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Federal Prison Construction: Alternative Approaches

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FEDERAL PRISON CONSTRUCTION: ALTERNATIVE APPROACHES

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PREFACE

In its report accompanying the fiscal year 1977 State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation bill, the Senate Appropriations Committee expressed its views of the various issues involved in the question of construction of new federal penal facilities (Appendix A). The Committee stated: "The cost of constructing and operating new prison facilities is enormous, and the use of imprisonment is the most expensive sanction which can be imposed on a criminal offender. Because cost makes imprisonment a scarce resource, it is essential that imprisonment only be used where necessary to assure the protection of society or the administration of just punishment. In those cases in which imprisonment is not necessary, the range of alternatives to incarceration currently available is clearly unsatisfactory."

The Chairman of the Senate Appropriations Subcommittee on State, Justice, Commerce, the Judiciary and Related Agencies asked the Congressional Budget Office to "prepare a report for the committee which would develop alternative funding proposals for the possible construction of new federal prisons." This budget issue paper is designed to assist the Appropriations Committees of both Houses of the Congress and to provide a budgetary perspective for some of the policy issues confronting the Congress in the area of prison construction and operation.

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January 1977

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SUMMARY

The federal government currently spends about $275 million per year for the care and custody of 32,900 imprisoned offenders. The annual cost per offender averages $8,400. In fiscal year 1977 the Congress appropriated $59 million for prison construction--more than doubling the average for the preceding four years. Major decisions will need to be made on the future level and direction of this construction initiative.

The federal prison facilities inventory consists of 44 conventional correctional institutions and prison camps. Approximately 16 percent of the federal prison population are housed in the three oldest penitentiaries --Atlanta, Georgia; Leavenworth, Kansas; and McNeil Island, Washington. The 41 remaining institutions and camps range in size from 139 inmates in the detention center at Florence, Arizona, to 1,548 in the penitentiary at Lewisburg, Pennsylvania.

The choices for prison construction over the next ten years can be illustrated by describing four different capital investment strategies, including current Bureau of Prisons policy. The first three options deal primarily with variations in the quality and type of confinement (size of institution, amount of living space and privacy, and location of confinement) based on the same population projection of 33,900 by fiscal year 1987. The fourth option reflects a significant expansion in prison population due to greater use of imprisonment.

Option 1: To provide for projected population growth only with no improvement in existing prison conditions. There is no ten year investment cost under this option; the estimated increase in annual operating costs would be $14 million. This option would provide no new prison beds and 1,350 additional half-way house beds.

Option 2: To provide for projected population growth and continue the current Bureau of Prisons policy of improving the quality of confinement. The ten year investment cost would be $285 million; the annual operating costs would be $38 million. This option would provide 6,750 new prison beds and 1,350 additional half-way house beds.

Option 3: To reduce the emphasis on conventional imprisonment by stressing community-based programs (half-way houses). The ten year investment cost would be $70 million; additional annual operating costs would be $14 million. This option would provide 1,700 new prison beds and 4,300 additional half-way house beds.

Option 4: To increase the emphasis on the use of conventional imprisonment--requiring a significant expansion of prison capacity. The ten year investment cost would be $510 million; additional annual operating costs would be $186 million. This option would provide 12,050 new prison beds and 1,350 additional half-way house beds.

CHAPTER I OVERVIEW

On an average day, there are now approximately 32,900 persons imprisoned under the authority of the federal government. About 90 percent of these persons are sentenced offenders and are confined primarily in federal institutions. The remaining 10 percent are unsentenced and are being detained in both federal facilities and local jails while they await trial.

Approximately 5,300--or 20 percent--of the offenders in conventional correctional institutions are in the three oldest federal penitentiaries--Atlanta, Georgia; Leavenworth, Kansas; and McNeil Island, Washington. The 41 institutions and camps housing the remaining prison population are located throughout the United States. They range in size from a population of 139 in the detention center at Florence, Arizona, to a population of 1,548 in the penitentiary at Lewisburg, Pennsylvania.

The federal government currently spends about $275 million per year for care and custody of the prisoners for whom it is responsible. 1/ In fiscal year 1977 the Congress appropriated $59 million for prison construction--more than doubling the average amount spent during each of the preceding four years. Major decisions will need to be made on the future level and direction of this construction initiative. Decisions on capital investments in the federal corrections program often influence state and local practices at levels that are responsible for 90 percent of the nation's sentenced offenders.

1/ Includes maintenance and improvements to existing facilities, expenses for prison industries except for production costs, and an anticipated supplemental appropriation for pay increase costs and prison population growth.

This paper will focus on an assessment of:

- the existing prison population and projected changes in the long-term population;
- the basic quality standards for facilities; and
- capital investment alternatives, including consideration of new facilities and the mix of conventional incarceration vis-a-vis community-based programs.

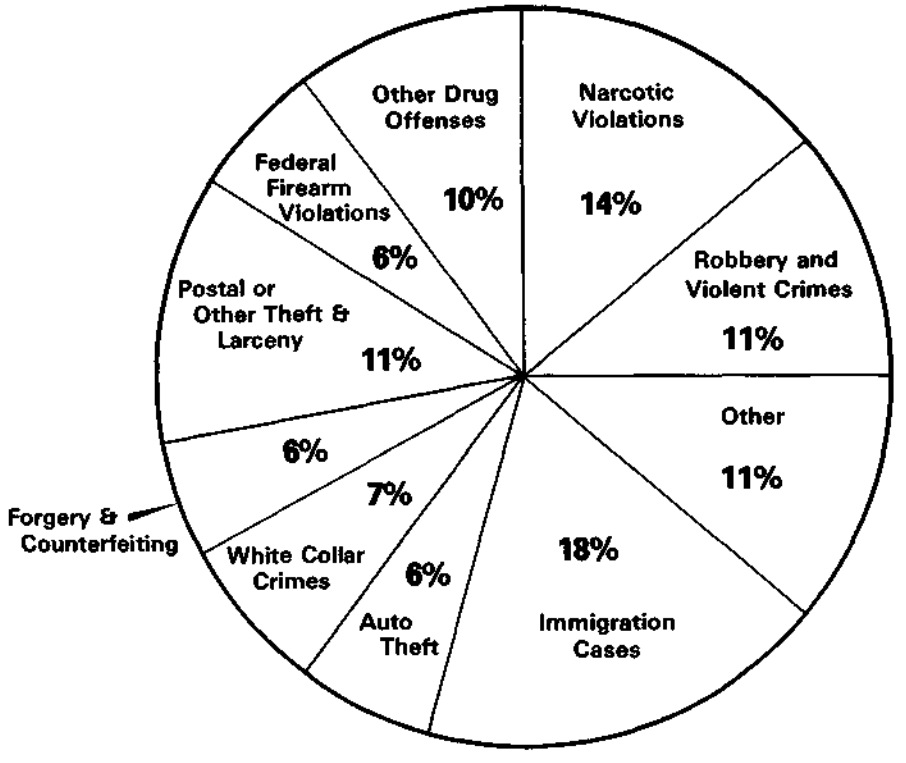
CHAPTER II PRISON POPULATION--CURRENT SITUATION AND OUTLOOK FOR THE FUTURE

CURRENT STATUS OF FEDERAL PRISON POPULATION--A PROFILE

The principal crime categories for which federal offenders are sentenced to imprisonment by the courts during a given year include auto theft (6 percent), white-collar crime (7 percent), postal or other theft and larceny (11 percent), and forgery and counterfeiting (6 percent). Another 11 percent are sentenced for robbery and violent crimes and 14 percent for narcotics violations. Approximately 10 percent are imprisoned for other drug offenses, including marijuana violations. Immigration cases account for 18 percent and federal firearm violations for 6 percent.

Figure 1

Distribution of Court Commitments During Fiscal Year 1976 by Category of Offense



The typical offender confined by the federal government is 29.8 years of age and has an eleventh grade education. He is sentenced for an average of eight years and, based on past experience, will serve a little less than half of his sentence before being released. Upon release, there is a 32 percent chance that the individual will have his parole revoked or receive a new federal or state sentence of 60 days or more within the following two years.

It is important to note, however, that the average age, sentence, time served, and recidivism rate will vary significantly with the type of offense and prior record. For example, the average robbery offender is 27 years old, sentenced for 11 years, and serves about 41 percent of his sentence. He has a 25 percent chance of not committing another crime in the two years following his release. The average immigration offender, on the other hand, is 28 years old, is sentenced for 6 months, and serves 75 percent of his time. About 29 percent of the federal offenders are black or belong to other minority groups. About 6 percent of the federal offenders imprisoned annually are women whose typical age is 27 years.

Most of the 32,900 currently imprisoned offenders are confined in 44 conventional federal correctional institutions and prison camps. About 15 percent are serving time in state institutions or local jails; another 4 percent are completing their sentences in half-way houses which are either federally operated or shared on a contract basis with nonfederal institutions. These half-way houses or Community Treatment Centers (as they are designated by the Bureau of Prisons) are intended to provide the offender with a transition from conventional confinement to community life. They are places of residence with an average capacity of 45 beds which operate under the supervision of a staff of professional counselors.

TABLE 1. FEDERAL PRISON POPULATION AS OF JUNE 30, 1976 a/

	Number	Percent
Confined in Conventional Federal Institutions:		
Three Oldest Penitentiaries b/	5,320	16.2
Other Institutions and Camps c/	21,246	64.4
Subtotal	26,566	80.6
Contract Jails and State Institutions d/	4,935	15.0
Half-way Houses: e/		
Federal	603	1.9
Contract d/	800	2.5
Subtotal	1,403	4.4
Total	32,904	100.0

a/ Unless otherwise indicated, numbers are preliminary figures from Bureau of Prisons report, Federal Prisoners Confined on June 30, 1976, prepared July 23, 1976.

b/ Includes camp at McNeil Island Penitentiary.

c/ Includes Metropolitan Correctional Centers and camp at Leavenworth Penitentiary which is to be retained under long range plans.

d/ Estimated by Bureau of Prisons.

e/ Referred to by the Department of Justice as Community Treatment Centers.

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During the last 15 years moderate fluctuations have occurred in the number of federal prisoners. The present sentenced population reflects a steady increase since 1967, when it was at a low of 19,822; this is only slightly above the previous peak of 24,925 in 1961.

TABLE 2. SENTENCED PRISON POPULATION IN FEDERAL INSTITUTIONS a/

Fiscal Year	Number
1960	23,974
1961	24,925 (high)
1962	24,613
1963	24,248
1964	22,974
1965	22,346
1966	21,040
1967	19,822 (low)
1968	20,170
1969	20,208
1970	20,686
1971	20,820
1972	21,280
1973	22,436
1974	23,048
1975	22,578
1976	25,993 b/

a/ Source: Federal Bureau of Prisons, Statistical Reports Fiscal Year 1974, Table A-1, p. 27. In order to obtain historical consistency the data for 1974-76 have been revised and updated by the Bureau of Prisons to exclude unsentenced offenders.

b/ Including unsentenced offenders would increase the total confined population to 27,169 (26,566 in conventional institutions and 603 in federal half-way houses).

OUTLOOK FOR THE FUTURE

There are now about 32,900 offenders confined under the authority of the federal government. The number is estimated to reach 33,900 by fiscal year 1987. Undoubtedly, the prison population will continue to grow for the next few years. Estimating the future prison population is a very difficult task. The socioeconomic factors and the operations of the federal criminal justice system which affect prison population are changing constantly. For purposes of capital investment planning, however, it is necessary to develop an estimate of what the population will be ten years from now (i.e., in fiscal year 1987) rather than the specific changes.

Although many socioeconomic factors will affect the size of the future prison population, a particularly important indicator for projection purposes is the national unemployment rate. The size of the young adult population is another influential factor.

Unemployment

The unemployment rate appears to be a major determinant of the number of persons committed to prison. Analyses made by the Congressional Research Service (CRS) "found a close correlation between admissions and the yearly unemployment rate. The unemployment rate had a striking similarity to the pattern of admissions." 1/

This study indicates "that there are some plausible links that can be made between unemployment *per se* and the change in the prison population." Rather than concluding "that unemployment 'causes' admissions to the prison system," CRS suggests "that the unemployment rate may stand as a proxy" for other factors that also influence the number of persons committed to prison. 2/

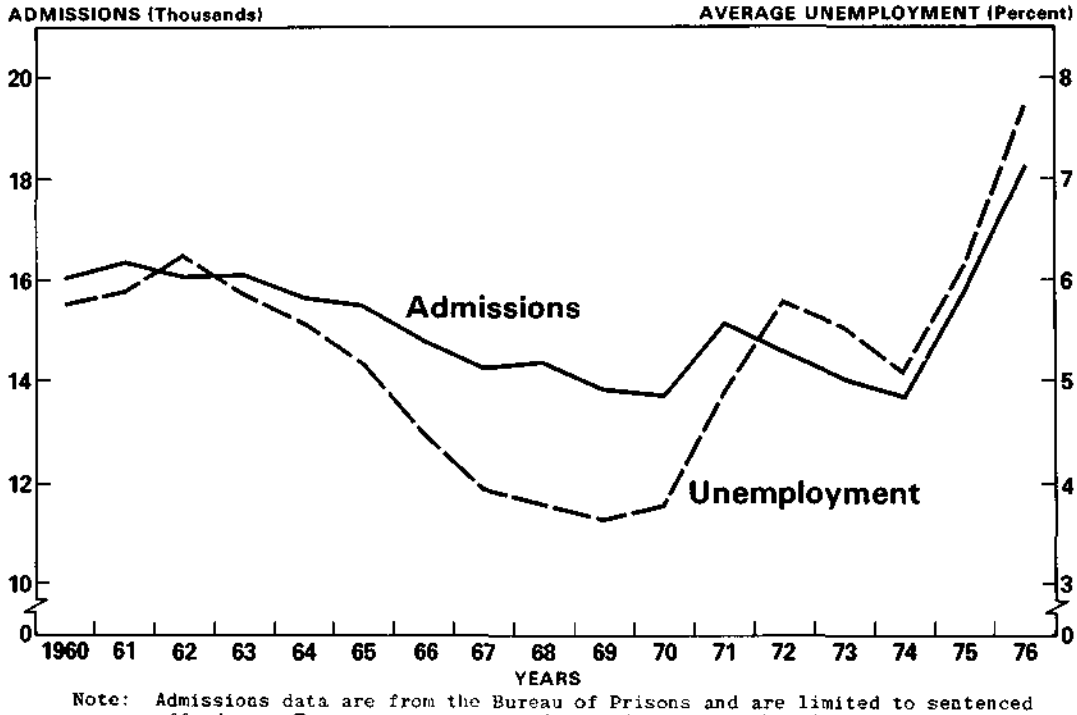
1/ Robinson, William H., *Prison Population and Costs--Illustrative Projections to 1980*, Congressional Research Service, April 24, 1974, p. 19-20.

2/ *Ibid*.

The findings of CRS and others have been substantiated by a recent study done for the Joint Economic Committee of the Congress, which shows a significant relationship between unemployment and imprisonment rates for state institutions. 3/ A comparison of federal prison admissions with the average unemployment rate for the current and prior year also shows a strong relationship.

Figure 2

Relationship Between Federal Prison Admissions and Average U.S. Unemployment



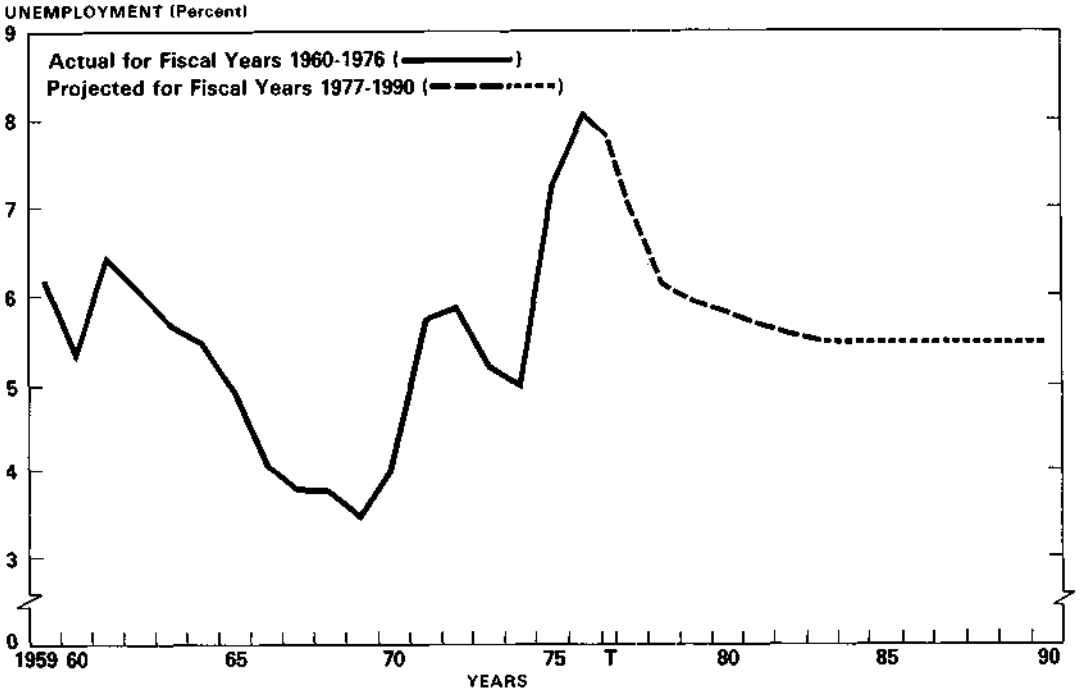
Note: Admissions data are from the Bureau of Prisons and are limited to sentenced offenders. Temporary movement and transfers from other institutions are excluded. The data for 1972 through 1976 reflect the number of admissions estimated if the Comprehensive Drug Abuse Prevention and Control Act of 1970 had not been enacted.

3/ Brenner, Harvey M., Estimating the Social Costs of National Economic Policy: Implications for Mental and Physical Health, and Criminal Aggression, October 26, 1976, p. 42-45 and 73-77. A 1974 staff study by the Bureau of Prisons also shows a strong relationship between prior employment and recidivism (42.9 percent recidivism for those with no job compared to 14.1 percent for those who had a job for more than four years).

This relationship has significant implications for estimates of future prison population. While the present unemployment rate is still high in comparison to those of the previous 15 years, it is projected to continue to decline through fiscal year 1982 when, according to Congressional Budget Office estimates, it will be no more than 5.5 percent.

Figure 3

U.S. Unemployment Rates



Note: Unemployment for fiscal years 1977 through 1982 are from the Congressional Budget Office's publication, Five-Year Budget Projections: Fiscal Years 1978-1982, (December 1976), Table 1, p. 4. The unemployment rates are based on "low growth" assumptions of economic expansion and are converted to fiscal years.

The projected decrease in the unemployment rate through fiscal year 1982 suggests that, in the long run, prison admissions might decline. Thus, construction of prisons for future population growth could be limited, although there may be other reasons for building new facilities (i.e., to improve existing conditions).

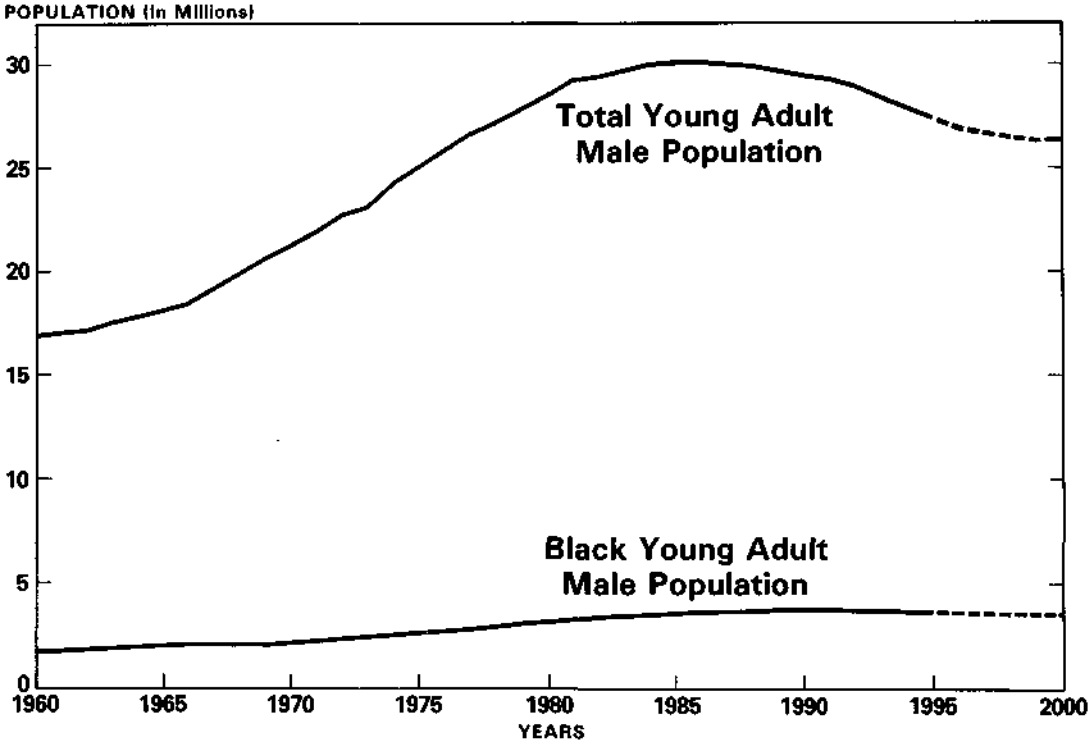
Size of the Young Adult Population

The young adult population (ages 20 through 34) is the group most likely to be imprisoned. This age group accounts for almost 70 percent of persons annually confined in federal prisons. At present about 40 in every 100,000 young adult males are confined each year.

The number of all young adult males 20 through 34 has risen nearly 48 percent since 1960--increasing from 16.9 million to 25 million in 1975. Projections by the Bureau of Census indicate that this group will continue to increase until 1985 when it peaks at about 30.1 million and then will decline to approximately 27.5 million in 1995. Blacks in the same age group increased 54 percent from 1960 (1.7 million) to 1975 (2.7 million). This group, which constitutes a disproportionate share of the prison population, is projected to peak at about 3.7 million in 1991.

Figure 4

U.S. Young Adult Male Population Ages 20-34



Source: U.S. Department of Commerce, Bureau of Census, *Population Estimates and Projections;* Series P-25, No. 519, April 1974, for 1960-1973; No. 601, October 1975, for 1975-2000 (Series II is used for projections beginning in 1995.)

The likely effect of these population movements will be to increase the number of prison admissions until the mid-1980s, when they should start to decline. 4/ However, this decline in prison admissions may be offset somewhat by the higher growth rate among young adult blacks. Even so, these projections suggest that caution should be exercised in proposing the construction of new prisons to accommodate future growth in the inmate population. New prisons for which initial funding is requested in 1978 would not go into operation until around 1980. However, within five years of that date prison admissions should begin to decline.

Changes in the Federal Criminal Justice System

The size of the prison population may be influenced by changes at various points in the federal criminal justice process. These changes include possible revisions to the Federal Criminal Code, level of enforcement, conviction rates, sentencing policy, and time served. Except for new drug legislation effective in 1971, the impact of changes in recent years appears to be nominal. However, the potential for significant impact in the future is great.

Data on prosecution rates for federal offenses are limited. A 1973 survey estimated that about 25 percent of all criminal matters brought to the attention of U.S. attorneys were prosecuted. The remaining cases were dismissed initially or dropped after additional investigation. 5/ Any significant increase in prosecution rates or in the number of prosecutors could affect the size of the prison population.

4/ John Flanagan of the University of Wisconsin uses a "population at risk" of ages 20 through 29 and projects that admissions to federal prisons will peak in 1985. A model developed by Blumstein and Cohen uses U.S. population at all ages and projects a continued increase in the federal prison population beyond 1985.

5/ U.S. Department of Justice, Pretrial Diversion Program (March 1975), derived from estimates on flow of criminal matters.

During the last six years, there has been little change in the overall conviction rate (77.5 percent of defendants convicted in fiscal year 1970 compared to 77.7 percent in fiscal year 1976). For robbery and narcotics convictions (which account for about 23 percent of inmates received) the trends vary. Robbery conviction rates have increased slightly from 81.9 percent in fiscal year 1970 to 84.8 percent in fiscal year 1976. The narcotics conviction rate has remained at around 75 percent during the last three years. 6/

If no changes took place in the number of offenders being confined, but an increase in those convicted for serious crimes did occur; a longer-run increase in the prison population would result because of the longer sentences being served. During the last five years, the most notable changes in crime categories have resulted from enactment of firearm legislation and the Comprehensive Drug Abuse Prevention and Control Act of 1970. Violators of firearms laws accounted for up to 6.1 percent of inmates sentenced in fiscal year 1976 compared to 2.8 percent in 1971. Narcotics offenders accounted for 14.1 percent in 1976 compared with 7.1 percent in 1971. 7/

Offenders today are receiving court sentences which are substantially longer than those received by inmates currently being released for the same offenses. Those convicted of narcotics offenses are receiving sentences averaging 11.5 months longer than those being released. Sentences for robbery convictions are running 12.1 months longer; and sentences for larcency are running 7.1 months longer.

6/ Compiled from Detailed Statistical Tables (Table D-4) Appendix I of Annual Reports of the Administrative Office of the U.S. Courts for Fiscal Years 1970 through 1976.

7/ Compiled from Bureau of Prisons Statistical Reports (Table B-1) for Fiscal Years 1971 through 1976.

TABLE 3. MONTHS SENTENCED, FISCAL YEAR 1976 a/

	Offenders Released	Commitments During the Year	Increase
All Offenses	32.5	46.9	14.4
Selected Offenses:			
Theft and Larceny	31.1	38.2	7.1
Narcotics	50.9	62.4	11.5
Robbery	131.0	143.1	12.1
Fraud	22.2	26.7	4.5

a/ Compiled from data supplied by the Bureau of Prisons.

On the other hand, increases in sentencing are tempered by decisions concerning parole and other means of prisoner release. Average time served may be a better measure of the effects of actions that relate to sentencing and the time of release. Between fiscal year 1971 and fiscal year 1975 the average time served for all offense categories has changed little, ranging from a low of 17.7 months in fiscal year 1973 to 19.3 months in fiscal year 1971. In fiscal year 1976 average time served for all offenders decreased to 15.2 months. 8/ Recent decisions by the U.S. Parole Commission have reduced the extent to which parole is granted, particularly for narcotics offenders having a history of drug usage. These actions have contributed to a recent increase in the federal prison population.

Another future development with potential impact on the federal criminal justice system is the planned reestablishment of the Advisory Corrections Council in 1977.

8/ Compiled from Bureau of Prisons Statistical Reports (Table B-1) for Fiscal Years 1971 through 1976.

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The membership of the Council will include representatives from the Department of Justice and the federal judiciary. As stated in the U.S. Code, the purpose of the Council is to "consider problems of treatment and corrections of all offenders . . . and make such recommendations to the Congress, President, the Judicial Conference and other officials as may improve the administration of criminal justice." 9/

CBO Projections

CBO estimates that the federal prisoner population will increase from the June 30, 1976, level of 32,900 to 33,900 in fiscal year 1987. This estimate is based on an average increase taken from three projection models: (a) unemployment (CRS as modified by CBO), (b) young adult population (John Flanagan), and (c) historical inmate population (Bureau of Prisons).

The Bureau of Prisons estimate for the 1987 federal prisoner population is 39,200. This estimate also is a composite of several projections, including the Flanagan and Bureau of Prisons historical models. However, these models do not consider unemployment rates as an indicator of changes in prison population.

Inclusion of the unemployment model accounts for the major difference between the CBO and Bureau of Prisons projections for 1987. The unemployment model explains 94 percent of the year to year change in prison admissions and 68 percent of the change in prison discharges. If only this model were used, the 1987 estimated prison population would decline by 6,600 under CBO assumptions of high unemployment and by 8,300 under assumptions of lower unemployment. However, the inclusion of other factors, such as changes in the federal criminal justice system, offsets the projected reductions. 10/

9/ 18 U.S. Code 5002.

10/ See Appendix B for discussion of population projections.

CURRENT CONDITIONS

Many corrections specialists now maintain that "even well-designed, adequately funded rehabilitation programs have not reformed criminals." This conclusion is documented in a study by Robert Martinson of rehabilitation programs from 1945 to 1967. 1/ However, any consideration of alternative capital investment strategies for prison construction needs to be based on a set of consistent standards for the facilities.

The basic criteria usually applied to prison facilities cover: (a) size and type of institution, (b) amount of living space and privacy, and (c) location of confinement. The overall quality standard applied is one which corrections specialists view as being as normal an environment as is possible for confined offenders. While the fact of confinement and its consequences are inescapables, there are conditions of human existence in everyday society which correctional specialists believe should prevail inside prison facilities.

Size of Institution

Corrections specialists are in general agreement that the large maximum security type prison is no longer desirable or manageable. Smaller institutions provide an atmosphere for effective interaction both among inmates and between inmates and correctional staff. They also permit correctional programs to be built on small group organization, and allow closer management and supervision of the inmate population. The

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1/ Included in Saxon, Mariam, Prison Reform: Federal Role, Congressional Research Service Issue Brief Number IB 75077, October 2, 1975, p. 2.

Clearinghouse for Criminal Justice Planning and Architecture (an affiliate of the Law Enforcement Assistance Administration) recommends that the size of new facilities be limited to a capacity of 400. 2/ The Clearinghouse also recommends that building design should be as conventional as security considerations permit.

About 17 percent of the existing prison population is confined in institutions that have a long-range capacity within the National Clearinghouse size limitation of 400. Another 45 percent is confined in six institutions with planned long-range capacities in excess of 600 and in the three oldest penitentiaries, which are slated to be closed eventually by the Bureau of Prisons. 3/

These penitentiaries were constructed before 1907 and in view of current professional standards are considered obsolete. Bureau of Prisons officials do not believe that these facilities meet minimum standards of human dignity or that they are conducive to the conduct of effective correctional programs, including the needs for adequate supervision and inmate safety. As of June 30, 1976, their respective populations were 2,164 at Atlanta, 1,834 at Leavenworth, and 1,045 at McNeil Island.

2/ Ibid., p. 2. The Clearinghouse establishes standards for new prison facilities to be constructed by state and local governments requesting special financial assistance from the LEAA.

3/ Compiled from population data from U.S. Department of Justice report on Federal Prisoners Confined on June 30, 1976 (Prepared July 7, 1976) and Bureau of Prisons long-range capacity estimates of September 16, 1976.

Living Space and Privacy

Most professional standards for correctional facilities recommend "a minimum of 70 to 80 square feet of floor space per person." 4/ In addition, housing in individual rooms is considered important in providing privacy for incarcerated persons. Such privacy also permits increased safety of individual offenders and control over the overall inmate population. A study of inmates living in varying amounts of space at 37 different institutions revealed "a significant association between density and total assaults" on staff and inmates. The study was conducted for the Bureau of Prisons in 1975. 5/

Nearly half of all of the prisoners have less than 45 square feet of living space per inmate. Most of these prisoners are concentrated in the three oldest penitentiaries where it is common for inmates to be housed six and eight to a cell (80 percent having less than 45 square feet per inmate). Of the total prison population, less than 20 percent have more than 65 square feet per inmate. 6/

4/ Bureau of Prisons, Federal Prison System--Long-Range Facility Analysis, draft, May 1976.

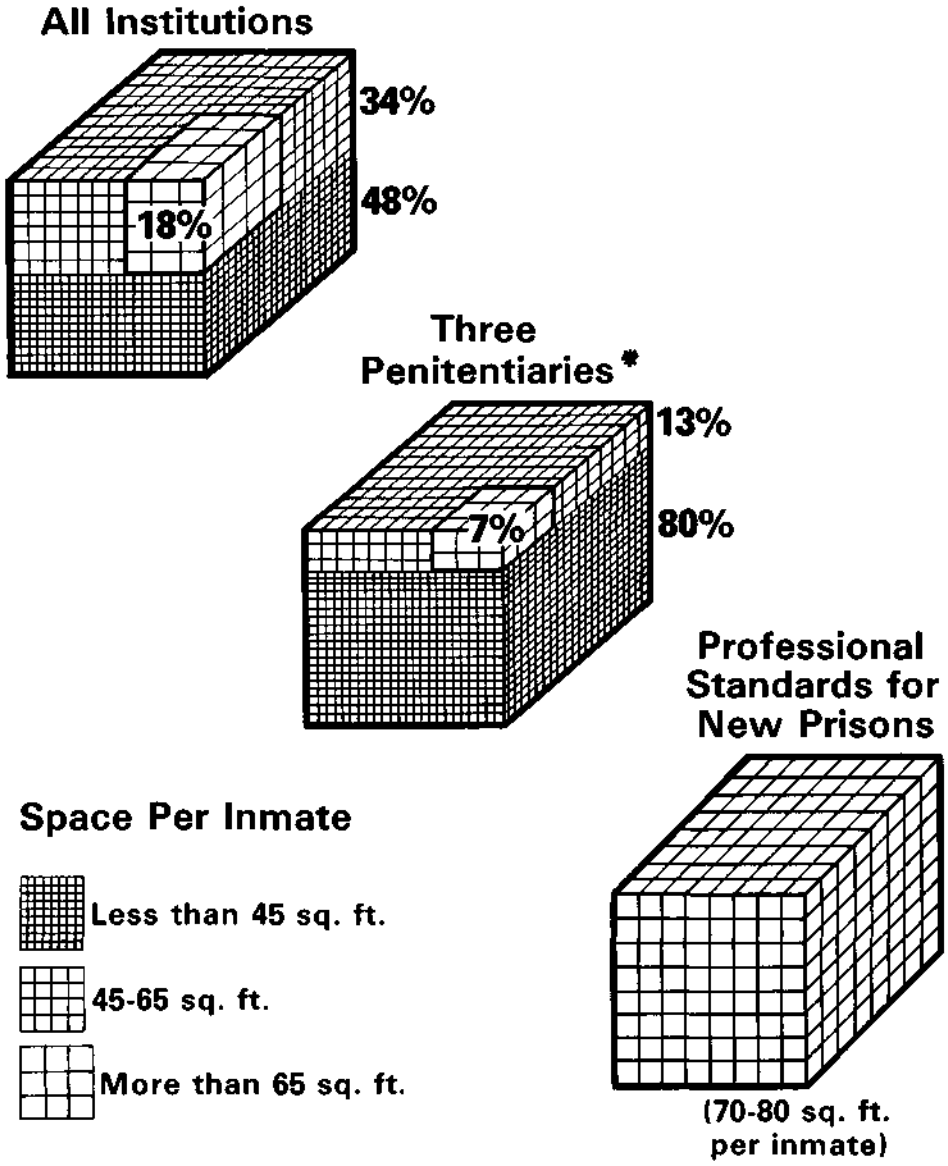
5/ Nacci, Peter L., and others, Population Density and Inmate Misconduct Rates in the Federal Prison System, U.S. Bureau of Prisons Research Office (October 1976), p. 11.

6/ Compiled from data supplied by Bureau of Prisons, September 20, 1976.

This situation is illustrated in the following figure:

Figure 5

Distribution of Prison Population by Living Space per Inmate



*Atlanta, Leavenworth, McNeil Island.

Source: Compiled from U.S. Bureau of Prisons data in Housing Profile of Population Confined in Institutions (September 20, 1976).

Furthermore, existing prison facilities afford little privacy. About 70 percent of the 26,566 inmates confined in conventional federal facilities are housed in multiple cells or dormitory buildings. As a stop-gap measure, the Bureau of Prisons is providing some privacy in dormitory buildings by installing partitions to create individual living spaces. However, at present less than 25 percent of those housed in dormitories or multiple cells have individually partitioned quarters. 7/

Location of Confinement and Community Ties

Most professionals in the field agree that correctional institutions should be located near urban centers and that the place of confinement should be as close as possible to the offender's home community. Location in urban centers permits ready access to a number of community services and to opportunities for job training and employment. Close proximity to the offender's "outside" residence strengthens family and community ties and improves the possibility of his obtaining and keeping a meaningful job.

A survey of prisoners who have their "outside" residence in the nation's 30 largest metropolitan areas (representing 45 percent of those confined in conventional federal institutions) indicates that fewer than 10 percent are confined within a distance of 50 miles or less from their homes. About 60 percent are confined at a distance of 250 miles or more. Nearly a third of those imprisoned 250 miles or more from their homes are confined in the three oldest penitentiaries. By contrast, nearly 70 percent of those confined in Federal Community Treatment Centers (half-way houses) are within 50 miles of their "outside" residence.

7/ Compiled from data supplied by Bureau of Prisons, September 20, 1976, and October 15, 1976.

TABLE 4. DISTRIBUTION OF PRISON POPULATION FROM THIRTY LARGEST METROPOLITAN AREAS BY DISTANCE TO PLACE OF CONFINEMENT (8,556 INMATES AS OF JUNE 30, 1976) a/

Distance from "Outside Residence" to Place of Confinement	Percent of Population
50 miles or less	8.6
51 to 100	4.2
101 to 250	26.6
250 or more	60.6
	100.0

a/ Compiled from data in Department of Justice report on population by major city zip code of inmate's residence as of June 30, 1976, August 19, 1976.

Women Prisoners--A Growing Concern

At present about 6 percent of those imprisoned each year are women--compared to 4.2 percent (502 females) in 1971. The female population is expected to increase as our society continues to change. About 40 percent of the female prison population is confined in the women's facility at Alderson, West Virginia. The balance is in various co-correctional 8/ programs at seven facilities. The appropriate mix between providing additional women's institutions and expanding co-correctional programs should be considered in future planning.

ALTERNATIVE APPROACHES

The choices for prison construction over the next ten years can be illustrated by describing different capital investment strategies, including current Bureau of Prisons policy. The first three

8/ Refers to programs for men and women at the same facility.

options deal primarily with variations in the quality and type of confinement based on the same population projection. The last option deals with a significant expansion in prison population. No allowance is made in any of the options for any significant change in the number of sentenced federal offenders confined in state and local facilities. Nor is any consideration given to the possibility of newly defined federal crimes or to decriminalization of any current federal offense. The four options are general examples of possible approaches--many others are possible.

Option 1: To provide for projected population growth only with no improvement in existing prison conditions (no new prison beds and 1,350 additional half-way house beds).

Option 2: To provide for projected population growth and continue the current Bureau of Prisons policy of improving the quality of confinement (6,750 new prison beds and 1,350 additional half-way house beds).

Option 3: To reduce the emphasis on conventional imprisonment by stressing community-based programs (1,700 new prison beds and 4,300 additional half-way house beds).

Option 4: To increase the emphasis on the use of conventional imprisonment--requiring a significant expansion of prison capacity (12,050 new prison beds and 1,350 additional half-way house beds).

Option 1--To Provide for Projected Population Growth Only

Under this option, prison construction would be limited to provision for growth in the inmate population which is estimated by CBO to increase moderately over the next ten years--reaching 33,900 in fiscal year 1987.

This 1,000 increase in inmate population would require 1,084 additional beds. These would be provided by completion of four projects for which construction is scheduled to begin by September 30, 1977, (2,100 beds) and planned expansion of half-way house capacity (1,350 beds). 9/ No other new prison facilities would be provided. The three oldest penitentiaries would continue to be used along with other existing institutions. This option would not provide for any significant improvement in existing conditions which are considered unacceptable by Bureau of Prisons officials.

Completion of the facilities under contract would not require additional construction funding but would result in estimated outlays of $18 million in fiscal year 1978 and $21 million in fiscal year 1979. Operating costs would increase by $14 million in 1987.

Option 2--To Provide for Projected Population Growth and Continue the Current Bureau of Prisons Policy of Improving the Quality of Confinement

New facilities provided under current Bureau of Prisons policy at the planned level of construction would provide 6,750 new prison beds over the next ten years at an estimated capital investment cost of $285 million. Consistent with recent Congressional direction and Bureau of Prisons planning, this option would permit a more normal inmate environment by closing the three oldest penitentiaries as well as increasing living space and inmate privacy.

Professor Norval Morris' The Future of Imprisonment 10/ provides the rationale for current federal planning. Confinement is in itself considered

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9/ Includes a correctional facility at Otisville, New York, and three youth centers (Memphis, Tennessee; Bastrop, Texas; and Talladega, Alabama).

10/ Morris, Norval, The Future of Imprisonment, University of Chicago Press, 1974.

punishment rather than the condition of imprisonment. Accordingly, the objective is to create a prison environment that is similar to a normal living situation.

The 13 new prisons and associated camps planned would provide improvements in the quality of imprisonment as indicated in the following plan:

TABLE 5. PLANNED IMPROVEMENTS UNDER OPTION 2 a/

	Incremental Population Requirements	Additional Beds Required b/
Phase Out Three Oldest Penitentiaries: McNeil Island and Camp in FY 81 Atlanta in FY 84 Leavenworth in FY 86	5,320	5,767
Increase living space in other institutions; proportion of population with less than 45 sq. ft. per person would decrease from 48% to less than 10%	3,190	3,458
Increase privacy and improve utilization of space through conversions and additions to existing facilities c/	-100	-109
Provide for population growth in conventional institutions; 26,566 would increase to 27,566	1,000	1,084
Subtotal	9,410	10,200
Adjustments:		
Completion of projects under construction as of September 30, 1976	-1,940	-2,105
Planned expansion of half-way houses	-1,350	-1,350
Requirements for new prisons	6,120	6,750

a/ Compiled from data supplied by the Bureau of Prisons, Federal Prisoners Confined on June 30, 1976 (prepared July 23, 1976); Physical and Long-range Capacity (September 16, 1976); and Housing Profile of Population (September 20, 1976).

b/ Incremental annual population requirement usually is multiplied by a factor of 1.084 (rounded to the nearest hundred) in order to allow for isolation/administrative detention, hospital beds, and management flexibility.

c/ Includes closing two detention centers at Florence, Arizona, and El Paso, Texas.

Under this option, annual operating costs would increase by $38 million in 1987 in addition to the $285 million capital investment.

Option 3--To Reduce the Emphasis on Conventional Imprisonment by Stressing Community-based Programs

Current planning objectives of the Bureau of Prisons include an expanded use of half-way houses, increasing from an average daily population of 1,400 at present to 2,750 in 1987. The Bureau has responded positively to Congressional interest in this area. 11/

This option would expand the use of half-way houses beyond current Bureau of Prisons objectives. The length of residence in half-way houses would be extended for most offenders from the planned 90 days to 180 days. Also, there would be direct commitments of some offenders at the time of conviction. The estimated average daily half-way house population would be 5,700 in 1987. Of the 5,700, approximately 4,100 or 70 percent represent offenders serving a total of 180 days after having spent some time in conventional prisons. The remaining 1,600 represent direct commitments upon conviction, including those serving terms of less than 180 days and certain offenders with terms in excess of 180 days who have no known record of prior commitments. 12/

Under this option, the construction of conventional facilities would be limited to completion of the four projects for which construction was scheduled to begin by September 30, 1977, and four other new facilities which are planned to start during fiscal year 1978. 13/

11/ See Appendix A for extract from Senate Appropriations Report No. 94-964.

12/ See Appendix C for detailed computations.

13/ Two Metropolitan Correctional Centers (Phoenix, Arizona, and Detroit, Michigan) and two Youth Centers (Camarillo, California, and Philadelphia/New Jersey). Total of 1,700 beds provides combined capacity of 1,560.

At present, nearly 40 percent of offenders released from prison spend the last 70 to 75 days in half-way houses. This means that on an average day about 4.4 percent of the prison population is undergoing a transition from conventional confinement to community life. Little, if any, use is made of existing authority for direct confinement to half-way houses upon conviction. The Bureau of Prisons believes that the initiative in this area probably should be taken by federal judges.

The primary objective of the half-way house is to provide the offender with increasing degrees of supervised freedom and an environment in which he is able to exercise self-discipline and self-sufficiency. For example, most offenders are able to obtain employment within two weeks and then buy their own meals and pay $2 per day for board. Self-discipline is encouraged by providing a place of residence under a supervised setting--averaging 50 inmates under a staff consisting of a director and from two to seven other full-time employees.

Any proposal for a significant expansion of the use of half-way houses would be controversial. Those who object to extending the period of residence in half-way houses to 180 days are concerned that the failure rates would increase; i.e., the number of escapes or returns to prison for serious misconduct. Also, there would be considerable resistance by many to the direct commitment of convicted felons to half-way houses rather than to conventional prison facilities. The basis of this opposition is evidence that recidivism rates would be higher for offenders not having first served some time in conventional prison facilities.

However, persuasive arguments are advanced by some in support of greater use of half-way houses. They believe that half-way houses offer an effective means of reinforcing family and community ties by permitting inmates to be confined in smaller supervised settings located in their own communities. There are greatly improved opportunities to provide employment for most inmates in meaningful jobs in the community compared to an average participation rate of less than 1 percent in work release programs under conventional imprisonment.

The use of half-way houses is less expensive--$7,365 per offender compared to $17,305 per offender for new conventional prisons. Also, the use of half-way houses can facilitate the rapid accommodation of changes in prison population. This option would permit the closing of the three penitentiaries and reduction of population at other existing facilities.

The capital investment required for this option would be approximately $70 million, compared to $285 million under the current Bureau of Prisons policy alternative described under option 2. 14/ Total operating costs in 1987 would be $14 million.

Option 4--To Increase Emphasis on the Use of Conventional Imprisonment

The basis for this option is an increased use of imprisonment of convicted offenders, the opposite of the approach under option 3. This option could be implemented by requiring mandatory minimum sentences for certain crimes 15/ and the serving of some time for all other offenses for which probation is now granted. This option would require a significant expansion of prison capacity. Its adoption could preclude closing the three penitentiaries and improving conditions in other existing facilities during the near future. In the hypothetical premise on which this option is based, the duration of imprisonment for offenders currently placed on probation would average

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14/ The Bureau of Prisons estimates that the four facilities to be started during fiscal year 1978 will have a total cost of $70.1 million, of which $6.9 million has been appropriated.

15/ Mandatory minimum sentence of 2 years is assumed for first offenders for murder, assault, burglary, robbery, and narcotics violations and 4 years for second offenders (similar to provisions in S. 2698 introduced in the 94th Congress).

six months 16/ for those without prior records (no prison or probation record) and for those with prior records--about half the term now served by those currently imprisoned for the same offense. The overall long-term effect would be to increase the average daily prison population by about 13,370 above the current population projection. 17/

At present about 45 percent of sentenced persons are placed on probation. Generally, the percentage is much smaller for serious crimes; i.e., 11 percent for robbery and 29 percent for narcotics offenses. These percentages contrast sharply with those for certain white-collar convictions which have a probation rate of about 64 percent. 18/

Increasing the use of confinement places primary emphasis on protection of the community and the retribution objectives of imprisonment. Professors James Q. Wilson and Ernest Van den Haag are leading proponents of the position that crime can be reduced by imprisoning more offenders--particularly habitual or career criminals. 19/ It is argued that curtailing probation and increasing some sentences would reduce crime due to:

16/ Wilson, James Q., Thinking About Crime, Basic Books, Inc., 1975, p. 180. Average imprisonment of six months for most offenders who are now placed on probation appears to be consistent with Wilson's view that every conviction for a non-trival offense would entail a penalty ranging from one week for many offenses to six months to a year for most offenses.

17/ See Appendix C for detailed calculations.

18/ Annual Report of the Director of the Administrative Office of the U.S. Courts, 1976, Appendix II, Table D-5. Offenses for embezzlement, fraud, income tax and extortion are used for white-collar crimes.

19/ Wilson, op. cit., and Van den Haag, Ernest, Punishing Criminals, Basic Books, Inc., 1975.

-- isolation of offenders who would otherwise be free to commit further crimes, and

-- increased certainty and severity of punishment and added sense of shame in the offender.

Increased use of confinement also is predicated on the following:

- In the last 15 years the crime rate has steadily increased while the percentage of criminals in prison has declined and the proportion placed on probation has increased.

- Crime is often a way of making a living which involves "practical" decisions of whether the costs and risks of committing an offense are worth the anticipated gain.

Those opposing increased emphasis on confinement argue that neither the certainty nor the severity of imprisonment deter crime. They maintain that offenders placed on probation do not have higher rates of recidivism and that a reduction in the use of probation would increase the demands for jury trials because of the lessened incentive to plead guilty--85 percent of convictions in federal criminal cases are obtained without jury trials.

Even though many offenders (who would otherwise be placed on probation) would receive short sentences, this option would require a substantial increase in prison construction and operating costs. Over the next ten years the increased use of imprisonment would require an estimated addition of 12,050 new prison beds, 20/ placing the capital investment cost of this option at $510 million. Annual operating costs would increase by $186 million in 1987, compared to an increase of $38 million under current Bureau of Prisons policy. 21/

20/ See Appendix C for detailed calculations.

21/ See Appendix D for cost comparisons.

A Counter View

A number of critics of existing corrections programs at both the federal and state levels advocate closing most prisons or, at a minimum, not building any new ones. Strategies such as improving the quality of existing institutions or simply substituting half-way houses for conventional imprisonment are resisted in favor of more fundamental changes directed toward providing jobs and other incentives "to go straight." This view is based on the following beliefs:

- U.S. crime rates are higher than in most other countries. Furthermore, the United States has higher rates of imprisonment than in most other countries.

- Most persons who are imprisoned are "victims of a socioeconomic system that harshly discriminates against the poor and minorities" 22/ with non-whites serving about 50 percent more time than whites.

- Confinement is inherently "cruel and unusual punishment" which should be discontinued on constitutional grounds.

- Imprisonment does not effectively reduce the likelihood that further offenses will be committed upon release and may actually lead to the commission of further crimes.

22/ Serrill, Michael S., "Critics of Corrections Speak Out," Corrections Magazine, March 1976, p. 5.

COST COMPARISONS

The alternative capital investment strategies range from providing no new additional beds under option 1 (projected population growth only) to 12,050 under option 4 which would increase emphasis on the use of imprisonment. The corresponding capital investment ranges from zero to $510 million ($50 million to amortize over 40 years at 10 percent).

The increase in annual operating costs in fiscal year 1987 ranges from $14 million (option 1) to $186 million (option 4).

TABLE 6. COST IMPACT OF ALTERNATIVE CAPITAL INVESTMENT STRATEGIES (WITHOUT FUTURE INFLATION)

	Additional Beds Required for Conventional Prison Construction a/	Capital Costs (Dollars in Millions)		Increase in Total Operating Cost d/
		10-Year Investment b/	Capital Costs Amortized c/	
Option 1: To provide for projected population growth only	-	-	-	14.2
Option 2: To continue improving the quality of imprisonment	6,750	285	27.8	38.2
Option 3: To stress community-based programs	1,700	70	6.8	13.7
Option 4: To increase the emphasis on the use of conventional imprisonment	12,050	510	49.7	185.9

a/ Beds beyond those which will be available upon completion of projects to be under construction by September 30, 1977, and planned expansion of half-way houses.

b/ Additional beds multiplied by $42,100 per bed amortized over 40 years at 10 percent.

c/ Includes operating and amortization of capital investment.

d/ See Appendix D.

The differences in annual costs per offender are a significant factor affecting the total cost of the alternative capital investment strategies. The average budgeted cost per offender in existing conventional institutions is estimated at $9,600 annually. This compares to $17,305 (operating expenses and capital amortization) per offender to be housed in new conventional facilities and $7,365 per offender in a halfway house. 23/

23/ See Appendix D for definitions and basis for cost calculations.

APPENDIX A EXTRACT FROM SENATE APPROPRIATIONS COMMITTEE REPORT 94-964 (pages 21-23)

For the past several years the Committee has wrestled with the question of construction of new penal facilities. Last year the Committee passed over without prejudice the budget request for new construction because there was some question about the capacities of Federal prison facilities and whether they were being fully utilized.

The Committee recognizes that the Bureau has no control over the number of inmates in the system. The Bureau has no option but to accept those individuals who have been sentenced by the Federal courts. The latest statistics, however, indicate that inmate population has now reached 27,039, an all-time high. During the past year, the population has increased by 3,708 and in recent months has been increasing at a rate of about 100 inmates per week. There can be no doubt, based on these latest figures, that the Federal Prison System is overcrowded. Moreover, the frequency of physical assaults by inmates against each other, as well as against staff members, is another form of evidence that additional facilities are needed. The Committee is convinced that further delay in the construction of the two facilities at issue could only lead to further overcrowding, increasingly inhumane treatment of prisoners and the increasing danger of violence. Consequently, the Committee concurs in the House allowance for the construction of two new facilities.

However, this should not be construed as an assurance that the Committee would favorably consider any future construction requests, or that the Committee has lost its interest in alternatives to present sentencing and correctional practices. Most emphatically, this should not be construed as a reason for the Justice Department to delay in bringing about the necessary reforms in the criminal justice system. To the contrary, the Committee admonishes the Department, in the strongest possible terms, to take whatever actions are necessary to promote such reforms.

There is no question that the Justice Department clearly could be doing more than it is now doing in this area to promote reform. For example, when a majority of criminal cases are disposed of by plea bargaining, and not by judicial process, the enormous role of the Department of Justice in sentencing policy cannot be ignored.

The Department of Justice is further admonished to seek legislation to assure greater uniformity and rationality in sentencing practice, if legislation is necessary. However, until legislation can be enacted, the Advisory Corrections Council authorized under 18 U.S.C. 5002 would be an appropriate forum to begin the search for workable reforms.

In its review of sentencing and correctional policy, the Department of Justice is directed to consider alternatives to incarceration for appropriate non-violent offenders, as well as steps that may be required to assure that those who commit violent acts receive adequate prison terms.

Intensive community supervision of parolees and probationers is one alternative that has been developed by the Law Enforcement Assistance Administration that the Department of Justice and the Advisory Council should examine. Another is restitution of losses to the victims of property crimes. The Committee is also aware that existing half-way houses and community treatment centers are not being as fully utilized as they might be.

The cost of constructing and operating new prison facilities is enormous, and the use of imprisonment is the most expensive sanction which can be imposed on a criminal offender. Because cost makes imprisonment a scarce resource, it is essential that imprisonment only be used where necessary to assure the protection of society or the administration of just punishment. In those cases in which imprisonment is not necessary, the range of alternatives to incarceration currently available is clearly unsatisfactory.

This is only the beginning of policy questions which the Department of Justice and the Advisory Council should examine before coming back to the Committee for new funds for correctional institutions or agencies.

Although the Committee recommends the budget as approved by the House, it should be clear that the intent is that the additional facilities should be used to provide more humane treatment of prisoners and encourage rehabilitation. As the reforms proposed are implemented the Committee expects to see a downward trend in prison population that would accommodate the phase out of the large, antiquated penitentiaries. Continued use of such facilities by a prison system which prides itself on its ability to promote the use of new and innovative correctional methods is destructive to the stated objectives of the Federal Prison System and to the unfortunate inmates who are housed in these degrading institutions.

APPENDIX B PROJECTION OF PRISON POPULATION

CBO estimates that under Bureau of Prisons policy the total federal prisoner population will increase from the June 30, 1976, level of 32,900 to 33,900 in fiscal year 1987. The projected increase of 1,000 represents an average increase taken from three projection models:

	Type of Model	Projected Change in Federal Prison Population (Rounded to Thousands)
No. 1.	Young adult U.S. population a/	+2,600
No. 2.	Historical inmate population a/	+7,000
No. 3.	Unemployment rates b/	-6,600
	Total	+3,000

a/ Used by the Bureau of Prisons.
b/ Developed by the Congressional Budget Office.

Model No. 1: Young adult population - ages 20 to 30.

Formula: $X = \frac{(X') \cdot (Y)}{Z}$ where X = Projected inmate population
X' = Prior year inmate population
Y = Young adult U.S. population
Z = Prior year young adult population

This model was developed by John Flanagan of the University of Wisconsin and projects an increase in the sentenced population of 2,646 between 1976 and 1987. The model assumes that the prison population will change proportionately with annual changes in the size of the young

adult population (ages 20-30). This approach does not take into account changes in the rates or severity of criminal activity. It assumes the criminal justice system, particularly parole and other forms of prisoner release, will continue without change.

Model No. 2: Historical inmate population.

Formula: $X = X' + Y$ where X = Projected inmate population
X' = Prior year inmate population
Y = 757 prisoners 1/

This model projects an increase in the sentenced inmate population of 7,010 between 1976 and 1987. The model postulates that during each of the next 10 years, changes in the inmate population will follow the historical relationship of the preceding seven years. This model implicitly incorporates all factors which affect the size of the prison population (admissions and discharges). However, it assumes that the future will reflect the past and thus does not include any independent variables.

Model No. 3: U.S. unemployment.

Formula: Admissions (A) = 11,371 + (1912 x Avu)
Discharges (D) = 248 + A'

where Avu = Average unemployment rate for the current and prior year
A' = Prior year admissions

The difference between admissions and discharges (A - D) equals the incremental change in the inmate population.

This model, initially developed by the Congressional Research Service and modified by the Congressional Budget Office 2/, predicts a decrease in the sentenced inmate population of 6,579 between 1976 and 1987. This model postulates that changes in U.S. unemployment rates are

strongly indicative of changes in prison admissions and subsequent discharges (one-year lag).3/ The formula, developed by correlating data for the seventeen-year period 1960-1976, explains 94 percent of the year to year variation in prisons admissions and 68 percent of the changes in annual discharges.4/

While the unemployment model exhibits a strong statistical relationship between admissions and unemployment, it is only as good as the unemployment projections on which it is based. However, there is little disagreement that unemployment will decline over the next several years--the question is how fast and how far. Consequently, use of the unemployment model alone would project a decrease in prison population--the extent depending on the particular unemployment projections which are used.

NOTES

1/ The projected increment of 757 inmates per year was developed by the Bureau of Prisons from a standard linear regression for the years 1970-1976. Increases in the federal prison population during this period may not be indicative of future trends due to high increases in unemployment and redefinitions of criminal activity resulting from enactment of firearms and drug legislation.

2/ The major modification to the CRS model was to use the average unemployment rate for the current and prior year rather than the unemployment rate for the prior year only. Other changes to the CRS model include an update of the historical input data and recognition of the new drug legislation.

3/ The statistical relationship between discharges and prior year admissions explains more than two-thirds of the year to year variation. The correlation might be improved with additional research.

4/ If the CRS/CBO model had been used for making projections for the 17-year period (1960-1976), cumulative new admissions would have been estimated at 273,160

compared to actual cumulative admissions of 273,205. Cumulative discharges would have been estimated at 269,963 compared to 269,678 actual. The estimates assume that unemployment would have been accurately projected.

APPENDIX C FACILITY REQUIREMENTS UNDER OPTIONS 3 AND 4

TABLE C-1. ESTIMATE OF REQUIREMENTS UNDER OPTION 3

Type of Confinement	Estimated Number of Inmates Each Year	Days Confined in Half-way House	Average Population a/
Half-way House Capacity:			
Remaining 180 days after conventional confinement	8,254 b/	180	4,100
Direct commitment:	(3,726)	N/A	(1,600)
Offenders serving less than 180 days	2,790 b/	90 c/	700
Selected offenders serving more than 180 days	936 b/d/	346 e/	900
Total half-way house population in 1987	11,980 f/	N/A	5,700
Less use of existing half-way houses	N/A	N/A	-1,400
Net increase	N/A	N/A	4,300
Other:			
Completion of conventional facilities already started	N/A	N/A	1,940 g/
New conventional facilities	N/A	N/A	1,560 h/
Total increase	N/A	N/A	7,800
Increase Distributed as Follows:			
Normal population growth	N/A	N/A	1,000
Close three penitentiaries	N/A	N/A	5,320
Improve conditions at other facilities	N/A	N/A	1,480

a/ Calculated by multiplying the number of inmates times days confined and dividing by 365 (rounded to nearest 100).

b/ It is estimated that 76.7% of the half-way house participants will serve time of more than six months and 23.3% will serve time of less than six months (inferred from data on distribution of time served by inmates). Thus, of the 11,980 participants in 1987, 9,190 (8,254 + 936) will serve 180 days or more and 2,790 will serve less than six months.

c/ Half-way house participants serving less than six months are assumed to reside for an average of three months (inferred from data in Inmate Information Discharge File for Fiscal Year 1976).

d/ Of the 9,180 offenders serving more than six months, it is estimated that 936 would have no known prior record and would be sentenced for up to 2.5 years for offenses other than robbery, narcotics and controlled substances violations, assault, homicide, kidnapping, and rape. Calculation follows:

FY 76 court commitments of selected offenders (Data on sentence and prior record)	6,107
Percentage sentenced over one and up to 2.5 years (Distribution of time served)	x .284
	1,734
Adjustment for anticipated reduction in admissions in FY 87	-290
	1,440
Estimated participation	x .65
	936

e/ Inferred from data on distribution of sentence and time served for prisoners in selected offense categories.

f/ Estimates assume that in 1987 11,980 offenders participate in half-way houses. Calculation as follows: Fiscal Year 1976 discharges potentially eligible for half-way houses (19,073); reduced by 641 to reflect lower discharges in 1987 (18,432); times planned participation rate of 65 percent (11,980).

g/ Four projects for which construction is scheduled to start by September 30, 1977.

h/ Four new projects, scheduled to start during Fiscal Year 1978, would provide 1,700 new prison beds.

TABLE C-2. ESTIMATE OF REQUIREMENTS UNDER OPTION 4

Type of Requirement	Estimated Impact on Prisoner Population a/	Estimated Additional Months of Imprisonment Per Inmate a/	Total Months of Imprisonment b/	Increased Annual Prison Capacity c/	Additional Beds Required d/
Expanded Use of Imprisonment:					
Mandatory Minimum Sentences for Selected Offenses: e/					
Additional time to meet new 2-year minimum for persons who would be imprisoned under current law	970 f/	11.6 f/	11,252	938	1,000
Additional time for the extra 2 years for imprisoned persons repeating mandatory minimum offenses	325 g/	16.5 g/	5,362	447	480
Imprisonment for persons who would be placed on probation under current law	1,970 h/	24.0 h/	47,280	3,940	4,260
Additional time for the extra 2 years for offenders repeating mandatory minimum sentences who are now placed on probation	374 i/	24.0 i/	8,976	748	800
Subtotal	N/A	N/A	72,870	6,073	6,540

TABLE C-2, Continued

Imprisonment for Persons Committing Other than Mandatory Minimum Offenses Who Are Placed on Probation under Current Law:					
Offenders with no prior imprisonment or probation record	7,925 j/	6.0 j/	47,550	3,962	4,290
Offenders with prior imprisonment or probation record	7,615 k/	13.2 k/	100,518	8,376	9,060
Subtotal	N/A	N/A	220,938	18,411	19,890
Adjustments for Lower Admissions in Fiscal Year 1987:					
Anticipated decrease in regular admissions	N/A	N/A	N/A	-3,075	-3,340
Further decrease due to isolation of offenders who would otherwise be released	-1,540 m/	-15.2 n/	-23,575	-1,966	-2,135
Total increase for expanded use of imprisonment	N/A	N/A	N/A	13,370	14,415

TABLE C-2, Continued

Normal Growth:	N/A	N/A	N/A	1,000	1,085
Adjustments:					
Conventional facilities to be started by Sept. 30, 1977	N/A	N/A	N/A	-1,940	-2,100
Additional half-way houses as currently planned	N/A	N/A	N/A	-1,350	-1,350
Total requirements	N/A	N/A	N/A	11,080	12,050

a/ Estimates used in making calculations were derived from CBO analysis of data from the following sources: Administrative Office of the U.S. Courts, Annual Report, 1976, Appendix 2, Table D-5, and Persons under the Supervision of the Federal Probation System, 1968, Table A-8, p. 27; Bureau of Prisons, Statistical Reports for Fiscal Year 1974, Tables D-5 and D-6, pp. 117-18, Statistical Reports for Fiscal Year 1976, Tables B-1, B-2, and C-2, and Inmate Information Discharge File for Fiscal Year 1976.

b/ Represents estimated impact on prisoner population multiplied by the estimated additional months of imprisonment per inmate.

c/ Total months of imprisonment divided by 12.

d/ Increased annual prison capacity is increased to allow for isolation/administrative detention, hospital beds, and management flexibility. The multiplier is based on Bureau of Prisons estimate for a typical new facility of 542 total prisoner beds which provide a capacity to house 500 inmates (542 ÷ 500 = 1.084).

e/ Selected offenses for two-year mandatory minimum sentences include: homicide, assault, burglary, robbery, and narcotics violations.

f/ In fiscal year 1976 there were about 4,100 offenders imprisoned by the courts for the selected mandatory minimum sentences. Of this group it is estimated that about 970 will serve time of less than 2.5 years under current policy averaging 12.4 months (24 - 12.4 = 11.6).

g/ Of the 970 persons imprisoned each year for the selected mandatory minimum category, it is estimated that about 34 percent (325 persons) have repeated a mandatory minimum offense. Consequently, option 4 assumes that they will be required to serve an extra two years. Distribution

TABLE C-2, Notes, Continued

of time served by offenders released in fiscal year 1974 infers that these repeat offenders will serve an average of about 31.5 months under current policy--leaving 16.5 additional months to meet the total of 48 months for repeat violations.

h/ In fiscal year 1976 there were about 1,970 persons placed on probation for offenses in the mandatory minimum category for which two years of mandatory imprisonment would be required.

i/ Of the 1,970 persons placed on probation for the selected mandatory minimum category, it is estimated that about 19 percent have repeated a mandatory minimum offense. Consequently, option 4 assumes they will be required to serve an extra two years.

j/ In fiscal year 1976 there were about 15,540 persons placed on probation for offenses not included in the selected mandatory minimum category (traffic violations excluded). It is estimated that about 51 percent (7,925 persons) have no prior prison or probation record and that, under option 4, they would thus serve an average of six months.

k/ Of the offenders placed on probation for non-mandatory minimum offenses (15,540 persons), it is estimated that about 49 percent (7,615 persons) have a prior probation or prison record. Option 4 assumes that these repeat offenders will serve an average of 13.2 months, which represents one half of the average 26.5 months estimated to be served by releases imprisoned for the same offenses.

l/ Adjustment is based on a decrease of 16.7 percent to reflect estimated lower admissions in fiscal year 1987 compared to fiscal year 1976.

m/ Of the 17,510 persons placed on probation in fiscal year 1976 it is estimated that about 8.8 percent (1,540 persons) would commit further violations under current policy. Such persons would be imprisoned under option 4 and thus further reduce the level of admissions which would otherwise pertain.

n/ Average time served for persons released in fiscal year 1976.

Capital investment cost represents the amount required to build new prisons. It includes site, design, and construction costs but excludes interest. The ten-year capital investment cost is calculated by multiplying the number of additional beds required by the average cost per bed, which is estimated at $42,100. 1/ This estimate of $42,100 is based on a hypothetical institution, using Bureau of Prisons cost estimates for facilities at Otisville, New York; Bastrop, Texas; and Memphis, Tennessee. An additional $1,000 per bed is included for estimated site costs. The estimates for the hypothetical institution are based on the following assumptions:

Size	530 beds (447 at main institution and 83 at camps)
Location	Washington, D.C.
Type of Facility	Adult (16 percent), Youth (7 percent), and Close Adult (77 percent)
Escalation	March 1979 dollars reflecting the midpoint of construction for fiscal year 1978 funding

The average budgeted cost per offender in conventional institutions ($9,600) represents the annual operating cost without depreciation since the value of existing facilities is considered a sunk cost. The budgeted unit cost is based on Bureau of Prisons estimates for fiscal year 1977 and assumes a planned prisoner population of 24,000. The cost calculation includes the components in Table D-1.

1/ The capital investment cost of $70 million for option 3 is based on more detailed estimates for specific institutions which have an average cost of $44,872 per bed.

The average marginal cost per offender in newly constructed conventional institutions ($17,305) represents the annual cost for those offenders described under the options as being among those relocated to newly constructed conventional facilities or as a part of an increase in the prisoner population. The annual unit cost of $17,305 includes $13,520 for operating expenses in new institutions (reflecting increased staff/inmate ratios) and $3,785 for amortization of capital costs for new facilities (40 years at 10 percent). The operating cost components are in Table D-1.

TABLE D-1. ESTIMATED ANNUAL OPERATING COSTS PER OFFENDER a/

	Average Budgeted in Conventional Institutions b/	Marginal Cost for New Conventional Institutions c/	Half-way Houses
Security	$2,186	$3,457	
Food and Farm Operations	1,077	1,438	$4,512 d/
Counseling and Case Management	697	1,664	
Medical, Psychiatric, and Drug Services	982	1,015	
Education and Vocational Training	496	942	1,102 e/
Other Inmate Services	511	500	
Maintenance and Operations	2,186	3,449	1,553 f/
Improvements to Existing Facilities	551	-	-
General Administration	569	569	569
Subtotal	9,255	13,035	7,736
Adjusted for October 1977 Pay Raise	344 g/	485 g/	235 h/
Total	9,600	13,520	7,971
Offset for Inmate "Rental" Payments	N/A	N/A	-606 i/
Total, Operating Costs	9,600	13,520	7,365

a/ Based primarily on Bureau of Prisons estimates unless otherwise noted. They are measured in current (fiscal year 1977) dollars and thus do not reflect the effect of future inflation.

b/ Half-way houses excluded.

c/ Based primarily on Bureau of Prisons fiscal year 1977 estimates for two recently opened new institutions (Pleasanton, California, and Oxford, Wisconsin).

Notes for Table D-1 (continued)

d/ Is based on an average daily cost per offender of $16.62 (weighted to reflect use of both Federal and contract facilities) and assumes that 74.4 percent of such costs are allocated to inmate care.

e/ Is based on estimated average daily cost of $3.02 per offender for direct community services, drug after care, and medical support.

f/ Is based on an average daily cost per offender of $16.62 (weighted to reflect use of both Federal and contract facilities) and assumes that 25.6 percent of such costs are allocated to maintenance and operation.

g/ Operating costs increased by 3.72 percent to reflect October 1977 pay adjustment: .72 (pay and benefits as percent of total cost) x .0517 (average pay increase cost) = .0372.

h/ Operating costs increased by 3.04 percent to reflect October 1977 pay adjustment: .588 (pay and benefits as percent of total cost) x .0517 (average pay increase cost) = .0304.

i/ The estimated annual off-set assumes that the inmate will continue to contribute $2.00 per day for half-way house expenses after he has received his first full paycheck. Most inmates are assumed to make such payments beginning with the 36th day of confinement until their release.

TABLE D-2. COMPARISON OF ANNUAL COST INCREASES UNDER ALTERNATIVE CAPITAL INVESTMENT APPROACHES

Capital Investment Approach	Incremental Population	Relevant Cost Per Inmate	Increase in Operating Costs (in millions)
Option 1:			
Population growth in conventional facilities already started	1,000 a/	$13,520 b/	$13.5
Relocation from existing facilities to:			
Conventional facilities already started	940 a/	3,920 c/	3.7
Additional half-way houses	1,350 d/	-2,235 e/	-3.0
Total	N/A	N/A	14.2
Option 2:			
Population growth in conventional facilities already started	1,000 a/	13,520 b/	13.5
Relocation from existing facilities to:			
Conventional facilities already started	940 a/	3,920 c/	3.7
Additional half-way houses	1,350 d/	-2,235 e/	-3.0
New conventional facilities	6,120 f/	3,920 c/	24.0
Total	N/A	N/A	38.2

TABLE D-2, Continued

Option 3:			
Population growth in conventional facilities already started	1,000 a/	13,520 b/	13.5
Relocation from existing facilities to:			
Conventional facilities already started	940 a/	3,920 c/	3.7
Additional half-way houses	4,300 g/	-2,235 e/	-9.6
New conventional facilities	1,560 g/	3,920 c/	6.1
Total	N/A	N/A	13.7
Option 4:			
Population growth in conventional facilities already started	1,000 a/	13,520 b/	13.5
Population growth for increased use of imprisonment:			
Conventional facilities already started	940 a/	13,520 b/	12.7
Additional half-way houses	1,350 d/	7,365	9.9
New conventional facilities	11,080 g/	13,520 b/	149.8
Total	N/A	N/A	185.9

a/ Completion of four projects to start construction by September 30, 1977, are estimated to have a combined capacity of 1,940.

b/ Marginal operating costs for offenders to be confined in new conventional facilities.

c/ Represents the difference between the marginal operating costs for new conventional facilities ($13,520) and the average budgeted cost for existing facilities ($9,600).

d/ Represents increase in half-way house capacity from 1,400 to 2,750, as currently planned.

e/ Savings resulting from the difference between the average budgeted cost for conventional facilities ($9,600) and the marginal cost for half-way houses ($7,365).

f/ See Chapter III, Table 5.

g/ See Appendix C.