A Dynamic Economic Impact Analysis of Alternatives to Incarceration in Connecticut as proposed by SB 1083 and SB 1428

A REMI Analysis

By:

Fred V. Carstensen, Director
Stan McMillen, Manager, Research Projects
Nandika Weerasinghe, Senior Research Assistant
Anasua Bhattacharya, Research Assistant
Fabio Maldonado, Research Assistant
Madhuri Saripalle, Research Assistant
Sadik Yildirim, Research Assistant

May 25, 2001

CONNECTICUT CENTER FOR ECONOMIC ANALYSIS[ã]

University of Connecticut
341 Mansfield Road
Storrs, CT 06269-1063
Voice: 860-486-0485 Fax: 860-486-4463
http://www.lib.uconn.edu/ccea

Executive Summary

A Better Way Foundation commissioned the Connecticut Center for Economic Analysis (CCEA) at the University of Connecticut to analyze the economic impact that shifting to alternatives to incarceration would have for the economy of the State of Connecticut. A broad array of research and statistical findings argue that incarceration by itself is both expensive and largely ineffective in modifying behavior. As a result, states and localities have been developing a wide variety of supplemental programs or alternatives to incarceration. A broad array of research argues that these approaches are in general more effective in modifying behavior, reducing recidivism, while also reducing public sector expenditures. The economic and social benefits multiply over time, as those who receive treatment do not impose future costs on society.

This report first presents the methodology and data upon which CCEA developed its economic impact analysis. It then presents the results of that analysis. The following two sections present, first, a broad review of the research and literature nationally that both helped shape the approach taken in making the analysis and confirms the level of economic benefit that the analysis finds, and, second, a review of the experience in Connecticut.

CCEA completed two analytical scenarios, one assuming a low rate of utilization of alternatives to incarceration, a second assuming a high rate of utilization. The analysis found that the benefits from utilizing alternatives to incarceration would fall in the following range:

- Creation of 989 to 3,958 new jobs;
- An increase in Gross Regional (State) Product of $77,000,000 to $311,060,000;
- An increase in Personal Income of $54,170,000 to $215,660,000;
- A net increase in State tax revenues of $11,190,000 to $47,710,000; and
- A net increase in Local tax revenues of $6,330,000 to $27,400.000.

These results are the sum of the annual increases due to the new policies compared to no new policies divided by 20, the length of the study period (state bond maturation period). They are therefore the annual average increases (not cumulative) in

employment and so on above the status quo forecast of the Connecticut economy. The permanent increases in the above variables are reflected in their terminal year (2022) values as follows:

- Creation of 1,136 to 4,526 new jobs;
- An increase in Gross Regional (State) Product of $131,380,000 to $526,760,000;
- An increase in Personal Income of $87,950,000 to $347,500,000;
- A net increase in State tax revenues of $5,900,000 to $31,660,000; and
- A net increase in Local tax revenues of $3,730,000 to $20,720.000.

The values of terminal net state and local taxes are smaller than the averages above because the negative expenditures (savings) turn positive in the out years decreasing net tax revenues.

The CCEA analysis thus shows that increasing use of alternatives to incarceration would have significant economic benefits for the State and its citizens.

Modeling Assumptions

The proposed bills reduce the burden on the prison system in Connecticut by reducing the number of people incarcerated as well as recidivism rates. To examine the economic effect on the state, we first look at the direct costs of alternative programs. The most recent data available suggests that it costs the state $25,000 per year to incarcerate an offender (Legislative Program Review and Investigations Committee report entitled: *Factors Impacting Prison Overcrowding*, December 2000, page 20). Debt service and depreciation on existing facilities should not be added to the operational estimate as these expenditures would be required if the prisons were empty. The current Alternative to Incarceration Program in Connecticut on average costs $7000 per year to fund a slot, with an average of four clients per slot per year. There is also a proposal to build, with state bond financing, a $20 million, 500-bed, secure, short-term treatment facility that will incur estimated operating costs of $5 million per year.

Insofar as the current system limits access to substance abuse treatment that many incarcerated offenders need, it increases the probability that these offenders, once released, will continue to commit crimes to support their addictions. Alternative

sentencing programs tackle this problem by providing such treatment and education. Benefits to the state and its residents from such programs include amenity values such as reduced crime and reduced health care costs, and reduced further arrest and prosecution costs. The Center for Addiction and Substance Abuse at Columbia University completed a study from which CCEA drew the following costs to estimate benefits to Connecticut:

- $5000 in reduced crime savings per non-violent offender, assuming that drug-using ex-inmates would commit 100 fewer crimes per year with $50 in property and victimization costs per crime.
- $7300 in reduced arrest and prosecution costs per non-violent offender, assuming that they, absent alternative programs, would be arrested twice per year.
- $4800 in health care and substance abuse treatment cost savings per non-violent offender, the difference in annual health care costs between substance users and non-users.

The CCEA analysis includes the possibility of gainful employment for these offenders upon successful completion of the "alternative" sentence, assuming all of them are employed in the retail sector. This creates a distribution of workers in several wage brackets, including some unemployment.

For the "incarceration alternatives" scenario, CCEA assumed a low and high estimate of offenders that receive the alternative sentence. Based on historical data from the state (from 1990-1995), the analysis assumes a total of 9000 convictions for drug abuse violations per year. The data indicates that the number of offenders incarcerated for these violations hovers around 4000. The objective of the proposed statutes would then be to reduce the number of offenders incarcerated for these violations, as well as recidivism rates, in the future.

Because the ultimate number of offenders that would benefit from the alternative programs depends on judicial discretion, the analysis uses a low and high estimate to look at a range of results. The low scenario assumes that 20% of offenders are diverted to alternative programs; the high scenario assumes that 80% of offenders are diverted to them.

The state finances the treatment center with 20-year bonds with an interest rate of 6.5%. This translates into level interest payments of $1.82 million per year. Connecticut saves on incarceration costs and arrest/prosecution costs, but incurs costs associated with providing offenders alternative treatment. To balance the State budget, the analysis assumes that the personal income rises by 70% of the government spending decrease (this is because on average Connecticut taxpayers receive 70c to every dollar that the state income tax falls because federal tax liability increases). The Input Table below summarizes the costs and spending changes, with the figures in *italics* denoting the estimates entered directly into the REMI model.

Input Table

Description of Cost/Benefit	**Amount**	
State govt.'s costs of constructing the 500-bed treatment facility over two years, beginning in 2002 (common to both scenarios)	*$10 million per year, through 2003*	
State govt.'s cost of financing construction, with bond payments over 20 years, with an interest rate of 6.5% (common to both scenarios)	*$1.82 million per year, through 2021*	
State govt.'s cost of operating facility (common to both scenarios)	$5 million per year, starting in 2004	
Other Annual Costs and Benefits	**Low Estimate (800 diversions)**	**High Estimate (3200 diversions)**
Reduced crime costs	$4.00 mill.	$16.00 mill.
Reduced healthcare costs	$3.84 mill.	$15.36 mill.
Total Amenity Value	*$7.84 mill.*	*$31.36 mill.*
Jobs created in the Retail Sector	*800*	*3200*
Reduced arrest and prosecution costs	$5.84 mill.	$23.36 mill.
Costs per 4 offenders for alternative programs	$1.40 mill.	$5.60 mill.
Incarceration Cost Savings at $25,000/person	$20 mill.	$80 mill.
Govt. spending from 2002-2003 without debt service	*-$24.44 mill*	*- $97.76 mill.*
Govt. spending from 2004 onwards without debt service (including operation of treatment facility)	*- $19.44 mill*	*- $92.76 mill*
Change in personal taxes from 2002-2003 (70% of govt. spending change)	*- $17.108 mill*	*-$68.432 mill*
Change in personal taxes from 2002-2003 (70% of govt. spending change)	*-$13.608 mill*	*-$64.932 mill*

PART I: METHODOLOGY AND DATA

The Connecticut Center for Economic Analysis (CCEA) at the University of Connecticut conducted this impact analysis using the State Economic Model, (the REMI model), a sophisticated 53-sector replication of the State's economic structure that can project economic impacts out to the year 2035. The analysis presented here looks at the impacts over a period of twenty years, with the year 2002 as the starting point. The objective is to determine the net benefits to the State of Connecticut, by comparing a scenario where the relevant laws are enacted to one where they are not. The status quo scenario where the laws are not enacted is the baseline forecast currently embodied in the REMI model. Comparing the results of the two scenarios allows CCEA to look at the direct, indirect and induced impacts of the laws in question; CCEA does this in terms of employment, gross regional product (GRP), personal income, and fiscal impact in the state as a whole.

The CCEA analysis flows from specific sections of bills that have been raised in the legislature. Table 1 below provides a synopsis of the relevant sections.

Table I

Bill and Section Number	Contents
SB 1083	
Sections 3,6,7,8,9,11,12,13	*Judicial Discretion:* Allows judges the discretion of taking mitigating circumstances into consideration when sentencing under statutes that require mandatory minimums, including Sec. 21a-267, Sec. 21a-268, Sec. 21a-278a, and Sec. 21a-279.
Sections 4,5	Allows suspending prosecution for substance-abuse treatment (diversion) more than once - current law allows offenders to use it only once.
Sec 14	Allows violators of Sec 21a-267 (drug paraphernalia) and Sec. 21a-279 (possession) to be eligible for community service more than once.
Sec 15	Allows violators of Sec 21a-267 (drug paraphernalia) and Sec. 21a-279 (possession) to be eligible for a pre-trial drug education program more than once.
Sec 18	Allows non-violent offenders w/ "dirty urines" (violated their parole by using drugs) to remain in the community.
Sec 10	Makes clear that people charged w/ sale offenses and those who have relapsed from previous treatment programs are eligible for programs under the "drug court".
SB 1428	Allows for the presumption of probation for drug treatment for non-violent drug offenses, and that such probation shall not be violated for possession, non-attendance or "dirty urines" until the third time (also allows pre-sentencing drug screening).

These bills all propose to reduce the burden on the prison system in Connecticut by reducing the number of people incarcerated as well as recidivism rates. To examine the economic effect on the state, we need first to look at the direct costs of alternative programs. The most recent data available suggests that it costs the state $25,000 per year to incarcerate an offender (Legislative Program Review and Investigations Committee report entitled: *Factors Impacting Prison Overcrowding*, December 2000, page 20). Debt service and depreciation on existing facilities should not be added to the operational estimate as these expenditures would be required if the prisons were empty. The current Alternative to Incarceration Program in Connecticut on average costs $7000 per year to fund a slot, with an average of four clients per slot per year. There is also a proposal to build, with state bond financing, a $20 million, 500-bed, secure, short-term treatment facility that will incur estimated operating costs of $5 million per year.

Insofar as the current system limits access to substance abuse treatment that many incarcerated offenders need, it increases the probability that these offenders, once released, will continue to commit crimes to support their addictions. Alternative sentencing programs tackle this problem by providing such treatment and education. Benefits to the state and its residents from such programs include amenity values such as reduced crime and reduced health care costs, and reduced further arrest and prosecution costs. The Center for Addiction and Substance Abuse at Columbia University completed a study from which CCEA drew the following costs to estimate benefits to Connecticut:

- $5000 in reduced crime savings per non-violent offender, assuming that drug-using ex-inmates would commit 100 fewer crimes per year with $50 in property and victimization costs per crime.
- $7300 in reduced arrest and prosecution costs per non-violent offender, assuming that they, absent alternative programs, would be arrested twice per year.
- $4800 in health care and substance abuse treatment cost savings per non-violent offender, the difference in annual health care costs between substance users and non-users.

The CCEA analysis includes the possibility of gainful employment for these offenders upon successful completion of the "alternative" sentence, assuming all of them are employed in the retail sector. This creates a distribution of workers in several wage brackets, including some unemployment.

For the "incarceration alternatives" scenario, CCEA assumed a low and high estimate of offenders that receive the alternative sentence. Based on historical data from the state (from 1990-1995), the analysis assumes a total of 9000 convictions for drug abuse violations per year. The data indicates that the number of offenders incarcerated for these violations hovers around 4000. The objective of the proposed statutes would then be to reduce the number of offenders incarcerated for these violations, as well as recidivism rates, in the future.

Because the ultimate number of offenders that would benefit from the alternative programs depends on judicial discretion, the analysis uses a low and high estimate to look at a range of results. The low scenario assumes that 20% of offenders are diverted to alternative programs; the high scenario assumes that 80% of offenders are diverted to them.

The state finances the treatment center with 20-year bonds with an interest rate of 6.5%. This translates into level interest payments of $1.82 million per year. Connecticut saves on incarceration costs and arrest/prosecution costs, but incurs costs associated with providing offenders alternative treatment. To balance the State budget, the analysis assumes that the personal income rises by 70% of the government spending decrease (this is because on average Connecticut taxpayers receive 70c to every dollar that the state income tax falls because federal tax liability increases). Table II below summarizes the costs and spending changes, with the figures in *italics* denoting the estimates entered directly into the REMI model.

Table II

Description of Cost/Benefit	Amount	
State govt.'s costs of constructing the 500-bed treatment facility over two years, beginning in 2002 (common to both scenarios)	*$10 million per year, through 2003*	
State govt.'s cost of financing construction, with bond payments over 20 years, with an interest rate of 6.5% (common to both scenarios)	*$1.82 million per year, through 2021*	
State govt.'s cost of operating facility (common to both scenarios)	$5 million per year, starting in 2004	
Other Annual Costs and Benefits	**Low Estimate (800 diversions)**	**High Estimate (3200 diversions)**
Reduced crime costs	$4.00 mill.	$16.00 mill.
Reduced healthcare costs	$3.84 mill.	$15.36 mill.
Total Amenity Value	*$7.84 mill.*	*$31.36 mill.*
Jobs created in the Retail Sector	*800*	*3200*
Reduced arrest and prosecution costs	$5.84 mill.	$23.36 mill.
Costs per 4 offenders for alternative programs	$1.40 mill.	$5.60 mill.
Incarceration Cost Savings at $25,000/person	$20 mill.	$80 mill.
Govt. spending from 2002-2003 without debt service	*-$24.44 mill*	*- $97.76 mill.*
Govt. spending from 2004 onwards without debt service (including operation of treatment facility)	*- $19.44 mill*	*- $92.76 mill*
Change in personal taxes from 2002-2003 (70% of govt. spending change)	*- $17.108 mill*	*-$68.432 mill*
Change in personal taxes from 2002-2003 (70% of govt. spending change)	*-$13.608 mill*	*-$64.932 mill*

PART II: RESULTS

Table III presents the primary results from the CCEA analysis in terms of key variables. These results are the sum of the annual increases due to the new policies compared to no new policies divided by 20, the length of the study period (state bond maturation period). They are therefore the annual average increases (not cumulative) in employment and so on above the status quo forecast of the Connecticut economy. The permanent increases in the variables are reflected in their terminal year (2022).

Table III – Changes in Key Variables

Average Annual and Terminal Year Changes above the Baseline

Variable	Avg. Low Estimate	Avg. High Estimate	Low Terminal Year	High Terminal Year
Employment (Jobs)	989	3,958	1136	4526
GRP (Mil Nominal $)	$77.00	$311.06	$131.38	$526.76
Personal Income (Mil Nom $)	$54.17	$215.66	$87.95	$347.5
Disposable Personal Income (Mil Nominal $)	$57.63	$239.39	$84.93	$347.2
Population (Individuals)	1,488	6,075	1,908	7,818

The proposed alternatives to incarceration create new jobs in the economy, ranging from 989 jobs to almost 4000 jobs. The additional jobs result from the multiplier effects created by increased production in the economy. The Gross Regional Product (GRP) increase ranges from $77 million to $311 million, and disposable personal income increases more than personal income, reflecting the decrease in personal taxes.

Table IV below shows the fiscal impact of the considered alternatives to incarceration. Because state expenditures on corrections are below the status quo forecast or baseline, CCEA projects a significant fiscal impact. These savings in effect augment state and local tax revenue. These results are the sum of the annual increases due to the new policies compared to no new policies divided by 20, the length of the study period (state bond maturation period). They are therefore the annual average increases (not cumulative) in employment and so on above the status quo forecast of the Connecticut economy. The permanent increases in the fiscal variables are reflected in their terminal year (2022).

Table IV – Fiscal Impact (Millions Nominal $)

Average Annual and Terminal Year Changes above the Baseline

Fiscal Variable	Low Estimate	High Estimate	Low Terminal Year	High Terminal Year
State Revenues at State Average Rates	$7.72	$31.38	$12.5	$50.3
State Expenditures (Savings) at State Average Rates	($3.47)	($16.33)	$6.6	$18.64
Net State Revenues	$11.19	$47.71	$5.9	$31.66
Local Revenues at Adjusted State Average Rates	$1.52	$5.79	$5.1	$19.2
Local Expenditures (Savings) at Adjusted State Average Rates	($4.81)	($21.61)	$1.37	($1.52)
Net Local Revenues	$6.33	$27.40	$3.73	$20.72

State revenues increase from a low estimate of $7.7 million to a high of $31.4 million, and expenditures fall from a low of $3.5 million to a high estimate of $16.3 million. Local revenues increase as well, and local expenditures also fall. Thus both state and local governments see increased revenues in each scenario.

The graphs in the appendix show the dynamic impact of the proposed changes to incarceration policy in the State. The dips in employment and GRP after 2003 reflect the completion of the construction of the treatment facility and the resulting furlough of construction workers. The eventual increases in all these variables reflect the increased workforce and productivity in the economy. Both the low estimate and the high estimate scenarios indicate similar movements in the variables, but the dip in employment in 2003 is not as pronounced in the high impact case as in the low impact one. The graphs depicting the fiscal movements show the decrease in expenditures that occur as the state lowers its spending on corrections and the eventual increase in expenditures over the baseline driven by the increase in population.

PART III: SUMMARY OF RESULTS

The CCEA analysis shows that alternative programs to incarceration are financially beneficial to Connecticut. The results account for the direct, indirect and induced impacts of the proposed alternatives. In addition, we believe the results are quite conservative. They do not fully incorporate many of the social benefits of these programs. For instance, families of these offenders benefit when they are not incarcerated and are treated for their addictions; secondary crime may be reduced through less gang activity and other criminal activity in which ex-inmates may get involved. The analysis also makes a conservative assumption about State expenditures, and does not incorporate the projected costs to the State of building and maintaining additional prison facilities. The analysis makes clear that utilizing alternatives to incarceration for non-violent substance abusers and providing offenders with the skills and training necessary to pursue productive vocations will benefit both the State government and Connecticut residents.

PART IV: NON-VIOLENT DRUG OFFENSES IN CONNECTICUT – PAST AND PRESENT

Drug Use: In Connecticut, state and local government have given significant attention to and devoted considerable resources to controlling the sale and the use of illicit drugs. The Governor's Blue Ribbon Task Force on Substance Abuse estimated that, in 1995, 65,000 Connecticut residents abused illegal drugs, a number that does not include those who merely "use" illegal drugs. An extrapolation, however, of the figures of the National Household Survey suggests that 168,500 Connecticut residents may, in fact, use illegal drugs each month, 129,000 who use marijuana.

The State of Connecticut, as do all states, uses a multi-pronged approach to address illegal drugs: it imposes criminal sanctions for drug possession and sale, provides treatment programs for the drug addict, and develops education, prevention, and intervention programs to prevent or interrupt ongoing use.

Connecticut places primary reliance for addressing illegal drug use on criminal law enforcement and devotes significant law enforcement and criminal justice resources to suppress drug use, possession, and trafficking. That reliance has been increasing. Connecticut courts handled nearly 43,000 criminal cases involving drug in the year ending June 30, 1995, with over 9000 convictions. The courts processed nearly 9000 marijuana drug cases on the misdemeanor charge of possessing less than 4 ounces of marijuana; 1700 of those cases resulted in convictions. As of December 1, 1995, Connecticut had incarcerated 4673 individuals for a violation of drug laws as their primary offense, an increase of 29% in 14 months. The State devotes 31% of its prison beds are devoted to those incarcerated for drug offenses, an increase of 24% in the same 14 months.

Connecticut also directs significant resources to treatment. Admissions of individuals with illegal drug abuse to Connecticut detoxification and treatment programs and aftercare services in 1994-95 totaled 30,000. (Admissions are counted separately and an individual can be admitted more than one time during a reporting period.) The State funded or operated 75% of the programs. In addition, the Connecticut Department of

Correction provided both alcohol and drug treatment services to approximately 2400 of those incarcerated.

Chronology of criminal law drug legislation: As far back as 1882, Connecticut enacted a law regulating the sale of certain drugs and narcotics. In 1918, four years after the federal ban on narcotics, Connecticut enacted its first comprehensive legislation on narcotic drugs that prohibited the sale and possession of cocaine, opium, morphine, heroin, codeine, and other derivatives. The statutory penalties for illegal sale of narcotic drugs was a $1,000 fine or one year imprisonment or both while illegal possession, by anyone other than a licensed medical professional, was subject to a $100 fine or 60 days imprisonment or both. Again following national prohibitions on drugs, a 1939 revision of the state's drug laws included cannabis (marijuana and hashish) as an illegal substance. In 1949, Connecticut enacted the Uniform State Narcotic Drug Act, which increased the penalties for a violation of the law to a $2,000 fine and up to five years' imprisonment or both. In 1967 the Legislature adopted the next major piece of drug legislation; it was the precursor to the state's current drug laws. This law prohibited the sale and possession of drugs and established graduated sanctions for first and second offenses. It defined drug abuse and drug dependency. Throughout the 1970s and 1980s, the legislature continued to increase the criminal penalties for the sale and possession based on the types and amounts of illegal drugs.

Current Criminal Laws: Current Connecticut criminal drug laws, based largely on the 1989 revisions, are designed to suppress use of illegal drugs by punishing those who possess and sell drugs and by discouraging, with the threat of criminal punishment, others from possessing and selling drugs. Sanctions or penalties imposed for violation of the drug laws include incarceration, fines, alternatives to incarceration, and mandatory treatment programs.

Table IV-1 lists the laws prohibiting the sale of drugs, the penalties, and any exceptions to the penalties, and Table IV-2 describes the offense for possession of drugs. As shown, the most serious offense is the sale of heroin, cocaine, or methadone that

directly causes a person's death. The offense is punishable by a sentence of death or by life imprisonment without the possibility of release.

Components of the Criminal Justice System: In Connecticut, the criminal drug laws are enforced through the criminal justice system. That system is represented by four components: law enforcement; prosecutors; courts; and, corrections.

Law enforcement: State and municipal police departments are responsible for the prevention and detection of crime and apprehension of offenders. The federal Drug Enforcement Agency (DEA), a federal law enforcement unit investigating the illegal drug trade, also provides technical and investigative assistance to state and local police. The Division of State Police, within the Department of Public Safety, has statewide law enforcement jurisdiction. Within the state police special investigations bureau are the Statewide Narcotics Task Force and the Gang Unit, both of which have a prominent role in the area of substance abuse. The Department of Consumer Protection also has law enforcement authority over alleged drugs and illegal possession of drugs.

Table IV-1. Connecticut Statutes Prohibiting Drug Sale						
C.G.S. cite	***Offense Description***	***Statutory Penalties***	***Statutory Exceptions***	***Pre-Trial Diversion***		
				AR*	***CSLP****	***Treatment***
53a-54b(6)	Sale of heroin, cocaine, or methadone directly causing the user's death: capital felony	Life imprisonment without possibility of early release or death sentence of jury finds that aggravating factors outweigh mitigating factors (53a-46a)		Yes	No	No

21a-278(a)	Sale by a nonaddict of at least 1 oz. of heroin, cocaine, or methadone; 5 mg. of LSD; or .5 g. of crack	Mandatory minimum 5- to 20-year prison term, possible maximum term of life imprisonment	Youth or mental impairment: sentence can be reduced below mandatory minimum	Yes	No	No
21a-278(b)	Sale by a nonaddict of at least 1 kg. of marijuana, or any amount of narcotics, amphetamines, or other hallucinogens	Minimum 5-year prison term up to a 20-year maximum. Subsequent offenses: mandatory minimum 10-year prison term up to a 25-year maximum	Youth or mental impairment: sentence can be reduced below mandatory minimum	Yes No	No No	No No
21a-278a(b)	Sale of illegal drug by nonaddict within 1,500 feet of an elementary or secondary school, a licensed day care center, or public housing project	Mandatory 3-year prison term running consecutively to prison term imposed for violating other drug sale law		Yes	No	No
21a-277(b)	Sale of any other illegal drug	First offense: up to 7-year prison term, up to a $25,000 fine, or both Subsequent offenses: up to 15-year prison term, up to a $100,000 fine,		Yes No	No No	Yes Yes

		or both Alternative sentence: up to 3-year indeterminate prison term with conditional release by correction commissioner 21a-277(d)				
21a-268	Misrepresentation of substance as an illegal drug	Up to 5-year prison term, up to a $5,000 fine, or both				
*AR = accelerated rehabilitation CSLP = community service labor program Source of Data: Connecticut General Statutes and OLR report 95-R-1332						

Table IV-2. Connecticut Statutes Prohibiting Drug Possession						
C.G.S.	***Offense Description***	***Statutory Penalties***	***Other***	***Pre-Trial Diversion***		
				AR*	***CSLP****	***Treatment***
21a-279(a)	Illegal possession of narcotics (i.e., heroin, cocaine, crack)	First offense: up to 7-year prison term, up to a $50,000 fine, or both Second offense: up to 15-year prison term, up to a $100,000 fine, or		Yes	Yes	Yes

		both Subsequent offenses: up to 25-year prison term, up to a $250,000 fine, or both Alternative sentence: up to 3-year indeterminate prison term with conditional release by correction commissioner 21a-279(e)		No No	Yes No	Yes Yes
21a-279(b)	Illegal possession of dangerous hallucinogens or at least 4 oz. of marijuana	First offense: up to 5-year prison term, up to a $2,000 fine, or both Subsequent offenses: up to 10-year prison term, up to a $5,000 fine, or both Alternative sentence: up to 3-year indeterminate prison term with conditional release by correction commissioner 21a-		Yes No	Yes Yes	Yes Yes

		279(e)				
21a-279(c)	Illegal possession of any other drug or less than 4 oz. of marijuana	First offense: up to 1-year prison term, up to a $1,000 fine, or both Subsequent offenses: up to 5-year prison term, up to a $3,000 fine, or both Alternative sentence: up to 3-year indeterminate prison term with conditional release by correction commissioner 21a-279(e)		Yes	Yes	Yes
21a-279(d)	Possession of illegal drugs by a nonstudent within 1,500 feet of an elementary or secondary school or a licensed day care center	Mandatory 2-year prison sentence running consecutively to prison term imposed for violating other drug possession laws		Yes	Yes	Yes
21a-267(a)	Possession or use of drug paraphernalia	Up to 3 month jail term, up to $500 fine, or both				

21a-267(b)	Deliver or possess or manufacture with intent to deliver drug paraphernalia	Up to 1-year jail term, up to a $2,000 fine, or both				
21a-267(c)	Possession, use, or delivery of drug paraphernalia within 1,500 feet of an elementary or secondary school by a nonstudent	Additional 1-year mandatory minimum sentence				
* AR = accelerated rehabilitation CSLP = community service labor program Source of Data: Connecticut General Statutes and OLR report 95-R-1332						

Alternative dispositions: Several statutory alternatives to prosecution are currently available to first-time offenders, those charged with minor offenses, or defendants who are drug-dependent. Included among these alternatives are accelerated rehabilitation, alcohol education, community service, and court liaison programs. All such programs are administered by the Office of Adult Probation, which supervises program participants and ensures compliance with court-ordered conditions. All of the programs allow for charges to be dismissed upon the successful completion of the program. Table IV-3 describes the eligibility and exclusionary criteria for each program and the treatment requirements.

Table IV-3. Alternative Sentencing Options for Adult Criminal Defendants

Program	*Status*	*Eligibility*	*Exceptions*	*Availability*	*Requirements*
Accelerated Rehabilitation (AR)	Pre-trial	1st time offenders minor crimes	Class A, B, & C felonies	One time only	Up to 2 yrs probation & conditions
Alcohol Education	Pre-trial	1st time offenders DUI offenses	DUI causing injury	One time only	8 counseling sessions, treatment, license suspension
Community service labor program	Pre-trial	Possession of drug charge	Prior drug convictions	One time only	Community work for 2 to 30 days
Court liaison program	Pre-trial & convicted	Class D felonies & class A, B, & C if waived by court; and drug dependent at time of offense and needs treatment	DUI offenders	Not restricted for pre-trial; restricted to one time for convicted	Out-patient or residential treatment for up to 2 yrs

Judicial outcome for successful completion of all alternative sentencing options is dismissal of charges.

Source of Data: C.G.S.

Court dispositions: Table IV-4 presents the type of disposition for criminal cases involving a drug offense. Drug offenses are categorized as: sale, possession, and paraphernalia violations. For each fiscal year under analysis, over 70 percent of case dispositions were not guilty and nolle (dismissed), which are combined in Judicial Department statistical reports. In FY 94/95, 79 percent of all case dispositions were in this category.

Table IV-4. Adult Criminal Court Case Dispositions for Drug Offenses

FY	***90/91***		***91/92***		***92/93***		***93/94***		***94/95***	
Disposition	***Guilty***	***NG & Nolle***	***Guilty***	***NG & Nolle***	***Guilty***	***NG & Nolle***	***Guilty***	***NG & Nolle***	***Guilty***	***NG & Nolle***
Sale	3,653	6,414	2,881	5,417	2,980	6,723	3,085	7,213	3,262	8,294
Possession	5,416	15,542	4,505	10,471	4,388	12,443	4,686	11,712	5,499	19,724
Paraphernalia	739	4,596	597	4,097	368	4,217	433	5,170	428	5,598
Total	9,808	26,552	7,983	19,985	7,736	23,383	8,204	24,095	9,189	33,616

NG = not guilty

Source of Data: Judicial Department

As shown, about one-half of the cases involving the offense of the sale of drugs result in a guilty verdict. Approximately one-third of the drug possession cases result in a guilty verdict.

Connecticut treatment system: During the 1960s, substance abuse treatment developed into a legitimate field of research and practice. Two primary treatment modes, "medical" and "clinical," emerged and remain the basis for most treatment today.

Under the medical model, drug addicts are medically treated by maintenance on a surrogate drug that substitutes for the illegal addicting substance. By the late 1960s, this model produced the methadone clinic for the treatment of heroin addiction. The prescribed treatment substitutes daily doses of methadone for the illegal heroin. The

clinical model developed as community-based treatment to which substance abusers could turn in a crisis situation. In the early 1970s, public opinion and policy directives became less tolerant of persons with substance abuse problems and of the clinical treatment approach. The focus of the drug problem shifted to the effects of substance abuse on society rather than on the individual addict. By the mid-1970s, clinicians developed approaches to prevent substance abuse and associated criminal activity. Prevention strategies ranged from fear tactics to education, particularly for children, about drugs and their effects. Treatment reemerged into national public view in the 1980s with the increased use of cocaine. Treatment programs were necessary to deal with new drug users, particularly the middle-class, women, and adolescents, who were abusing cocaine. Federal and state governments responded to the increased use of cocaine in the 1980s by initiating a "war on drugs" and establishing particularly severe criminal sanctions for drug use. In 1989, federal funds for residential drug treatment were discontinued because substance abuse was reclassified as a mental illness and, therefore, not allowable under Medicaid regulations.

The most recent trend in substance abuse treatment concerns the administration of treatment services rather than the manner of treatment. The managed care model is currently being applied to many treatment systems and Connecticut is currently developing a statewide network of treatment services based on the managed care approach. Managed care is expected to have a significant impact in the future in determining the levels and manner of private treatment that is available to drug abusers.

Substance Abuse Treatment System

Department of Mental Health and Addiction Services: The Department of Mental Health and Addiction Services (DMHAS) is the lead agency in Connecticut's efforts in treating drug abuse. The services include emergency treatment, inpatient and outpatient treatment, intermediate treatment, and follow-up treatment including appropriate rehabilitation services. The department funds a network of community-based programs and services and administers three residential treatment facilities. The department provides treatment services to clients, 18 years and older, who are

unable to obtain private care and treatment due to the severity or duration of their addiction or their lack of financial resources.

The Department's Office of Addiction Services (OAS) provides services to persons who are at risk, exposed to, or currently experiencing problems related to substance abuse. It consists of four divisions: Planning; Program Monitoring; Treatment and Coordination; and Prevention, Intervention, and Training, each headed by a director. Fifteen regional action councils (RAC) assist OAS, were statutorily created to identify substance abuse problems, resources, gaps in services, and changes to the community; to design programs; and to develop and implement substance abuse treatment plans. The councils do not provide direct services to clients.

Department of Children and Families: The Department of Children and Families funds a network of community-based treatment programs and a residential facility for persons under 18 years of age. Children receive treatment either voluntarily (non-committed) or involuntarily by court-ordered commitment to DCF as an adjudicated delinquent or as part of a family with service needs.

DMHAS Treatment Statistics

Admissions to treatment: Since July 1990, the Department of Mental Health and Addiction Services (DMHAS) reported more than 250,000 admissions at either funded or provided substance abuse treatment programs or facilities. It is estimated that over 50 percent of all alcohol and drug patients are expected to relapse, and 6 percent of those who do relapse will do so many times.

As shown in Table IV-5, treatment services are categorized as programs funded or operated by DMHAS, which also includes federal funds, and those funded by other sources, such as private, for-profit clinics. Although each admission category experienced an increase in the number of clients during the past five fiscal years, the sharpest rise has been in the number of admissions to DMHAS-operated facilities. Admissions in this category dramatically increased 1.9% from FY 92 to FY 93, and have continued to increase during the past three fiscal years.

	Table IV-5. Number Admissions to Treatment Programs			
FY	***DMHAS Funded***	***DMHAS Operated***	***Not DMHAS Funded***	***Total***
90/91	30,765	Est. 7,000	11,453	49,218
91/92	31,439	Est. 7,000	12,832	51,271
92/93	32,387	7,133	13,081	52,601
93/94	33,960	7,707	13,371	55,038
94/95	34,438	8,097	13,933	49,178
Total	162,989	33,937	64,670	257,306
Source of Data: DMHAS Client Information Collection System				

Length of treatment: Currently, the average length of stay is about 80 days in a community-based treatment program and 40 days at private facilities.

Primary substances: Table IV-6 summarizes Connecticut data for persons treated for illicit drugs and shows that heroin abuse accounts for almost half (49%) of the persons treated; 36% for cocaine; and 9% for marijuana.

Table IV-6. DMHAS Client's Primary Drug Abuse Problem: FY 95	
Heroin	49%
Cocaine	36%
Marijuana	9%
Other Illicit Drugs	6%
Total	100%

Alternatives to Incarceration in Connecticut

Connecticut's alternative sanctions program has been in place since 1990. A statewide network of more than 50 public and private providers deliver various services such as: Community service, Day Incarceration Center, Restitution Center, Family Counseling, Mediation, Drug Court, Intensive Supervision Probation, and Substance Abuse treatment. Alternative sanctions operate at an average cost of just over $7000 per slot per year, with an average of four clients per slot per year. The average cost for incarcerating an offender is approximately $25,000 per year, not including depreciation and debt service that are sunk costs. The state's Office of Alternative Sanctions estimated in 1998 that, without these alternatives, more than 3,500 additional prison and jail beds would have been needed at a capital cost of $525 million and an additional $94 million per year in operating costs.

PART V: BACKGROUND AND LITERATURE REVIEW

A. Introduction

Imprisonment of drug offenders and other criminals in the United States has grown by 462,006 in the seven decades from July 1,1910 to July 1, 1980, while the population grew by 134,817,681 in the same period (a ratio of 1 to 291.80). In the 1990s (July 1, 1990 to July 1, 1999) however, the number of prison inmates grew by an estimated 816,965, while the population grew by 23,226,417 (a ratio of 1 to 28.4). The prison population has thus been growing *ten times* faster than the historical pattern. The United States has 100,000 more incarcerated persons for drug offenses than the entire European Union (EU), while the EU has 100 million more citizens than the U.S. Between 1980 and 1997, drug arrests tripled in this country. Prisoners sentenced for drug offenses constituted the largest group of Federal inmates (58%) in 1998, up 53% from 1990. In September 1998, Federal prisons held 63,011 sentenced drug offenders, compared to 30,470 at the end of 1990. In 1998, drug law violators comprised 22.1% of all adults serving time in state prisons – 236,800 out of 1,141,700 State inmates. In the year 2000, the federal, state, and local governments spent almost $24 billion to incarcerate non-violent offenders. Such data prompted retired General Barry McCaffrey, former Director of the Office of National Drug Control Policy, to refer to America's prison system as an "American gulag".

The proportion of substance abusers in the criminal justice system is high and has grown larger in recent years. Between 1990 and 1998, the number of total arrests nationwide increased by 40%. One of the largest increases in arrest rates has been for violation of laws prohibiting drug sales, distribution and possession—up 168% during this time period. Arrests for drug violations grew at four times the rate of increase for violent felonies. In the same nine-year period, the number of inmates in the United States more than tripled and the state and federal prison population increased 299% and 417% respectively. Nationally, in 1997, 83% of state prison inmates were substance abuse involved. The percentage of state prison inmates sentenced for a drug law violation increased from 6% in 1980 to 23% in 1996 (Belenko, 2000).

But this dramatic increase in incarceration at every level has been by all accounts ineffective. A recent United States Department of Justice finding concludes "higher rates of arrests, stricter laws, and more aggressive sentencing policies *do not deter many drug users exposed to these penalties*" (Harrell, 2000, emphasis added). Harrell et al believe that this reliance on incarceration leads to a "revolving door scenario in which drug-involved offenders appear repeatedly before the courts" (Harrell, 2000). For instance:

> One study found 60 percent of opiate-dependent Federal parolees were re-incarcerated within 6 months of release—virtually all for narcotics-related crime—at an incarceration cost of more than $27,000 per person, per year. (Metzger, 1996) quoted in (Harrell, 2000).

Harrell et al also argue that drug treatment is effective even with the most hardened addicts:

> Contrary to popular opinion, drug treatment is effective — not everyone and not all the time, but, on average, it works…. The National Treatment Improvement Evaluation Study found 40-50% of regular cocaine and heroin users who spent at least 3 months in treatment were almost drug-free in the year after treatment, regardless of the treatment type (Harrell, 2000, p. 2).

Despite such findings, and despite numerous advances in the last 20 years in mental health treatment and substance abuse interventions, they are used rarely. A 1994 survey of 37 state and federal prison systems by the National Institute of Justice (NIJ) and the Center of Disease Control and Prevention found that only 5% of all inmates received either residential substance abuse treatment or ambulatory substance abuse counseling. A survey conducted in 1992 by National Institute of Justice revealed that only 28% of the nation's jails offered drug abuse treatment, and only 19% funded drug treatment programs (National Institute of Justice, Research Report, 1995). Of the drug treatment programs, 12% were isolated from the general jail population. The average jail drug treatment program focused on white inmates (who constituted 66% of the participants), and the average age of the participant was 26 years. The average number of inmates served in the program was 42, and the staff size was three. More than 80 percent operated without volunteer staff. In the Federal Bureau of Prisons system, 61% of those incarcerated were convicted of drug-related crime. But, according to a 1993 analysis (National Institute of Justice, Research Report, 1995, p. 20), only 21% of the inmates were

"low-level" drug-law violators; that is, they had no current or prior convictions for violence, no record of criminal activity and no prior offenses. This of course reflects the high rate of recidivism.

U.S. Department of Corrections data show that about a fourth of those initially imprisoned for nonviolent crimes are sentenced for a second time for committing a violent offense. Whatever else it reflects, this pattern highlights the possibility that prison serves to transmit violent behavior and values rather than to reduce them. The ONDCP (Office of National Drug Control Policy) in its 2000 annual report detailed administration requests for major increases in funding to the Federal Bureau of Prisons for drug-related prison construction. These include an additional $420 million in fiscal year 2001, and advanced appropriations of $467 million in 2002, and an additional $316 million in 2003—all drug-related. Since the enactment of mandatory minimum sentencing for drug users, the Federal Bureau of Prisons budget has increased by 1,350%. Its budget has jumped from $220 million in 1986 to $3.19 billion in 1997.

Despite abundant research on the relation between drug use and criminal activity, access to treatment appears limited for criminal offenders relative to their need. The adjudication process for arrested drug-involved offenders is complex, involving a number of agencies, personnel, and locations. Although this makes it difficult to plan and coordinate the delivery of treatment services, it also means there are numerous entry points at which services might be provided. Intervention points for criminal justice-based treatments include: pre-arrest diversion, pre-arraignment diversion, pretrial intervention, and post-conviction intervention. One of the methods in use currently is the diversion program, where recent arrestees are offered an opportunity to have their cases held in abeyance while they participate in a court-monitored treatment program.

B. Alternatives and Effectiveness

Because reliance simply on incarceration as a solution to America's drug dilemma has proved both very costly and largely ineffective, states have begun to experiment with approaches that reduce costs of incarceration and, perhaps more important, modify behavior of non-violent offenders to reduce recidivism. A wide range of alternatives exists, such as intensive supervision probation, house arrest, day reporting centers, and

electronic monitoring. Intensive probation supervision programs (Georgia, New Jersey) have been successful in restraining growth of prison populations and associated costs by controlling selected offenders. "Drug Courts" have also emerged; these are dedicated courtrooms that provide judicially monitored treatment, drug testing, and other services to drug-involved offenders. The mission of drug courts is to stop the abuse of alcohol and other drugs and related criminal activity. Approximately 400 drug courts operate nationwide. New York and Chicago initiated the concept of dedicating specified courtrooms solely to drug cases in the early 1950s; in the early 1970s, New York established "Narcotics Courts" in response to the rise heroin abuse. Dade County, Florida began the first treatment-oriented drug court in 1989.

Probation—serving a sentence while under official supervision in the community—is the most popular form of correctional treatment in United States. Courts use probation nearly three times more in sentencing convicted offenders than incarceration (either local jail or state & federal prisons. One recent trend among judges is to use probation as a supplement to a period of incarceration. The combination of prison and probation takes four forms: split sentence (a period of incarceration followed by probation), modification of sentence (reconsider a sentence and modify it to probation), shock probation (released after a period of time in confinement and re-sentenced to probation), and intermittent incarceration (spend weekends or nights in a local jail). Programs now typically differentiate between high risk and low risk offenders (Byrne, 1988).

Data for 20 states reveals that the proportion of adult probationers who successfully completed their term ranged from 66% in Mississippi to 95% in Vermont. The percentage incarcerated for new offenses varied from 5% in Vermont to 23% in Mississippi. States that use a classification system usually identify success and failure rates for offenders receiving minimum, moderate, and maximum supervision. In these states, failure rates (i.e., re-arrest within 1 year) often are as low as 10-15% for minimum supervision cases and as high as 50-60% for maximum intensive supervision cases. Petersilla and Turner (1986) report that prisoners had a significantly higher recidivism rate (72%) than a similar group of felons (63%) on probation. They found no significant

recidivism differences between groups in the seriousness of crimes committed or in the time before re-arrest (6 months for both).

Legislation

Although 36 states currently have mandatory minimums in place for drug offenses, one of the first states to enact such mandatory sentences, Michigan, recently moved to ease some of the more draconian provisions of its so-called "650 Lifer" drug laws. Passed in 1978, the 650 Lifer law meted out mandatory sentences of life without the possibility of parole for persons caught with at least 650 grams of heroin or cocaine. After a heated debate, the Michigan legislature passed, and the governor signed, a law that allowed parole for some 650-lifers after they served 15 or 20 years, depending on their prior record.

Similarly, in 1994, Congress passed a "safety valve" to the federal mandatory drug provisions, which allows judges to sentence offenders below the mandatory minimum if the offender has a minimal prior record, the offense is nonviolent, and the offender cooperates with prosecutors. According to The Sentencing Project, "Since the adoption of this provision, 20% of federal drug cases are now sentenced in this way, providing an indication of the degree to which low-level offenders are being prosecuted."

Judicial Efforts

Recently, a statewide panel convened by New York State's Chief Judge Judith S. Kaye announced what it described as "sweeping new reforms to provide court-mandated substance abuse treatment to nonviolent drug-addicted offenders throughout the state." According to the *New York Times*, the reforms would make New York the "first state to require that nearly all nonviolent criminals who are drug addicts be offered treatment instead of incarceration." The Commission on Drugs and the Courts, convened under the aegis of New York's Unified Court System, developed a plan that would divert 10,000 defendants from prison or jail into treatment at an estimated savings of $500 million a year in incarceration and other taxpayer costs.

In 1998, there were some 22,670 drug offenders in the New York State prison system, about one-third of all prisoners. Over 90% were there because of two mandatory sentencing laws passed in 1973 known as the Rockefeller Drug Laws. It costs New York State over $680 million a year to keep these nonviolent drug offenders in prison.

Adult Arrests – New York

	1996	1997	1998	1999	*2000
Total Arrests	569,721	589,761	595,812	553,444	571,143
Total Felony	199,302	199,233	198,235	181,366	177,496
Violent	64,296	63,911	60,270	54,057	52,402
Drug	56,941	53,316	58,004	51,248	47,435
Other	78,065	82,006	79,961	76,061	77,659
Total Misdemeanor	370,419	390,528	397,577	372,078	393,647
Drug	69,632	79,772	98,266	94,527	117,483
DWI	42,869	42,397	42,656	39,556	39,304
Other	257,918	268,359	256,655	237,995	236,860

Voter Initiatives

In the early 1990s, voters in Arizona approved an initiative that diverted nonviolent defendants convicted of drug possession from prison as well as medicalizing marijuana. Disturbed over the passage of what it considered an irresponsible initiative, the Arizona legislature forced a second vote on the same issue, and, in November 1996, voters again approved the Drug Medicalization, Prevention, and Control Act ("the Act"). In December 1996, the Act established the Drug Treatment and Education Fund to create drug treatment slots for offenders who would be diverted from prison under the Act.

In a March 1999 report from the Arizona Supreme Court found that 2,622 probationers participated in treatment under the program in its first year. There was a 98.2% matching rate between recommended and actual placements and, at the time of the report, there was a success rate of 61.1% for the 932 probationers for whom treatment completion data was available. The Supreme Court researchers estimated that the program achieved a saving of $2,563,032 in incarceration costs during its first year of implementation net of treatment and probation costs. The researchers estimated that

these savings would increase in subsequent years as the initiative achieved full implementation.

The California Campaign for New Drug Policies placed the Substance Abuse and Crime Prevention Act on the ballot for November 2000. As with the Arizona initiative, the California Act would send those convicted of nonviolent drug possession charges to treatment centers instead of prison. Those convicted of selling or manufacturing drugs would be ineligible for diversion, as would those with convictions for violent offenses in the five years previous to sentencing.

Even with these limitations, the non-partisan California Legislative Analyst's Office estimates that the measure will reduce the state's prison population 25,000 and the population in county jails another 12,000, saving the state between $100 million and $150 million a year and counties $50 million a year. There would be additional one-time savings of $500 million in prison construction costs. To pay for the new drug treatment slots, the initiative requires establishment of a $120 million superfund, generated from the savings in prison costs. The state would funnel these monies to counties to provide treatment for offenders diverted from incarceration.

The Sheriff's office in Tennessee's Davidson County began looking into jail alternatives for certain offenders because of overcrowded conditions in the county's jails. When Sheriff Gayle Ray came on board, there were no alternative sanction programs in place. In 1998, the sheriff's office received grants worth close to $1 million from the federal Byrne Memorial Grant Fund to support the day reporting center that was created for non-violent misdemeanor services. The program paid off, according Diane Moore, Director of the Davidson County Sheriff's Office Day Reporting Center.

> First, the per diem cost for participation is much lower than that in the jails. The jail's per diem cost is about $39 whereas the center's per diem cost is around $10. For the right individual who can make it on this program and is also working, they are paying their family bills and taxes and they are not a wholesale drain on the community."

Research suggests that post-incarceration continuation of services improves outcomes, and that the longer treatment continues the more positive the outcomes.[1] One

[1] For example, three years after release from prison, only 27% of clients of California's Amity program who completed aftercare had been re-incarcerated, compared with 75% of similar inmates who received no

element of this is providing probation officers a continuum of sanctions ranging from least severe to most severe to consider when a violation of the special drug aftercare condition occurs. These violations include technical violations such as, failing to report for tests, stalls, attempting to beat the test or contaminating the specimen, flushed specimen, failing to participate in counseling sessions, alcohol use, positive drug test results as well as legal violations. The range of options to use include admonishments (written and verbal) by the probation officer and supervisor, written admonishment by the U.S. parole commission, verbal admonishment by the court (which requires more time and work), lengthen the time in the current phase, increase the phase level, increase the supervision level, community service, alcoholics/narcotics anonymous meetings, outpatient counseling, electronic monitoring, community correctional center participation, reside and participate in sober living program, arrest-shorter term custody-reinstatement to supervision, intermittent incarceration, therapeutic community and finally, arrest, custody and recommendation for revocation (Torres, 1998).

Assignment to a therapeutic community (TC) or residential drug treatment is one of the major methods used when an offender has a positive drug test. This is considered the most severe of all sanctions because it effectively can be considered a form of incapacitation or removal from community. Many probation officers believe this is too harsh, but this strategy has apparently proven to be effective in deterring drug use and preventing new criminal conduct. These sanctions are based on the belief that consequences for drug after care violations, especially drug use, should be swift, certain and predictable. Verification of compliance is critical if the officer is to maintain credibility and. hence, effectiveness. A major tenet of this strategy is that offenders must be held accountable for their decision to use drugs. The supervision strategy is implemented by an approach that provides certain predictable sanctions for drug after care violations. These range from a mild admonishment to an intensive residential drug treatment program, with a last resort to arrest and revocation.

Because prison treatment evaluations have focused on residential programs, more research is needed on the effectiveness of other types of interventions. Further, treatment

---

treatment and 79% of inmates who received treatment in prison but no aftercare. Delaware's Key-Crest program has achieved similar results.

alone is not enough. Programs serving inmate populations must deal with the "whole person"—poverty, unemployment, and poor health. Drug-free housing and family support are especially important factors in recovery. Data on jail and prison inmates illustrates the extent of social and multiple health problems from which drug offenders suffer and which need to be addressed simultaneously to improve effectiveness of the program. The complexity and multiple layers of the criminal justice system also impact the delivery of treatment services.

C. Experiences from other States

Several programs have been carried out in various states, including Arizona, New York, Florida, New Jersey, Texas, Wisconsin, California, Oregon and Delaware. These programs show that there is a strong positive relationship between number of months in alternative programs and the percentage of people successfully discharged from the parole for male therapeutic community (TC) group who were in treatment for 12 months. In case of females, inmates for drug offense, TC was effective in reducing recidivism rates, but counseling showed no such effect.

Arizona

In the early 1990s, voters in Arizona approved an initiative that diverted nonviolent defendants convicted of drug possession from prison, as well as medicalizing marijuana. Disturbed over the passage of what it considered an irresponsible initiative, the Arizona legislature forced a second vote on the same issue and, in November 1996, the Drug Medicalization, Prevention, and Control Act ("the Act") was again passed. In December 1996, the Act established the Drug Treatment and Education Fund to create drug treatment slots for offenders who would be diverted from prison under the Act.

A March 1999 Arizona Supreme Court report found that 2,622 probationers participated in treatment under the program in its first year. There was a 98.2% matching rate between recommended and actual placements and, at the time of the report, there was a success rate of 61.1% for the 932 probationers for whom treatment completion data was

available. The Supreme Court researchers estimated that the program achieved a net saving of $2,563,032 in incarceration costs during its first year of implementation after subtracting treatment and probation costs. The researchers estimated that these savings would increase in subsequent years as the initiative achieved full implementation (Sunny Kaplan, May, 1999).

Oregon

According to one study, in Oregon every dollar spent on drug treatment saves $5.60 in costs for prison, welfare, and other expenses (G. Field, 1992).

Texas

The Texas initiative has a program for non-violent drug offenders (Substance Abuse Felony Punishment [SAFP]) where they could receive 6-12 months of long-term treatment, who were then assimilated back into the community through a 15-month continuum of care that incorporated a support system of decreasing intensity and structure. They also had an in-prison therapeutic treatment system where incarcerated offenders were to receive long-term, intensive chemical dependency treatment before returning to the community, where they were given treatment similar to SAFP program. Only 7.2% of those who had completed three or more months had been re-incarcerated, in contrast to 18.5% of those who did not receive treatment. The drop out rate was 42%.

In another Texas program, the New Vision Chemical Dependency Program, of 343 inmates referred during the second half of 1993, 80% completed the program (Simpson and Knight (1995). The progress of graduates was compared to that of a matched sample from the general prison population who also met all treatment eligibility requirements but did not have enough time left to serve to be able to participate. Data from the half the scheduled 6-month follow-ups revealed that 6 months after leaving prison, parolees who received TC treatment were less likely to be arrested than those who did not receive treatment (15 % and 20% respectively) and less likely to have used cocaine or crack (7% and 26% respectively).

The 61% who completed a 3-month residential care program after leaving prison did better on several outcomes – committing crime, being employed, and being arrested – than did parolees who did not complete the aftercare program. See the table below.

Texas New Vision Chemical Dependency Program: Completion of Aftercare

	Completed 3 or more months	Did not complete aftercare
Committed Crimes for income	1%	33%
Used Cocaine/crack	35%	55%
Held legal employment	99%	77%
Arrested or jailed	18%	55%

California

For a justification of alternatives to incarceration, California experience provides the best example to think about a better solution than incarceration.

> During the past two decades California experienced a 25-fold increase in the number of drug offenders sentenced to state prison. As a result of this increase California led the nation in drug offender incarceration with a rate of 115 per 100,000 of the population —2.5 times the national average (45 per 100,000 population for 36 reporting states) ... By 1999, California's drug imprisonment rate rose to 132 per 100,000 (Macallair *et al*, 2000, p. 1).

Macallair *et al.* show that in California there are two kinds of counties with different outcomes. The outcome differences depend upon whether some counties have high rates of imprisonment for drug violations or not. They found counties with two kinds of measures: (1) counties that imposed high rates of imprisonment for drug violations and (2) counties that imposed low rates of imprisonment for drug violations.

They observed that in the high-imprisonment counties there is almost no distinction between the worst and the least drug offenses in terms of punishment. These counties chose to combat their drug abuse and crime problems by making more felony and misdemeanor drug arrests. Therefore, the strict focus here is on both the worst and the least drug offenses. The consequence of this measure is that "counties that imposed high rates of imprisonment for drug violations generally experienced *SLOWER* declines in index felony offenses than low-imprisonment counties" (Macallair, 2000, emphasis in the original).

On the other hand, low-imprisonment counties chose to combat their drug abuse and crime problems by concentrating *only on the worst* (felony) drug offenses (i.e., manufacturing and trafficking). Therefore, the focus here is on a meaningful distinction between the worst and the least drug offenses. They found that these counties had considerably more success in reducing crime regardless of the dimensions of their drug abuse and crime problems. Even though the results were not statistically significant, they discuss three major reasons for these outcome differences.

The first reason they suggest is that the correlation between simple possession drug offenses and high rates of crime or drug abuse is close to zero. So it follows that increasing arrests for low-level drug possession does nothing to control crime. A noteworthy consequence is that increasing nonviolent offenders "may drain resources away from more productive strategies" (Macallair, 2000). In other words, the opportunity cost of incarcerating simple drug offenders is too high for society. It is not efficient. The problem is that not only taxpayers have to pay for incarceration, but also that this measure is taking away resources from the economy.

A second reason is that "felony drug offenses appear to reflect, rather than control, higher rates of drug abuse and crime" (Macallair et al, 2000):

> As shown, counties that stepped up felony drug arrest rates did not show the most impressive improvements in violent and property crime rates (although the San Francisco exception indicates that areas with extremely high rates of drug abuse may benefit from policing of the worst drug offenses). For most jurisdictions, however, increasing felony drug arrests is a very limited strategy to control rising drug abuse and crime (Macallair, 2000).

Finally, "counties that reduced misdemeanor drug arrests and switched to judicious enforcement of felony drug laws enjoyed the healthiest reductions in violent and property crime" (Macallair, 2000).

The lessons that can be learned from the California case suggest that "(a) strong enforcement of drug possession laws is ineffective in reducing crime, and (b) felony drug arrest is a strategy that should be used sparingly and carefully targeted" (Macallair, 2000). According to another study, in California every dollar spent on treatment results in $7 in savings on reduced crime and health care costs.

California's Amity Prison Therapeutic Community: Percentage Re-incarcerated 1 year after parole			
Control group (n=73)	Program drop-outs (n=48)	Completed program (n=108)	Completed program + aftercare (n=61)
63.0%	50.0%	42.6%	26.2%
P<0.01			

Delaware

Delaware's Key-Crest model is a 3-stage model, built around two Therapeutic Communities (TCs): the Key, a prison-based TC for men and the Crest, a residential work release center for both men and women. The evaluation of the program contrasted participants in the Key alone, participants in Crest alone, and participants in the combined program, with inmates who received no treatment other than HIV prevention education. The research found highly positive results as measured by percentage drug-free and arrest-free after 6 months. The robust findings through the two stages of research are: 1) length of time in treatment and 2) the degree of involvement in treatment are important for success. Even controlling for these influences, participation in the

prison TC in combination with the work release TC treatment continuum significantly improves outcomes (Inciardi, 1995, in NIJ research report, 1995).

Delaware's Key-Crest program:

Key crest participants: Drug free and Arrest free longer				
After 6 months	Key-crest	Crest only	Key only	HIV Prevention education only
Drug-Free	94%	84%	54%	38%
Arrest- free	92%	85%	82%	62%
After18months Drug-free	75%	46%	34%	17%
Arrest-Free	72%	60%	46%	36%

New York

Another method is the Drug Treatment Alternative Program (DTAP), established by the Kings County, NY district to divert into treatment non-violent felony offenders with one or more prior felony convictions and a documented history of drug abuse. The sentences are deferred while undergoing 16-24 months of intensive residential therapeutic community programs. Since its inception in 1990, 3617 non-violent offenders have been screened of whom, 70% were rejected treatment. Of the 30% accepted, 37% have graduated and 21% are still in treatment. DTAP uses legal coercion to keep participants in treatment and has produced a one-year retention rate of 66% that is two-thirds of those

who were accepted into the program remained in treatment for at least a year. Recidivism data indicates that successful participation lowers re-arrest rates. Re-arrest rates for three years 184 post-DTAP and 215 drug offenders who did not participate in the program were 23% and 47% respectively.

An evaluation of a New York-based program conducted in 1984 showed that male participants had arrest rates of only 26% compared to 40.9% for those having no treatment, and 39.8% for those having only counseling (Margura, Rosenbaum and Joseph, 1992).

Georgia

The target population for Georgia's program was "prison bound" nonviolent offenders of whom 43 percent committed property offenses, 41% drug and alcohol offenses, and 9% violent crimes. Preliminary figures suggest it has been cost- effective. The average annual cost of incarcerating an offender in Georgia is $7760, compared with an average annual cost of $985 per offender for intensive supervision probation (ISP). Probation fees range from $10-50 per month. There was a 10% decrease in the percentage of felons sentenced to incarceration during the period under study, along with a corresponding 10% increase in probation caseloads statewide Edward J. Latissa

Illinois

Offenders in Chicago can spend up to 18 months in jail awaiting trial or sentencing for drug related crimes. While they wait, those with non-violent criminal histories can receive treatment from Treatment Alternatives for Special Clients (TASC), a non-profit agency providing court-approved treatment. The programs, aimed to reduce prison overcrowding, provide substance abuse treatment, education, and job training tailored to specific treatment needs of each offender. Participants remain in the program for an average of 70 days, although some continue as long as 18 months. The participants live at home and are closely monitored; failure to comply with program rules and policies will send them back to jail. According to the Illinois Criminal Justice Information Authority, 99 percent of the participants miss no court appearances, compared to 35 percent in general population. Less than 5 percent of the participants

have been re-incarcerated. TASC costs only $39 per day, compared to $89 per day to keep offenders in jail. [Drug Strategies, Washington, DC]

Washington

In 1995, the Drug Offender Sentencing Alternative was added to provide a sentencing option for drug offenders. Under this law, one-half the normal mid-range sentencing is to be served in confinement with treatment, with the balance of the balance of sentence in a community custody situation, subject to re-imprisonment if community conditions and treatment recommendations are violated. A "boot camp" sentencing alternative was established in 1991 for certain non-violent offenders, who are given credit for three days for each days served in the Work Ethic Camp Program, and then placed in community custody for the remainder of their sentence. [Drug Strategies, Washington, DC]

Minnesota

A 1992 Minnesota study found that providing treatment for drug abusers saved the state $39 million in one year because of hospitalizations, detoxification and arrests. These savings, which begins as soon as the addict enters treatment, offset 80 percent of the program costs (Young, 1994).

D. Cost-Benefit Analyses of Alternatives to Incarceration

The concept of cost-benefit defines the relationship between the resources required to attain certain goals and the benefits derived (Washington, 1976). However, it is not a wholly satisfactory tool for evaluating social programs because it is incapable of accurately measuring "social" costs and benefits (Vito and Latessa, 1979). However, when combined with other measures of program effectiveness and impact, the cost-benefit information can prove a valuable instrument. This section summarizes the work done using this approach.

One of the problems facing ISP is the dilemma of accurately selecting offenders appropriate for higher levels of supervision. What constitutes intensive supervision? The number of cases assigned to an officer as well as the number of required contacts can

have a tremendous impact on the cost of the program. Programs in New Jersey and Georgia where two officers are assigned caseloads of 10 with contacts made on an almost daily basis are different from traditional programs where average caseloads of 25 offenders per officer and an average of four contacts per month. The philosophy of an ISP program has an impact on cost. A program that has control-orientation may require more contacts, but may in fact be cheaper than a program that is treatment-oriented. Such programs will either develop in-house programming or rely upon community resources.

Earlier research did not focus on cost effectiveness, "… since costs do not provide a common denominator in probation evaluation…" (Banks, 1977). In the 1960s and 1970s, offenders were placed into different levels of supervision with little screening or classification. In most cases, all these offenders were already under community supervision. Unlike previous experiments, the new generation programs are specifically designed to reduce prison populations through the diversion of offenders that otherwise would be committed to penal institutions. Effectiveness is related specifically to the length of time an individual remains in treatment, regardless of type of treatment provided. The chronic nature of drug addiction and a high possibility of relapse make the treatment ineffective. Viewed from a health perspective, treatment should be followed by a cure, with no further drug abuse. Viewed from the perspective of a legislator and the lay public, the outcome of the treatment should be reduced recidivism (a reduced tendency to return to criminal behavior), together with elimination of or substantial reduction of drug abuse. In the field of corrections, the health goals and criminal justice goals are not implemented coherently, which often leads to conflicts (National Institute of Justice, 1995).

The effectiveness of Federal Bureau of Prisons (BOP) programs could be measured with respect to short-term as well as long-term outcomes. Short-term outcomes could be rule infractions, positive tests for drugs, and participation in institutional programs. Long-term outcomes could be inmates' drug use and criminal activities, recidivism, social and occupational functioning, and mental/physical health (BOP drug-abuse program, 1993).

In Georgia's 1982 program, two probation officers were assigned caseloads of 10 offenders, with at least 5 contacts per week required. Costs were estimated at $1,375,351, covered by funds derived from collection of probation fees. The cost of supervising a probationer was $4.37 per day, with an average cost of $694.83 per offender during the program. This compared to $29.63 per day for incarceration costs. Daily cost of supervision was estimated at $0.75 per day.

Georgia's benefits included probationers' net earnings, taxes, restitution, court costs and fines, probation fees, and community service hours valued at minimum wage. Overall the dollar value of benefits estimated as $1,456,256.93. In the New Jersey program, offenders were selected for ISP after they had served 3-4 months of their sentence. Here too, the evaluators estimated benefits to exceed costs. All of the above programs are found in states that have centralized probation services that facilitate the development and implementation of intensive supervision projects. To promote such programs (TC, ISP) at the county level, several states have developed probation subsidy grants to local jurisdiction (e.g., Ohio). In general the costs include costs of incarceration, parole supervision, clerical support, public transfer payments, community resources, and recidivism costs. A final assumption of cost benefit analysis is that secondary costs and benefits can be accurately and quantitatively measured, which is not easy. Offenders do not pay taxes, and their families frequently draw welfare benefits. There are psychological effects of alienation/imprisonment, social stigma and other detrimental effects upon the prisoner's marriage and family. On the other hand, they do not draw unemployment benefits, should they otherwise be eligible, and perhaps the most difficult calculation is the cost of new crimes.

The strategy implemented by Central District of California (CDC) in Los Angeles is based on a philosophy of rational choice rather than the traditional disease model of addiction. The policy implications from a choice model lead to total abstinence approach with predictable consequences for drug use and associated aftercare condition violations. In the CDC, the officer retains the discretion to determine appropriate sanctions, but the policy clearly suggests that some consequences follow any incident of drug use. It attempts to balance the goal of community protection through rapid detection and intervention while also holding the individual accountable for the decision to use drugs or

otherwise violate the special drug aftercare condition. Torres (1997) discusses the continuum of sanctions for substance-abusing offenders and focuses on alternatives to incarceration. The Northern District of California and District of Nevada has implemented several other programs along the lines of the CDC approach. Petersilia and Turner (1993) report that recidivism was reduced to 20-30% (from an unreported level) in programs in which offenders both received surveillance (e.g. drug tests) and participated in relevant treatment. They also point out that drug offenders under criminal justice supervision stay in treatment longer, thereby increasing positive treatment outcomes (Petersilia, 1996).

Barriers to treatment reported by the National Center on Addiction and Substance Abuse (CASA) at Columbia University based on a prison survey identifies 71% responses as budgetary limitations. Other problems include few counselors, inadequate space, too few volunteers, frequent inmate transfers, general correctional problems such as security issues, aftercare issues and legislative barriers. Steven Belenko and Jorda Reugh (1998) suggest that there are substantial economic benefits that flow from an investment in treatment. They estimated that the cost per inmate of providing residential treatment in prison for a year is $3500, in addition to existing incarceration costs. Education and voluntary training and aftercare costs are $3000, which is a total of $6500 for a comprehensive treatment and training program. They also estimated that for each inmate who successfully completes a treatment program and returns to the community as a sober parolee with a high school degree and a job, the following economic benefits would accrue just in the first year of release:

(1) $5000 in reduced crime savings per offender, assuming that drug-using ex-inmates would have committee 100 crimes per year with $50 in property and victimization costs per crime.
(2) $7300 in reduced arrest and prosecution costs per offender, assuming that they would have been arrested twice per year.
(3) $19,600 in reduced incarceration costs per offender, assuming that one of those re-arrests would have resulted in a one-year prison sentence.
(4) $4800 in health care and substance abuse treatment cost savings per offender, the difference in annual health care costs between substance users and non-users.

(5) $32,100, in economic benefits per offender ($21,400—the average income for an employed high school graduate—multiplied by the standard economic multiplier of 1.5 for estimating the local economic effects of a wage).

Under these assumptions, the total benefits that would accrue in the first year would be $68,800 for each successful inmate. Such benefits do not include anticipated reductions in welfare, other state or federal entitlement costs, or foster care. Accordingly, the success rate needed to break even on a $6500 per inmate investment in prison treatment is fairly modest: if just 10% of the inmates are successful, the treatment investment is more than returned. Moreover, a RAND study of the relative cost-effectiveness of treatment, domestic enforcement, interdiction, and source country control found that for heavy users of cocaine, treatment interventions would cost one-seventh as much as enforcement to achieve the same reduction in cocaine use (Rydell et al., Operations Research, 1994). A comprehensive study of the economic benefits of drug treatment shows that they were seven times greater than the costs of treatment (Gerstein et al., 1994).

Another study by Knight and Hiller (1997) examines one of the first substance abuse treatment facilities established in Texas as an alternative to incarceration for substance-abusing probationers. Overall one-year follow-up outcomes (lower arrest rates) were highly favorable for graduates of the Dallas county judicial treatment center (DCJTC program), particularly for those who entered the residential aftercare component of the treatment continuum. The study used a logit regression model to predict (i) being arrested within one year after leaving treatment and (ii) being arrested within one year after leaving treatment for DCJTC graduates. Texas had more inmates in county jail backlog (30,574) awaiting transfer to prison than most states had in their entire prison system and at least one third of those sentences to community corrections were specifically for drug offence (Fabelo, 1996a).

A study on Boot camp drug-treatment and its effectiveness (NIJ, 1995), attempted to evaluate the effectiveness of boot camp programs along two dimensions: the competency of drug-treatment paradigm to deal with offender's drug problems, and the role drug treatment plays within the larger boot camp/aftercare effort to change offender behavior. Specific therapeutic strategies and program characteristics have been identified

by researchers, based on which principles of effective treatment have been suggested by researchers (Andrews and Keisling 1980; Pendergast, 1993; Peters, 1993; Andrews and Bonta, 1994; in Boot Camp drug treatment, NIJ research report, 1995).

Drug courts beginning in the mid-1980s provide dedicated courtrooms for drug cases mainly to speed up processing of cases, the first one being in Miami, in 1989. Research on drug courts suggests that these programs are able to engage drug offenders in long-term treatment and other services, which have limited treatment exposure in the past. Other alternatives include Treatment Alternatives to Street Crime (TASC), probation-based treatment and Corrections-based and parole treatment. The Jefferson County drug court program is based upon the Dade County Florida model, which diverts first-time, drug possession offenders into a 12-month community treatment program that includes acupuncture and development of social and educational skills and is monitored directly by a drug court judge. If the judge believes that the offenders are trying to break the pattern of addiction, offenders remain in treatment even after they tested positive for drugs several times. The core of the program is a 1-year (minimum) treatment program divided into three phases: detoxification, stabilization and aftercare. The specialty of the program is that treatment and education programs are combined with direct judicial oversight and involvement. The clients selected for the study include those possessing cocaine, belonging to Jefferson County, but should not possess more than 1-2 ounces of cocaine or having a history of violent offenses or prior drug arrests. Studies on effectiveness of drug court programs show only one instance where drug court clients had a lower re-arrest rate (Miami) and three studies from five sites (Chicago, Maricopa County, Milwaukee, New York City and Philadelphia) where they did no worse than their research counterparts.

Bibliography

Belenko, Steven, *"The challenges of integrating drug treatment into the criminal justice process"*, ***Albany Law Review***, Spring 2000 V63 p.833.

Bureau of Justice Assistance, *"Practitioner Perspectives- Connecticut's Alternative Sanctions Program"*, **U.S. Dept. of Justice**, October 1998.

Harrell, Adele; Shannon Cavanagh, and John Roman (2000). *Evaluation of the D.C. Superior Court Drug Intervention Programs, National Institute of Justice: Research in Brief*. Washington DC: U.S. Department of Justice, 2000.

Knight and Hiller, *"Community-Based Substance Abuse Treatment*: *A 1-Year Outcome Evaluation of the Dallas County Judicial Treatment Center"*, ***Federal Probation***, June 1997.

Latessa, J. Edward, " *The Cost-Effectiveness of Intensive Supervision*", ***Federal Probation***, 1986, 50(2).

Legislative Program Review and Investigations Committee, Connecticut General Assembly, *Factors Impacting Prison Overcrowding*, December 2000.

Lyon, Eleanor, *Longitudinal Study of Alternatives to Incarceration Sentencing Evaluation, Year 3*, Justice Education Center, Inc., September 1996.

Macallair, Daniel; Males, Michael; Rios, Cheryl and Vargas, Deborah (2000). "Drug Use and Justice: An Examination of California Drug Policy Enforcement." In *The Justice Policy Institute.* Washington DC, 2000.

Metzger, D., G. E. Woody, D. Wilson, A. T. McLellan, B. Vandergrift, and C.P. O'Brien (1996). "Naltrexone Phamacotherapy for Opioid Dependent Federal Probationers." *Journal of Substance Abuse Treatment* (1996).

National Institute of Justice, " *The Effectiveness of Treatment for Drug Abusers Under Criminal Justice Supervision"*, **U.S. Dept. of Justice**, 1995.

_____, " *Probation"*, James M. Byrne, **U.S. Dept. of Justice**, 1988.

_____, " *Assessing the Impact of Dade County's Felony Drug Court*, by Goldkamp and Weiland, **U.S. Dept. of Justice**, 1993.

_____, " *Boot Camp Drug Treatment and Aftercare Intervention: An Evaluation Review*, **U.S. Dept. of Justice**, 1995.

_____, " *Miami's Drug Court, A Different Approach*", **Office of Justice Programs**, 1993.

Torres Sam, *"Substance-Abusing Offenders"*, ***Federal Probation***, 1998, Vol.62, No.2.

U.S. Department of Justice, *Practitioner Perspectives,* Office of Justice Programs, October 1998.

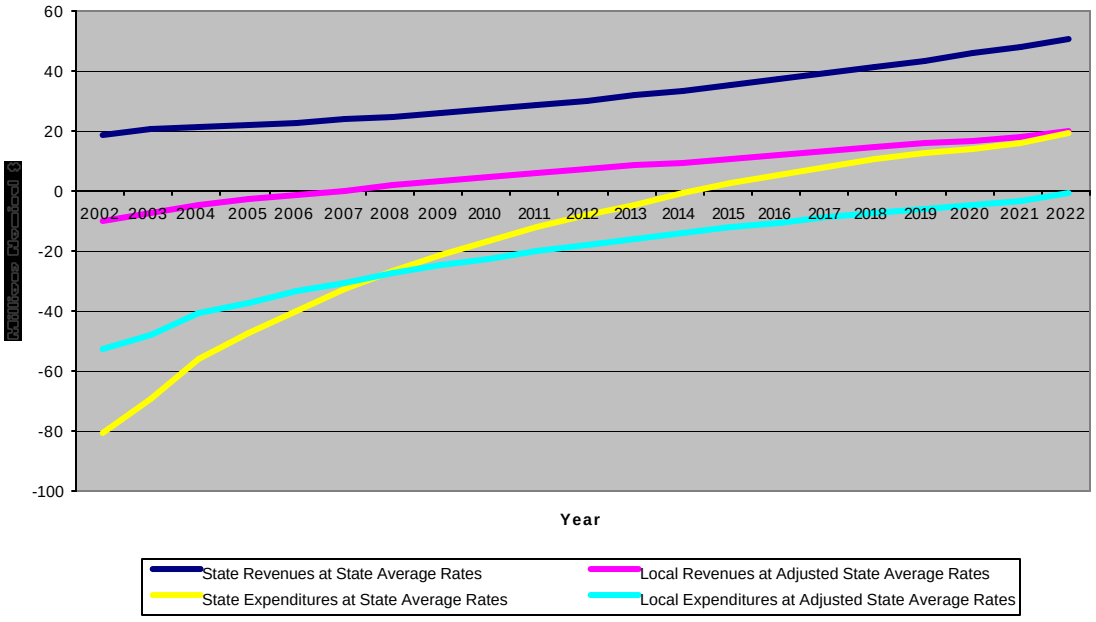
Vito and Tewksbury, *" The impact of treatment: The Jefferson County (Kentucky) Drug Court Program,* ***Federal Probation,*** June 1997.

Young, Nancy K. *"Invest in Treatment for Alcohol and Other Drug Problems: It Pays'* (Los Angeles, CA: University of California, July 1994).

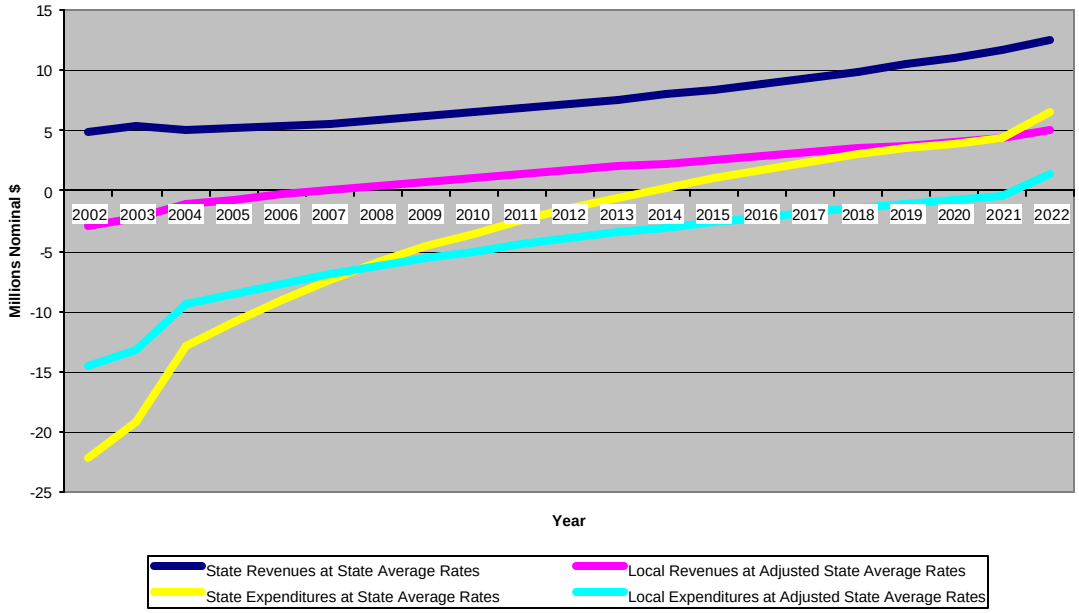
Appendix

Dynamic Response of Connecticut Economy

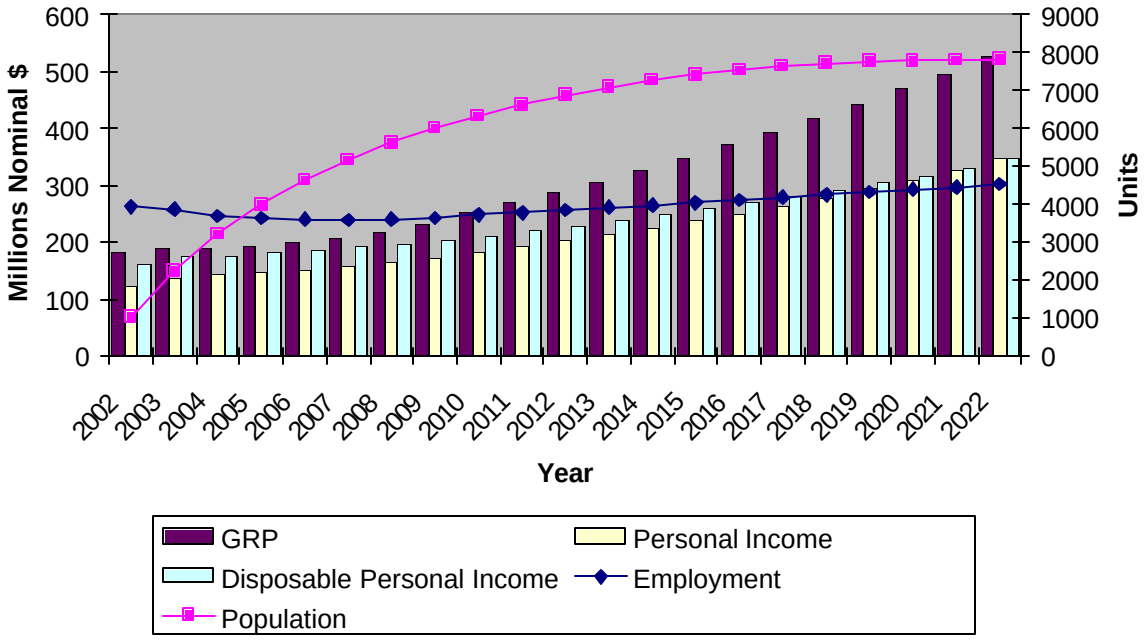
Fiscal Impact - High Estimate



Fiscal Impact - Low Estimate



Key Variables - High Estimate



Key Variables - Low Estimate