



STATE PRISON-BUILDING BOOM MAY BE OVER, BUT SPENDING ON PRISON OPERATIONS CONTINUES TO GROW

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According to a Rockefeller Institute analysis of a recently released U.S. Bureau of Justice Statistics report, *State Prison Expenditures, 2001*, state per capita prison expenditures increased 10 percent between 1996 and 2001 (adjusted for inflation), and were driven by an 18.1 percent rise in the number of prisoners. The newly released details in the BJS report show that this growth was the result of operating spending increases offset by capital spending declines, suggesting that the fiscal pressure many states faced from the prison-spending boom of the early 1990s has subsided.

State real per capita prison spending grew almost as rapidly as public welfare spending and faster than education and health, but its impact on state budgets was relatively minor, as it accounts for a smaller share of the typical budget. And although prison-spending growth was rapid relative to other budget areas, it was slower than in the two prior 5-year periods largely because of slowing growth in the number of prisoners (see Table 1).

Table 1
Percentage Change in Number of Prisoners Under State Authority,
Total Prison Expenditures and Per Capita Prison Expenditures¹

<i>Year²</i>	<i>Prisoners Under State Authority³</i>	<i>Real Total Prison Expenditures</i>	<i>Real Per Capita Prison Expenditures⁴</i>
1986 - 1991	50.6%	64.1%	55.7%
1991 - 1996	40.7%	31.8%	23.8%
1996 - 2001	18.1%	16.8%	10.3%

Source: Rockefeller Institute analysis of data from the U.S. Department of Justice, Bureau of Justice Statistics.

Inflation-adjusted state prison *capital* expenditures decreased from \$1.5 billion in 1996 to \$1.1 billion in 2001, or 24.8 percent, driven by decreases in all categories of capital spending, including a 98.7 percent decline in land acquisition and related expenditures (see Table 2).

Table 2
Change in State Prison Capital Expenditures, 1996-2001

Total capital expenditures	-24.8%
Construction	-7.1%
Equipment	-26.7%
Land and other capital	-98.7%

Source: Rockefeller Institute analysis of data from the U.S. Department of Justice, Bureau of Justice Statistics.

- 1 Inflation adjustments are based on the Bureau of Economic Analysis's Implicit Price Deflator for Gross Domestic Product (NIPA 1.1.9). Certain calculated numbers differ from their counterparts in the Bureau of Justice Statistics *State Prison Expenditures, 2001* due to updated population and price deflator data.
- 2 The source for 1996 and 2001 expenditure data is the U.S. Department of Justice, Bureau of Justice Statistics, and the source for 1986 and 1991 expenditure data is the U.S. Bureau of the Census as reported by the Bureau of Justice Statistics.
- 3 The number of prisoners under state authority for 1996 and 2001 is based on June estimates, and numbers for 1986 and 1991 are based on December estimates, as June data for these years were not easily available.
- 4 Real per capita prison expenditures are calculated based on the U.S. Census Bureau's Time Series of Intercensal State Population Estimates population numbers.

In contrast, real state prison *operating* expenditures increased 19.3 percent nationwide between 1996 and 2001, reflecting the 18.1 percent increase in the number of prisoners. Real operating expenditures per prisoner rose by 1.0 percent.

Inflation-adjusted state prison expenditures (both operating and capital) declined in only six states⁵: District of Columbia (41.4%), New Jersey (16.9%), Connecticut (8.2%), South Dakota (4.2%), Rhode Island (1.0%), and North Carolina (0.4%). Only the District of Columbia (44.8%), Massachusetts (10.5%), and Rhode Island (2.4%) saw declines in the number of prisoners, whereas prisoner numbers increased by over 50 percent in five states: Wisconsin (72.9%), North Dakota (68.8%), Vermont (62.6%), Idaho (57.0%), and West Virginia (54.2%). Although North Dakota had the smallest state prison operating expenditures in 2001, it has doubled since 1996 due to the rapid increase in the number of prisoners.

Appendix 1 shows state-by-state changes in prison operating expenditures. Appendix 2 shows that southern states tend to have more prisoners as a share of the population than the average state.

For the expenditure data discussed in this brief, go to: www.ojp.usdoj.gov/bjs/abstract/spe01.htm.

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5 In this brief, "states" includes the District of Columbia.

Appendix 1
Change in Prison Operating Expenditures, 1996 to 2001, Adjusted for Inflation

United States Average: 19.3%

<i>Lower than US average</i>		<i>Higher than US average</i>	
District of Columbia	-40.9%	Alaska	19.7%
New Jersey	-18.9%	Ohio	19.9%
Connecticut	-7.0%	Indiana	20.4%
South Dakota	-3.8%	Kentucky	20.4%
Rhode Island	-2.8%	Hawaii	21.7%
North Carolina	-0.1%	West Virginia	22.1%
Kansas	0.6%	California	22.8%
Utah	4.3%	New Hampshire	23.9%
New Mexico	4.4%	Texas	26.6%
Tennessee	5.4%	Missouri	26.8%
Iowa	13.0%	Louisiana	27.9%
Minnesota	13.5%	Nebraska	28.3%
New York	14.0%	Washington	28.9%
Pennsylvania	14.4%	Arizona	30.0%
Maryland	14.8%	Nevada	32.5%
Florida	15.2%	Virginia	34.8%
Massachusetts	16.0%	Arkansas	34.9%
Alabama	16.7%	Maine	36.0%
Vermont	17.1%	Oregon	37.5%
South Carolina	17.2%	Georgia	43.5%
Michigan	18.2%	Idaho	47.2%
Illinois	18.6%	Montana	48.2%
		Wyoming	56.3%
		Mississippi	60.3%
		Colorado	61.8%
		Delaware	62.4%
		Wisconsin	66.8%
		Oklahoma	70.1%
		North Dakota	99.6%

Sources: Rockefeller Institute analysis of data from the U.S. Department of Justice, Bureau of Justice Statistics and U.S. Bureau of Economic Analysis.

Change in Prison Operating Expenditures Per Prisoner, 1996 to 2001, Adjusted for Inflation

United States Average: 1.0%

<i>Lower than US average</i>		<i>Higher than US average</i>	
Utah	-30.2%	Washington	2.0%
Tennessee	-28.9%	Alaska	2.2%
Vermont	-28.0%	Michigan	2.3%
South Dakota	-26.3%	Florida	2.9%
Connecticut	-26.2%	Arkansas	3.2%
West Virginia	-20.8%	Nevada	3.8%
New Jersey	-20.0%	Pennsylvania	4.7%
Hawaii	-16.9%	Nebraska	5.6%
Iowa	-13.8%	Maryland	5.9%
Kansas	-12.2%	Arizona	6.1%
Minnesota	-12.2%	Oregon	6.3%
New Mexico	-10.6%	Mississippi	6.9%
Alabama	-8.1%	California	6.9%
Missouri	-7.6%	District of Columbia	7.1%
Idaho	-6.3%	New Hampshire	9.4%
Louisiana	-3.9%	South Carolina	9.5%
Wisconsin	-3.6%	Georgia	10.1%
Indiana	-3.0%	Colorado	11.0%
North Carolina	-1.6%	New York	13.3%
Kentucky	-1.1%	Delaware	17.4%
Montana	-0.5%	Maine	17.9%
Rhode Island	-0.3%	North Dakota	18.3%
Illinois	-0.2%	Ohio	19.0%
Texas	0.0%	Virginia	27.5%
		Massachusetts	29.6%
		Wyoming	35.7%
		Oklahoma	40.6%

Sources: Rockefeller Institute analysis of data from the U.S. Department of Justice, Bureau of Justice Statistics and U.S. Bureau of Economic Analysis.

Change in Prison Operating Expenditures Per Capita, 1996 to 2001, Adjusted for Inflation

United States Average: 12.8%

<i>Lower than US average</i>		<i>Higher than US average</i>	
District of Columbia	-41.0%	Alabama	13.2%
New Jersey	-22.3%	Vermont	13.4%
Connecticut	-9.6%	Pennsylvania	13.7%
North Carolina	-8.6%	California	13.8%
Rhode Island	-6.3%	Texas	14.7%
South Dakota	-5.8%	Illinois	14.7%
Utah	-5.4%	Alaska	15.1%
Kansas	-2.6%	Michigan	15.3%
Tennessee	-0.7%	New Hampshire	15.6%
New Mexico	0.0%	Indiana	16.0%
Florida	4.6%	Kentucky	16.0%
Nevada	5.4%	Ohio	18.4%
Minnesota	7.3%	Hawaii	19.6%
Maryland	9.0%	Washington	19.8%
South Carolina	9.6%	Missouri	22.2%
Iowa	11.0%	West Virginia	23.5%
New York	11.1%	Nebraska	24.9%
Massachusetts	12.0%	Louisiana	26.0%
Arizona	12.6%	Virginia	26.5%
		Georgia	28.3%
		Oregon	28.6%
		Arkansas	28.9%
		Maine	32.2%
		Idaho	34.0%
		Colorado	43.2%
		Montana	45.0%
		Delaware	51.2%
		Mississippi	54.2%
		Wyoming	54.6%
		Wisconsin	61.4%
		Oklahoma	63.8%
		North Dakota	104.0%

Sources: Rockefeller Institute analysis of data from the U.S. Department of Justice, Bureau of Justice Statistics and U.S. Bureau of Economic Analysis.

Appendix 2
Prisoners Per 100,000 Population, 2001

United States Average: 439

