971.
- 32 CDC, California Prisoners, 1964, p. 89.
- 33 See note 27 supra.
- 34 CDC, California Prisoners, 1964, pp. 89, 113.
- 35 California Welfare and Institutions Code §912, (West 1972).
- 36 See note 11 supra.
- 37 See note 14 supra.
- 38 See note 11 supra, at 349.

Chapter Two

1. This was an important legislative issue in 1970 but has not been since.
2. See CDC Research Division, Civil Commitment Program for Narcotic Addicts, Summary Statistics 1961-62. Pp. 1-3 provide a description of the origin of the CRC program, while the remainder of the report describes the build-up period.
3. Proportionately, a smaller number of marijuana offenders are sentenced to CRC than are other drug offenders. The number of these offenders, however, have increased at a particularly rapid rate. Exclusion of this category, however, would not appreciably affect the increase. It would still be over 400 percent.
4. See Hirschi and Rudisell, Commitment Reduction and Probation Subsidy; A Summary of Available Data. (Center on Administration of Criminal Justice, University of California, Davis. 1974).
5. It seems likely that at least some of those committed to CRC were CDC or CYA parole cases. These cases would not be considered new commitments and would not be charged against the county.
6. California Penal Code §1203.03(a) (West's 1970).
7. K. Mann, Sentencing in California: A Study in Organization Interaction. (Draft thesis for Master's Degree in Law and Society, University of California, Berkeley, 1973, p. 15.
8. Ibid. at 33.
9. Ibid. at 80.

Chapter Three

- 1 California Welfare and Institutions Code § 1825 (West 1972). Payments start at \$2,080.
- 2 See California Youth Authority, Rules, Regulations and Standards of Performance for Special Supervision Programs (October 1969). R. Smith, A Quiet Revolution (U.S. Department of Health, Education and Welfare, 1962), p. 36.
- 3 Estimates calculated by dividing end of year (December 31) subsidy caseload into total subsidy expenditures 1970-71. Variation in estimate due to totals for caseloads. Cost data from California Taxpayers Association Annual Report, County Budget Appropriations, Caseload data from California Bureau of Criminal Statistics; Crime and Delinquency in California.
- 4 California Bureau of Criminal Statistics, Subsidy Annual 1971, pp. 15, 26, 27.
- 5 See California Penal Code § 19a (West 1972).
- 6 Budget information from California Taxpayer's Association, Annual Report on County Budget Appropriations, Probation Caseload data and in the California Bureau of Criminal Statistics, Crime and Delinquency in California, Santa Clara data from Santa Clara County Board of Supervisors, 1970-71 Annual Budget, and unpublished material from the Santa Clara County Adult and Juvenile Probation Departments.
- 7 At least one county has roughly equal costs for adult and juvenile supervision.
- 8 See note 2 supra.
- 9 This is common agency practice.
- 10 The average jail monthly cost is estimated from interview data from Contra Costa, San Mateo and Santa Clara counties, 1970. Juvenile camp and ranch data is from the CYA, unpublished data, 1970. Private institutional placement costs are estimated from San Mateo county information and from the monthly costs of the available private institutions in Northern California. Actual monthly costs run from practically nothing in some church or charity run facilities to over \$1,000 per month in speciality centers. Foster care costs estimated from cost information provided by Orange, San Mateo, and Santa Clara counties. Jail average length of stay approximated from Bureau of Criminal Statistics data coupled with interview material from Santa Clara and San Mateo County. Camps and ranch average length of stay from California Department of the Youth Authority, unpublished data. Average length of stay was 5.2 months during 1970 and 5.6 months for 1971 and 1972. Average length of stay in private placement estimated from San Mateo County data. Foster care stay established from San Mateo County data and from interview material from other counties visited.

- 11 Actual distribution of cases determined from the December 31, 1970 caseloads of the institutions discussed. California Bureau of Criminal Statistics, Crime and Delinquency, 1970 and 1971 reference tables. Foster care and private institutional caseloads estimated from unpublished Los Angeles and San Mateo County data.
- 12 See California Welfare and Institutions Code § 912 (West 1972).
- 13 The career costs are taken from the preceding sections. Where ranges were given in the text, they have been averaged for purposes of this table.
- 14 California Department of Finance, A Management Review of the State's Probation Subsidy Program (1972), pp. 17-18.
- 15 California Youth Authority, Rules, Regulations and Standards, note 2 supra, at 24-26.
- 16 See Chapter One, note 28 supra.

Chapter Four

1. See California Assembly, 1970 Session, A.B. 1968.
2. Robert Smith, A Quiet Revolution, U.S. HEW Pub. No. (SRS) 72-26011 (1972), p. 50.
3. California Bureau of Criminal Statistics, Crime in California, 1960; Crime and Delinquency in California 1972, Reference Tables, Adult Prosecution, p. 20. The rate per 100,000 population was 60.9 in 1960 and 104.2 in 1972.
4. Table 3.
5. See Hirschi and Rudisell, Commitment Reduction and Probation Subsidy: A Summary of Available Data (Center on Administration of Criminal Justice, 1974).
6. See Table 3.
7. See Hirschi and Rudisell, note 5 supra.
8. Based on averages found in the sources cited in note 3 supra.
9. There is no reliable cost data available. The 1970 National Jail Census reported operating expenditures of \$60.9 million for all California jails in 1970. Based on the one day jail census figures, this would average \$6.45 per inmate per day in operating costs. See U.S. Department of Justice, Local Jails (1973), p.333. Unpublished data from individual counties, however, suggest that this figure is too low.
10. California Welfare and Institutions Code 1825(j) (West's Supp. 1974).
11. California Youth Authority, Rules, Regulations, and Standards of Performance for Special Supervision Programs (1969 Revised), p. 3.
12. California Bureau of Criminal Statistics, Crime in California, 1968, p. 168.
13. California Bureau of Criminal Statistics, Juvenile Camp runaway Report (1967), p. 2. Juvenile Probation and Detention, 1971, p. 53. The total went to 8554 in 1969 but declined to 6941 in 1970 and 5707 in 1971. Ibid., 1969, p. 65.
14. See Hirschi and Rudisell, note 5 supra.
15. California Bureau of Criminal Statistics, California Juvenile Camps and Recidivism (1960), p. 22.
16. The following information was compiled from interviews with camp and ranch personnel in Alameda, Contra Costa, Los Angeles, Santa Clara, San Mateo and San Diego Counties.

17. See e.g., California Bureau of Criminal Statistics, Juvenile Camp Runaway Report (1967) for a description of camp runaways.
18. These feelings are similar to those of both the jail staff and the prison staff.
19. See Lemert and Dill, Offenders in the Community: Probation Subsidy in California (Center on Administration of Criminal Justice, 1974), chapter 3.
20. CYA Annual Report, 1964, p. 11; 1972, p. 22. Examination of individual camp records in several counties also supported this conclusion.
21. California Legislature, Joint Legislative Audit Committee, Report on Foster Care in California (1973), p. 1. The committee estimated that the 40,000 to 50,000 children covered by its report included 60 to 75 percent of all foster care cases in the state.
22. State Social Welfare Board, Children Waiting (1972), p.1.
23. Ibid., unpublished table 31.
24. California State Department of Education, Enrollment in California Public Schools, Spring and Fall, 1972.
25. This figure is computed by dividing the total non-capital expenditures for elementary, high school and unified school districts by the enrollments. The figure used is the 1968-69 figure. Later figures would be higher and earlier ones lower.
26. See California Department of Finance, Report on State Aid for Probation Service (1970), p. 26.
27. The formulas vary by county and year.
28. See note 26 supra.
29. See U.S. Department of Health, Education and Welfare, Social Rehabilitation Service, 1967 Study Data, Table 22; 1969, Table 14.
30. California Statistical Abstract, 1973, p. 53.

END

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