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COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES  
COMMITTEE ON JUDICIARY

In re: Public Hearing re Cost of Corrections in  
Pennsylvania

\* \* \* \* \*

Stenographic report of hearing held  
in Room 418, Minority Caucus Room,  
Main Capitol Building, Harrisburg, PA

Tuesday,  
September 14, 1993  
1:00 p.m.

HON. THOMAS R. CALTAGIRONE, CHAIRMAN

MEMBERS OF COMMITTEE ON JUDICIARY

Hon. Jere Birmelin	Hon. Harold James
Hon. Peter Daley	Hon. Kathy Manderino
Hon. Frank Dermody	Hon. Christopher Wogan
Hon. Gregory Fajt	

Also Present:

Hon. Mark B. Cohen  
David Krantz, Executive Director  
Richard Scott, Counsel, Democratic Caucus  
Mary Beth Marschik, Republican Research Analyst

Reported by:  
Ann-Marie P. Sweeney, Reporter

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ORIGINAL

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1                   CHAIRMAN CALTAGIRONE: Okay. The House  
2 Judiciary Committee holding a meeting with the basic  
3 report of the Cost of Corrections in Pennsylvania as  
4 prepared by the Pennsylvania Economy League, and if the  
5 members of the panel and staff and members would please  
6 introduce themselves for the record, and then guests.

7                   REPRESENTATIVE DERMODY: Frank Dermody,  
8 from Allegheny County.

9                   MS. MARSCHIK: Mary Beth Marschik,  
10 Research Analyst.

11                  CHAIRMAN CALTAGIRONE: Tom Caltagirone,  
12 Berks County.

13                  REPRESENTATIVE WOGAN: Chris Wogan,  
14 Philadelphia County.

15                  REPRESENTATIVE MANDERINO: Kathy  
16 Manderino, Philadelphia County.

17                  MR. KRANTZ: Dave Kranitz, Executive  
18 Director of the Judiciary Committee.

19                  CHAIRMAN CALTAGIRONE: If you would like  
20 to start.

21                  MR. GREENWOOD: Okay, thank you very  
22 much, Representatives, members, thank you for the  
23 opportunity to be here and make a presentation. My  
24 name is Bob Greenwood. I'm Director of Research with  
25 the Pennsylvania Economy League, State division, here

1 in Harrisburg, and with me is Dave Forrest, our  
2 Research Associate who was principally involved with  
3 the conduct of this study.

4 We've been asked to come and make a  
5 presentation on a study that we recently completed for  
6 the Edna McConnell Clark Foundation, and that was to  
7 look at the cost of corrections in Pennsylvania. And  
8 in particular, when we started the study, it had two  
9 primary focuses: One was to identify the total cost of  
10 incarceration accurately to include things that are not  
11 part of the Department of Corrections' budget that  
12 still go into determining the total cost of having the  
13 prison and operating a prison; and then secondly, to  
14 identify the potential for savings that might accrue  
15 through the result of the use of nonincarcerative type  
16 of sentences.

17 The background for this, and I'm sure  
18 most of you are familiar with these things, first has  
19 been the tremendous growth in the cost of corrections  
20 in Pennsylvania both at the State and the county level  
21 over the last 10 years, almost 260-percent increase in  
22 the Department of Corrections' budget, as compared to  
23 an approximate 90-percent increase in the State budget.  
24 At the county level, 190-percent increase for  
25 corrections versus 100-percent increase for all other

1 programs. And what was driving that was an increase in  
2 the number of prisons that both the Commonwealth and  
3 the counties operated, and in fact when the last of the  
4 two prisons that are now presently scheduled to be  
5 completed are finished we will have added 15 prisons in  
6 11 years, making a total of 24. So up till 11 years  
7 ago we had 9, and now we have 24.

8                   And what was driving that? Well, a  
9 tremendous growth in the number of prisoners.  
10 Interestingly, when you look at it though there is not  
11 as you would expect there to be corresponding growth in  
12 the crime rate. Both serious crime, which is typically  
13 measured by the index of crime, which actually declined  
14 over that same period, not much but it did in fact  
15 decline, and if you look at overall crime, which  
16 includes all measurable crime, there was only  
17 56-percent increase over the same period. So  
18 obviously, something was going on. And in looking at  
19 it, it wasn't hard to identify what particularly had  
20 happened during that time period that affected the  
21 amount of incarceration, and among the things that  
22 happened were first guidelines, sentencing guidelines  
23 were established that served to lengthen the sentences  
24 that have been handed out. Second were mandatory  
25 sentencing was introduced which demanded that a certain

1 crime committed required a certain amount of time  
2 served, in particular for drug-related offenses,  
3 DUI-related offenses. In addition, there was a greater  
4 enforcement effort and more convictions. You simply  
5 had more people out there in a greater effort to try  
6 and arrest and convict people, and a more successful  
7 conviction rate. And finally, or in addition to all of  
8 that, you have a greater number of parole violators,  
9 and one of the potential reasons for that is simply you  
10 had more people going into the system, a lesser  
11 opportunity for each one to be handled on an individual  
12 basis, and as a result, anytime there was a problem  
13 with a given prisoner rather than try and cut them some  
14 slack or figure out what happened just dispose of the  
15 case and send them back to jail.

16 So all of those things collectively have  
17 been what we feel accounted for the large part of the  
18 increase in the prison population here in Pennsylvania,  
19 and interestingly, when you look at statistics for at  
20 least any of the other States that we care to be  
21 compared to, it's a very, very similar thing that  
22 occurred there also.

23 With all of that, looking ahead, we see  
24 that there is, under current projections, no end in  
25 sight to all of this. Even though we will almost be

1 finished with the greatest prison construction project  
2 in our State's history, the projections show that we  
3 will still need more prisons beyond that. In fact,  
4 that even as the last prison is being completed we will  
5 never be in balance between capacity and population,  
6 and then beyond 1995, which would be when the last  
7 prisons currently planned for construction are done at  
8 the State you begin to have the spread again of  
9 population increase over capacity. This is expensive  
10 stuff.

11 One of the primary tasks, as I had  
12 mentioned, was to identify the costs to incarcerate a  
13 person each year, and at the State level we identified  
14 that cost as being approximately \$20,200 per inmate per  
15 year, on average. And the question then becomes, is  
16 this an effective way to deal with the problem? Point  
17 number one, and a very important point, is regardless  
18 of the cost, some people belong behind bars and away  
19 from society. These are dangerous folks who are not  
20 safe to be in amongst the rest of us, and any of the  
21 recommendations to change who's incarcerated or how  
22 sentences are handed out do not apply to these people.

23 But there are others who are there and in  
24 fact at current levels, approximately 50 percent of the  
25 State prison population is considered to be nonviolent.

1 offenders. And for some of these guys--and that's up  
2 from about 35 percent of total about 10 years before--  
3 for some of these people, incarceration is a  
4 punishment. In fact, most of the time they spend  
5 behind bars is idle. Is there rehabilitation? Some,  
6 but it's very limited and it's expensive to provide it  
7 behind bars. And is it a deterrence? This is one you  
8 could argue both ways, but the one thing you can say is  
9 that the crime rate that we've experienced over the  
10 last decade when we had the greatest number of people  
11 incarcerated in our history was basically unaffected.

12 The levels that I mentioned over that  
13 time period are consistent with what they had been,  
14 particularly that 6 percent overall crime rate. So  
15 while you can't say that incarceration had no effect,  
16 clearly you could say that it didn't have a dramatic  
17 effect on the crime rate. It more or less seemed to  
18 continue independently.

19 The alternative for the nonviolent,  
20 low-level offender would be to use some kind of  
21 nonincarcerative sentence, call it intermediate  
22 punishment, alternative sanction, community-based  
23 punishment, whatever. These things would include such  
24 items as intensive supervision, electronic monitoring,  
25 community service, victim restitution, substance abuse



1 counseling alone, together, whatever. In looking at  
2 the costs of these programs which are currently  
3 available, and they had not been available for a great  
4 length of time and they have not been available  
5 extensively throughout the Commonwealth, but with the  
6 information that we could gather on the current costs  
7 of these things, we found that the most expensive of  
8 those types of programs costs approximately \$4,400 per  
9 year to implement. And there's an added bonus to that  
10 that perhaps, perhaps, although there is not data to  
11 support this directly, that these kinds of sentences  
12 for these kinds of offenders may also be more effective  
13 because some of them are dealing with trying to get the  
14 person to address what they did and to those people,  
15 which is a large percent of the total who have some  
16 kind of a substance abuse problem that at least played  
17 a role in their criminal activity, you have a much  
18 greater opportunity to have them involved in a much  
19 more intensive and yet less expensive type of  
20 counseling program, where that is very limited and  
21 expensive when provided through the prison system.

22 So if you look at the two numbers that I  
23 identified - \$20,200 to incarcerate, approximately  
24 \$4,400 a year as the most expensive of the alternatives  
25 - you could say there was a potential to save 15,800

1 bucks per person who was not incarcerated. Now, that's  
2 one way to look at it. We look at that and say that is  
3 incorrect, it's good math but bad analysis, and the  
4 reason being, and this is a very important issue to  
5 understand for those who are going to make policy in  
6 this State, prisons are mostly a fixed cost. Once the  
7 prison is built, once the prison is staffed, the cost  
8 is incurred -- if you pull a couple guys out of it, the  
9 cost is basically unaffected. What you have to do is  
10 go back and recompute what your average is. The  
11 average doesn't drive the cost, the average is the  
12 result of everything.

13                   Therefore, to really achieve savings by  
14 going to some type of an intermediate punishment,  
15 alternative sanctions type of program, the only way you  
16 really achieve big-time dollars that you're looking for  
17 is to take enough people out of the prison system so  
18 that you either don't have to build the next one or you  
19 can close an existing facility down. Anything short of  
20 that you're dealing with the margins. You may save  
21 some money, in fact as part of the study it was  
22 identified that what we called the marginal cost of  
23 keeping somebody behind bars, that cost that would be  
24 affected by them being there or not was about \$2,500,  
25 \$2,700, I think. It's about 15 percent of the total

1 costs. The rest of it is fixed. If the prison is  
2 built, it's there, whether anybody is in it or not.  
3 Not anybody, but unless it's substantively reduced that  
4 you could close down say a whole wing or something like  
5 that. Just pulling out some people is not going to  
6 change the cost of operating that prison in any  
7 material way.

8           Looking ahead and using current  
9 projections with current sentencing guidelines in  
10 place, and it's important that you remember that  
11 distinction. Projections would show that by the year  
12 2000, there should be approximately 8,200 prisoners  
13 over capacity at that time, which is just about the  
14 same level we're at right now. That's after Chester  
15 and Clearfield would be built, in the year 2000, you  
16 would have 8,200 more people than beds. That's the  
17 current projections. If then there was the desire to  
18 build prisons to house these folks, if the policy is  
19 going to be to continue with whatever we now have and  
20 continue to have people entering the system to be  
21 incarcerated, it would require building further  
22 prisons. If we were to create a program to avoid  
23 building those prisons, we would have the potential at  
24 today's costs to save approximately \$136 million a  
25 year.

1           So that's about the trade-off. You build  
2 the prisons and you will incur additional costs, put  
3 everybody in, and the way we did that was to cost out  
4 what it would take to build enough prisons to house  
5 8,200 people, use current construction costs from the  
6 most recent prison construction that's occurred, and  
7 compare that with putting the same number of people in  
8 the most expensive of the alternative sanctions or  
9 intermediate punishments, and the difference between  
10 those two in today's dollars is \$136 million. It's the  
11 cost. And that is the cost of building and operating  
12 the prison, the amortized costs of the construction and  
13 the annual cost of operations of those prisons versus  
14 the cost of putting the same number of folks into the  
15 most expensive of the intermediate punishments that  
16 would be available.

17           Another important point to understand in  
18 looking ahead as the way to achieve potential savings  
19 is that in Pennsylvania you basically have two systems,  
20 a State system and a county system. They are distinct  
21 and different, and as we will mention, the intermediate  
22 punishments are most appropriate for the low-level,  
23 nonviolent offender. Well, the distinction, primarily  
24 the distinction between the county level incarceration  
25 and the State level incarceration is the level and

1       seriousness of the offense. So presumably, the most  
2       logical people to put into an intermediate punishment  
3       program is at the county level. Understand that if you  
4       do that it does absolutely nothing for the State  
5       population, State prison population, because they are  
6       two distinct systems. Pulling somebody out of a county  
7       jail does not automatically create a space for a State  
8       offender. State people are still in State prisons and  
9       the county people are still in the county jails, and  
10      when you change one it does not immediately affect the  
11      other.

12                   And as we were doing the study there was  
13      a sense from some meetings we attended or from some  
14      people that we talked to that the approach would be to  
15      make this program, this intermediate punishment  
16      program, available at the county level and thereby  
17      allow for the State to effectively ease its  
18      overcrowding problem, and in effect it does not happen.  
19      They are two distinct programs. So if that is the  
20      case, then the most direct way to get to State  
21      population is to provide an intermediate punishment  
22      program for State level offenders.

23                   Now, we're not necessarily recommending  
24      this, we're just laying it out how it works. These are  
25      policy questions. There's a lot of things that have to

1 be understood clearly with this before you would go and  
2 adopt it, but at least here's the information and  
3 here's the questions that you need to look at. It is  
4 not a continuous system where you pull them out at the  
5 bottom and everybody moves down. There's a border  
6 between the two. This is particularly of interest  
7 right now, it's an exceedingly timely time to be  
8 looking at this, because as I had mentioned, there are  
9 still two more prisons in the current construction  
10 cycle to be built. We all know who they are. They  
11 have not yet been started. There are proposed changes  
12 to the sentencing guidelines that would likely reduce  
13 the length of certain of the sentences and may in  
14 effect, but when you change the guidelines because you  
15 change the length of certain sentences, that does have  
16 the potential to take some people who would have been  
17 sentenced to a State prison and now have them eligible  
18 to be sentenced to a county jail. There is movement,  
19 but only when those guidelines are changed.

20 So there is the potential for the  
21 guidelines to shorten some of the sentences that  
22 currently are mandated or available for a given crime.  
23 And also to, in effect, move some people who would have  
24 been sentenced at a State prison down to a county jail.

25 In addition, the Department of

1 Corrections is pursuing certain other actions that it  
2 can to try and bring down or control its population,  
3 and that would be presumptive relief, where when  
4 someone serves their minimum unless there's a reason  
5 not to release them they are released into parole at  
6 that time, whereas now there can be a delay of several  
7 months before that person would get out. In addition,  
8 to introduce certain programs such as earned time or  
9 time off for good behavior, certain programs like that,  
10 that in effect can lower the State population levels.  
11 The numbers that we have seen, and these are all  
12 preliminary things, would indicate that if we did just  
13 those things, if the guidelines were changed as they  
14 could be, and if the Department of Corrections were to  
15 implement some of these other programs that they are  
16 pursuing, that the population by 1995 would be  
17 approximately in balance with the prison capacity if  
18 the two new prisons are yet built.

19 So that raises the point, if you do  
20 something in addition to that, you can have the  
21 opportunity to not build one or both of those prisons.  
22 We're assuming that each is about 1,600, is that the  
23 right number? Or are they 800 each? I believe they're  
24 each 1,600-bed facilities. And if that's the case,  
25 then basically providing an intermediate punishment

1 program that could deal with 3,200 people would avoid  
2 dealing with those two prisons and would begin the  
3 potential savings. The greatest potential savings that  
4 you're going to have available to you, because once  
5 they're built, they're built, and then you have the  
6 cost of building them is incurred and that's not going  
7 to go away no matter what you do, and then there's the  
8 question of whether you're going to operate it or not,  
9 and of course you will. And of course, the operation  
10 cost is much greater than the construction cost over  
11 time.

12 So the thing is now is the time, now is  
13 the time to decide or at least to determine whether you  
14 want to decide to build these things or not or to offer  
15 some kind of an additional program that lessens the  
16 need for them, because once the construction starts, I  
17 think the inertia is going to be going downhill fast  
18 with a lot of momentum and it becomes very, very  
19 difficult to do anything about that.

20 That is primarily the main points of our  
21 report. There is one other thing contained in there  
22 that does have some relevance that I think you should  
23 be aware of, and that is that presumably, presumably it  
24 would be the county that would be providing the  
25 intermediate punishment programs, and that there is, in



1 fact, definitely a cost involved in doing that. And  
2 that if, in fact, the county is to provide these  
3 services either directly for State offenders or just  
4 through an enhanced program at their own level, that  
5 that's something that the State needs to recognize and  
6 to come up with a fair and equitable system of funding  
7 that program. Particularly if it's going to be dealing  
8 with direct State level offenders. But in any case,  
9 the potential for such a program to grow large is great  
10 because you have now a considerable number of people  
11 who are not being sentenced to jail at all who if there  
12 were a higher level nonincarcerative kinds of program  
13 available would probably be put into it. So you will  
14 have both the people that you're taking out of jail  
15 going into it and the people who are now not going into  
16 jail going into it, which would be a considerably  
17 larger number than what you may be expecting, and so as  
18 a result, given that, there is the need to study this  
19 and determine a fair and equitable way for that thing  
20 to be funded.

21 So, I would be more than happy to answer  
22 any questions or provide you with any information.

23 CHAIRMAN CALTAGIRONE: Representative  
24 Dermody.

25 BY REPRESENTATIVE DERMODY: (Of Mr. Greenwood)

1 Q. I just have, I think, one brief question.

2 A. Sure.

3 Q. If the guidelines are changed as the  
4 current proposals and so there will be probably more  
5 State prisoners that will now do county sentences or do  
6 intermediate sentences, correct? More prisoners--

7 A. Well, some State prisoners or some people  
8 who would have been sentenced. I don't know if the  
9 guidelines are changed if that has any impact on  
10 someone who's already sentenced or not. I don't know  
11 the answer to that.

12 Q. No?

13 A. But it would be people then who  
14 presumably would have been put into State prison who  
15 would go into county jail.

16 Q. And there's more opportunities in those  
17 proposals for intermediate type punishments possibly  
18 for prisoners who would have been sent into a State  
19 institution?

20 A. I'm not sure--

21 Q. In some areas?

22 A. Yeah, I think it would be a potential.

23 Q. I think you also mentioned there would be  
24 some county parole officers who could have increased  
25 caseloads if that happens?

1 A. Yeah.

2 Q. Have you looked at all how much that's  
3 going to cost or what the increases that might result  
4 in this kind of thing?

5 A. No, we really didn't get into that part  
6 of it at all. We really did include -- yeah, we looked  
7 at, as an example, since we didn't know specifically  
8 what the guideline changes were going to be at the time  
9 that we did the study, what we included, and it's in  
10 the report, is an example of the 1991 changes, which we  
11 felt cost the county about \$3.9 million in additional  
12 services to be provided. So that would be a much  
13 smaller number than what I think these things would  
14 entail, but we didn't have the specific information to  
15 know, so.

16 REPRESENTATIVE DERMODY: Mr. Chairman,  
17 thank you. That's all I have.

18 CHAIRMAN CALTAGIRONE: Thank you.  
19 Representative Manderino.

20 REPRESENTATIVE MANDERINO: This is, I  
21 guess, actually not related. I realize that the scope  
22 of your report at least--I didn't read it word for  
23 word--doesn't cover this, but in your research maybe  
24 you've found ancillary resources that you can point me  
25 to, did you look at or come across anything with regard

1 to restitution and the amount of restitution that is or  
2 isn't being collected, for example, from people who are  
3 convicted of property crimes, et cetera? You didn't.

4 MR. FORREST: Can I answer that in a  
5 word? No. We didn't look at any specific programs and  
6 look for specific cost information, no.

7 REPRESENTATIVE MANDERINO: Okay.

8 CHAIRMAN CALTAGIRONE: Representative  
9 Wogan.

10 BY REPRESENTATIVE WOGAN: (Of Mr. Greenwood)

11 Q. Mr. Greenwood, I am not at all familiar  
12 with the Edna McConnell Clark Foundation, The  
13 foundation that paid for this study. What sort of work  
14 does that foundation do?

15 A. Well, I don't know that I can go through  
16 it in great detail but it is a foundation out of New  
17 York City. Edna McConnell Clark was, I believe, the  
18 daughter of the founder of the Avon Products Company  
19 and they have, over the years, a multi-purpose mission  
20 that I guess was part of her bequest. One of it deals  
21 with looking for ways to make crime and punishment more  
22 appropriately matched, and so they have an interest in  
23 looking at things like the use of nonincarcerative  
24 sentencing, and the use of intermediate punishments  
25 particularly as a way to address that. They have whole

1 other missions that are totally unrelated to this that  
2 I only know from looking briefly at their annual  
3 report, such as childhood diseases and things that are  
4 just totally unrelated to this issue. But this clearly  
5 is one of the things that they have as a primary  
6 purpose. We do know that they have conducted two  
7 similar studies in two other States, they being Alabama  
8 and Delaware, looking at this very same issue.

9 Q. So this was the third State where--

10 A. This is the third State, and I believe  
11 that is their intention to go State by State and try  
12 and work with people within those States to try and  
13 alert them to the situation within the corrections  
14 programs in those States, because I had mentioned that  
15 the situations are exceedingly similar in most of the  
16 other States in the nation, and to help them see if  
17 they wanted to develop some kinds of alternative  
18 programs to deal with the situation. I know that this  
19 study was one of two studies that they commissioned,  
20 and I'll discuss the other one that there was testimony  
21 earlier in the year where the other study was presented  
22 in great detail when it was, I think it was March when  
23 the other study was produced, and that was the public  
24 agenda foundation where they did the interest groups in  
25 determining people's knowledge and preference for

1 sentencing individuals of given crimes and then gave  
2 them information on intermediate punishments and then  
3 resurveyed them, if you recall that. They've done that  
4 same thing in those other States also and found very  
5 similar results of people having a remarkable or  
6 dramatic change in their opinions of how to deal with  
7 the lower level nonviolent offenders in terms of what's  
8 an appropriate punishment. In addition, they have a  
9 program designed to work with judges in helping them  
10 understand sentencing options and those type of things,  
11 but that's really the extent of it as far as I know.

12 Q. Okay, thank you. Now, on page 6 of your  
13 report it mentions, which I guess is an important part  
14 of the report, that index crimes have been down 5  
15 percent from 1981 to 1991, and it mentions index crimes  
16 include murder, non-negligent murder, and forcible  
17 rape. Does that mean that index crimes do not include  
18 any other categories of crimes like robberies or  
19 burglaries?

20 MR. FORREST: They do include those, yes.

21 REPRESENTATIVE WOGAN: They do include  
22 those?

23 MR. FORREST: Yeah.

24 REPRESENTATIVE WOGAN: All right, so the  
25 characterization was just ambiguous?

1 MR. GREENWOOD: It wasn't a complete list  
2 but it was just more or less some of the typical crimes  
3 in the index.

4 REPRESENTATIVE WOGAN: Okay. Thank you  
5 very much.

6 CHAIRMAN CALTAGIRONE: Representative  
7 James.

8 REPRESENTATIVE JAMES: Yes, thanks.  
9 Thank you, Mr. Chairman.

10 BY REPRESENTATIVE JAMES: (Of Mr. Greenwood)

11 Q. I was just trying to read the report, the  
12 page whereas it relates to the index crimes and you  
13 said something about the crime rate rose by 6 percent.

14 A. Yes, sir.

15 Q. And you compared that with what? I  
16 didn't get that. As the crime rate rose 6 percent, the  
17 prison population went to--

18 A. Prison population over the same time I  
19 think was 171 percent. A little bit out of balance  
20 with it too.

21 Q. Okay. All right. Has there been any  
22 studies or can you give us any information as it  
23 relates to how the earned time legislation was in  
24 effect as it has currently been suggested how that  
25 would have some reduction in terms of impact on costs?

1           A.    We were provided with some information  
2 from the Sentencing Commission that included some of  
3 those numbers not identified specifically. They were  
4 lumped together with some other things such as I  
5 mentioned the presumptive release and there's another  
6 one in addition to earned time that they were  
7 considering. So I don't have it but I am sure  
8 Corrections or the Sentencing Commission does.

9           Q.    So you think that they would have some  
10 idea what kind of cost savings would be if earned time  
11 was implemented?

12          A.    Well, they would have, they would at  
13 least have the information on the number of people  
14 effectively that would be -- the reduction of the  
15 population. Translate that into a cost savings gets a  
16 little tricky depending on what that number is. It  
17 would be at least we would save the \$2,700 per person  
18 because that's what was identified as the costs that  
19 were directly related to an individual being there that  
20 if they weren't there would not be incurred, food  
21 consumed and those types of things.

22          Q.    Okay. Because what's interesting to me  
23 is as we talk about a \$20,000 figure per inmate and  
24 then you say that's \$4,400 for an alternative  
25 operation?



1           A.    The most expensive one that we could  
2 identify, yes.

3           Q.    And are you saying that the actual cost  
4 per inmate is only \$2,700?

5           A.    Yes.  Yes, that's exactly what I'm  
6 saying.  Now, if that's what I'm saying, let me try and  
7 run through again.  When you compute the average costs,  
8 you just take the total and divide it by the number of  
9 people that are there.  Everything you can add in, the  
10 debt service, the personnel costs of operating the  
11 system, the cost of the administrative staff of the  
12 Department of Corrections, the food, the electricity,  
13 everything that you could possibly identify, if you add  
14 all that up and you divide it by your population, that  
15 is the average cost in a given time period.  That's the  
16 \$21,200.  Yes, sir.

17                   Now, if you were to take 10 percent of  
18 those people out, that total cost may not be affected  
19 much at all because the Department of Corrections is  
20 still there, the prisons are still there, the  
21 electricity is still on.  There are certain things that  
22 would change, and that's what we identified as being  
23 about \$2,700 worth a year of costs, direct costs  
24 reduction by pulling one person out.

25                   Now, if you were to pull out say 1,600

1 people, now you could close down a prison, and your  
2 cost has been affected directly by that. But you got  
3 to take them out in those chunks. It's not for every  
4 one that you take out you achieve these savings. For  
5 every one that you take out you got to go back and  
6 recompute what your average cost is because the total  
7 is pretty much the same thing. It's when you can take  
8 enough out that you don't have to build the next one or  
9 you can shut the whole thing down or at least a wing or  
10 a measurable part of it that you will achieve a  
11 measurable savings. But if you just think of it, of  
12 any prison that you might know or jail, if you pulled  
13 one person out of there, you know the next day all the  
14 same people are going to show up for work and life will  
15 go on pretty much the same thing. There really isn't  
16 much of a direct change in the cost structure by virtue  
17 of taking out an individual or even a handful of  
18 individuals. It's only when you took out enough that  
19 you materially are changing the operation of that  
20 facility that you have achieved a cost savings. The  
21 rest of it is just accounting adjustments and it's not  
22 what you want to focus on because -- we tried to look  
23 at it in terms of the Commissioner of Corrections  
24 appearing here saying here's my budget and then next  
25 year coming in and saying here's my budget and

1 wondering what in the world the difference was. And  
2 it's only if he has fewer prisons to deal with that  
3 he's going to have a meaningful change in the number  
4 that he's going to ask you for his budget. I mean,  
5 just think of it that way. It's very much the same.

6 And boy, that is an important, important  
7 point because you deal with that in so many other  
8 programs, too. Health care is very much like this, and  
9 so is education. You start pulling kids out of a  
10 school or start changing the way people receive health  
11 care, if the hospital is still there you haven't  
12 affected the cost and if the school is still there you  
13 haven't affected the cost. It's only when you take out  
14 enough that you have materially changed how that  
15 facility operates that you've affected its costs  
16 because that's what the cost is.

17 Q. So then if we talk about the \$20,000  
18 compared to the \$4,400, you know, we're really talking  
19 about \$2,700, not the \$4,400?

20 A. That's correct. And that was one of the  
21 points we were trying to make because, you know, I had  
22 mentioned that this was the third study that was done  
23 like this. The first two focused on that difference  
24 and computed where the money could be spent that they  
25 would save as a result of every one of these guys you

1 pull out. And we looked at it and said, no, you know,  
2 that's not how it's going to work. If you were to set  
3 up a pilot program, intermediate punishments in a  
4 selected county or a handful of counties and take out  
5 10 percent or some group of prisoners out of each  
6 facility and put them into this thing, you would have  
7 the prisons and you would have a second program now.  
8 It would be the most expensive alternative. And so  
9 while we identified those things, it was kind of a  
10 dramatic effect that I laid it out and said but that's  
11 not it.

12 So be clear that it is in fact the  
13 marginal cost of keeping somebody behind bars per unit  
14 that is all you're going to save if you pull somebody  
15 out, and there you're comparing potentially the \$2,700  
16 to the \$4,400 of dealing with them. You know, that's  
17 the expensive alternative. If you want to do it, you  
18 have to be prepared to do it in a big time, meaningful  
19 way so that you either don't have to build one or both  
20 of the projected prisons or you could close down one of  
21 the existing facilities. Anything short of that you've  
22 just creating an additional program on top of the  
23 prisons.

24 Q. Also, don't we create additional expense  
25 for the counties?

1           A. Well, the \$4,400, I mean, that would be a  
2 county expense.

3           Q. Oh, okay.

4           A. Yes. Yes, indeed. Yes, indeed. And  
5 again, to keep in mind that by creating this thing at  
6 the county level, for county offenders, that you will  
7 more likely get a lot more people who are not even  
8 being sentenced to jail but put in that program than  
9 you would be taking out of jail because they are the  
10 lowest level offenders, the ones that aren't even going  
11 into jail, and the presumption and I think the  
12 experience is in some of these other places where these  
13 things have been implemented that judges will put  
14 people into an intermediate punishment program because  
15 that is a more appropriate punishment for that person,  
16 where jail simply either wasn't available because of  
17 total overcrowding or where jail was felt to be  
18 inappropriate and too strong of a punishment. So you  
19 will be dealing with those, you know, you'll be dealing  
20 with those folks too in addition to the ones that  
21 you're intending to deal with of pulling out of the  
22 system.

23           Q. I thank you.

24           REPRESENTATIVE JAMES: Thank you, Mr.  
25 Chairman.

1                   REPRESENTATIVE DALEY: I'm sorry, Mr.  
2 Chairman, I came late, as you are aware, and I'm not  
3 privy to some of the questions that were asked. I'm  
4 gravely concerned with some of the information that you  
5 have offered concerning the year 2000, that with the  
6 building of 15 new facilities by that time, that the  
7 population will still be overcrowded by 8,500, am I  
8 correct?

9                   MR. GREENWOOD: 8,200, yes.

10                   REPRESENTATIVE DALEY: And that  
11 information, by the way, has been prepared by the--

12                   MR. FORREST: Department of Corrections.

13                   MR. GREENWOOD: Well, but it's the  
14 committee. That's the official number. That's not  
15 something we came up with. That's the department's own  
16 number that they come up with, together with the  
17 Sentencing Commission and PCCD together. It's --  
18 that's their number, so.

19                   REPRESENTATIVE DALEY: Some of the  
20 alternatives I think, I didn't get a chance to read  
21 through all of this brochure, were various, different  
22 methods of incarceration, there are people that are  
23 insisting that those individuals that have a victimless  
24 crime, such as drug possession, prostitution, just to  
25 name two, should not be incarcerated but should have

1 some sort of house arrest, community service projects.  
2 I don't know.

3 MR. GREENWOOD: Um--hum.

4 REPRESENTATIVE DALEY: I don't know if  
5 anyone has asked that question, if they have, I'll beg  
6 off the question, but do you have any response to those  
7 victimless crime situations?

8 MR. GREENWOOD: Well, Representative, the  
9 one thing that we did say in the beginning was that  
10 there are certain people that this would not apply to.  
11 The hardened criminal, the repeat offender, the violent  
12 offender, clearly this has no place for them. These  
13 people belong behind bars and out of society regardless  
14 of the cost. It's cost-effective regardless of the  
15 costs. However, when you get below that now you start  
16 to have the victimless crimes, the petty criminal, you  
17 know, the others, where there is fertile ground,  
18 perhaps, for dealing with them in some other setting  
19 than a jail or a prison. And so these, now this was a  
20 policy decision that you and the others in the  
21 legislature have to deal with, but these are the ones  
22 that we would say this would be appropriate for, these  
23 are the eligible candidates, so to speak.

24 Now, who gets selected for it in  
25 particular is more or less almost a case-by-case basis

1 to a certain extent, but you would work at the lowest  
2 levels and come up. One other thing though we did say  
3 was that there is a distinction and a difference  
4 between the State prison system and county jail system,  
5 and merely pulling people out of the county jails does  
6 not create space for State offenders to flow into.  
7 That that only happens when there is a change to the  
8 guidelines and therefore if you want to use an  
9 intermediate punishment program to deal with State  
10 offenders, it has to be just that - one targeted for  
11 people who are now being directly sentenced to State  
12 prisons.

13 REPRESENTATIVE DALEY: Mr. Chairman, if I  
14 could just address the committee for a second and  
15 deviate slightly, many members of the committee are  
16 aware of the recent letter I sent to the Chairman of  
17 the Board of Corrections regarding prisoners, and let  
18 me just set the record straight so that everyone's  
19 aware of exactly how this developed and where it is.

20 Some people have taken editorial license  
21 in terms of extrapolating from my letter my  
22 philosophies in terms of prison sentencing. I had been  
23 addressed by a constituent that was a former warden of  
24 a Federal penitentiary that he had heard that foreign  
25 countries were interested in housing some of our



1 prisoners and this is a legitimate person. This guy  
2 was a warden of a Federal penitentiary and I wrote a  
3 letter to the Commissioner asking him if he had heard  
4 of this interest. And in the letter I stated that I  
5 know that there's certain constitutional limitations  
6 about the Eighth Amendment specifically as well as  
7 other problems that deal with housing prisoners in  
8 other countries. And it has gone to the point now that  
9 I know people are now talking about it on national talk  
10 shows that it's an interesting topic, to say the least,  
11 but there are people that really are now talking to  
12 different embassies. I know the Philadelphia Inquirer  
13 has made an inquiry to the embassy of Mexico and  
14 Turkey.

15           So that just as a matter of record, the  
16 interest that I had demonstrated was basically that as  
17 responding to a constituent request asking for some  
18 guidance from the Commissioner if he had heard of any  
19 inquiry. I don't know if it's legal and I don't know  
20 if it's possible. I know Mr. Dermody is much better  
21 educated in terms of constitutional law than I am, even  
22 though I'm a recent law school graduate, but just as a  
23 matter to set the record straight because this is  
24 something that was raised to me and I just, again,  
25 voiced an inquiry to the Commissioner.

1 Thank you, Mr. Chairman.

2 CHAIRMAN CALTAGIRONE: Representative  
3 Wogan.

4 BY REPRESENTATIVE WOGAN: (Of Mr. Forrest)

5 Q. I would assume, Mr. Forrest, that you  
6 worked on, I guess, some of the statistical input  
7 necessary to create this report here.

8 A. Um-hum.

9 Q. Maybe you could help me, you both could  
10 help me. I keep getting back focusing on what you have  
11 on page 6 about the crime rate going down and I was  
12 wondering, since 1981, everyone would admit we've had a  
13 huge increase in the number of people incarcerated both  
14 in the county jails and the State prison system, and I  
15 don't remember exactly what we had in 1981. I think we  
16 had maybe 8,500, something like that, in the State  
17 prison system, and we must be close to 24,000 now,  
18 correct me if I'm wrong, somewhere in that area?

19 A. That's about right.

20 Q. And about an equal number of people are  
21 also incarcerated in the county system, I understand.  
22 We're talking about close to 50,000 people, 50,000  
23 Pennsylvanians are imprisoned right now. And I was  
24 wondering, I know anecdotally that most of the serious  
25 crimes that are committed all over the country, not

1 just in Pennsylvania, are committed by usually a small  
2 group of people. They use repeat offenders. These  
3 people create huge numbers of crimes, and I was  
4 wondering if anyone perhaps look into consideration  
5 that perhaps the crime rate which allegedly did not  
6 increase very much from 1981 to 1991, that perhaps that  
7 was a direct result that we have 50,000 of our worst  
8 people in Pennsylvania unable to commit crimes because  
9 they are locked up?

10 A. Well, yeah, and I tried to address that  
11 when I was saying that there's different ways you would  
12 look at what that number says. That the crime rate did  
13 not change materially over that time period. And just  
14 make a couple of points, I guess. One is that in terms  
15 of the total crime rate, not just the index crime, that  
16 is correct, 6 percent has been relatively constant  
17 throughout, going back into the '30s, I think, when  
18 they really started to collect this stuff. So it would  
19 seem to indicate that there's not a material change in  
20 that. Not proof, but it would indicate.

21 The second thing is that--

22 Q. Although I don't think anyone would dare  
23 to suggest that we had the same frequency of crimes in  
24 1930 as we do today in 1939.

25 A. Yeah, and it gets real hard comparing old

1 numbers because the collection efforts were very  
2 different and it's a little hairy, but at the same time  
3 it has been relatively constant and it's national and  
4 State so you can take a little stock with that. The  
5 other thing is that the tremendous growth is primarily  
6 as a result of the increased number of the nonviolent,  
7 low-level offenders. And that the people who are the  
8 high duty crime has grown but not prisoners, but not by  
9 nearly as much, and if anything, those people have been  
10 out of circulation a little longer but still there's  
11 only like 8 or 10 percent of them, I think, that don't  
12 re-enter society at some point, the lives. So there's  
13 this constant, you know, turn of these people into  
14 society.

15 Q. I wonder if that's exactly accurate if  
16 you said that about 50 percent of the State prisoners  
17 are considered nonviolent today as compared with 35  
18 percent?

19 A. That's correct, yes.

20 Q. As compared with 35 percent back in 1981.  
21 So we're still talking about half the people who are in  
22 State prisons really have violent propensities and they  
23 have been removed from society for extended periods of  
24 time?

25 A. Well, that's correct, but remember,

1 you're going from 36 percent of 8,200, and my math is  
2 not going to do this, to 50 percent of 22,000, as  
3 opposed to 50 percent of 8,200 to 50 percent of  
4 22,000--

5 Q. Which also cuts both ways.

6 A. I understand that, but it's not a big  
7 growth of the violent offenders.

8 Q. Well, I don't know about that because now  
9 we're talking about 50 percent of 24,000 as compared  
10 with--

11 A. 6-some percent.

12 Q. So much percent of 8,500 back in 1981.

13 A. It's about 2,000 people, I think, or  
14 2,500 people.

15 Q. Okay. One other point. The page 9 of  
16 your report shows that there's almost been a tripling  
17 of parole violators in the State prisons, and that  
18 would indicate to me now here's a large number of  
19 people who were given a break, were given alternatives  
20 to a longer period of incarceration, and it didn't work  
21 for them. And I would assume that this is probably the  
22 most rigorously -- the most rigorous type of  
23 alternative punishment that we have, State parole?

24 A. Well, that wouldn't compare to an  
25 intensive probation.

1 Q. Okay.

2 A. But let me explain, I don't think we had  
3 the numbers on that, but two of the things that were  
4 related to us as responsible for that large number of  
5 parole violators. And one was the fact that you didn't  
6 have an equally large increase in the number of parole  
7 officers, and so as a result the case level of the  
8 parole officer increased dramatically and that was a  
9 point I tried to make earlier. They simply don't have  
10 time to fool around with anybody and figure out. So  
11 you have a lot of these people coming back to what they  
12 call technical violations, not where they violated  
13 another crime but they violated some provision of their  
14 parole such as not reporting in or not being at certain  
15 places at a given time or something like that as  
16 opposed to giving another crime.

17 Q. If I could interrupt for just a second,  
18 if you added parole officers, why would that  
19 necessarily reduce the number of technical violations?

20 A. As it was related, oftentimes parole  
21 officers would try and work with someone they felt  
22 that, well, this guy is okay, we're trying to keep him  
23 out of jail and work with them to try and keep them  
24 from going back to jail or out of prison, where when  
25 they're overburdened, it's next one, we don't have time

1 to fool with this person.

2 Q. Well, that boggles my mind, but go on.

3 A. The second point is this high number of  
4 folks that are in jail because of or directly related  
5 to a substance abuse problem go into jail with a  
6 substance abuse problem, stay in jail with a substance  
7 abuse problem, get out of jail with a substance abuse  
8 problem. So, you know, you haven't -- the system has  
9 not addressed the issue to that person. And it's my  
10 understanding it's like 70 to 80 percent, I believe, of  
11 people incarcerated are presumed to have some type of  
12 substance abuse problem. And so if that has a direct  
13 role in their criminal activity, they're going to leave  
14 with it and it's going to have a direct role in their  
15 future criminal activity. So those two things. I  
16 don't know the specifics as to how that relates to  
17 those two numbers directly. I don't know that anybody  
18 knows those particularly. But I know that that was  
19 something that was related by people from the Board of  
20 Probation and Parole as part of their own difficulty in  
21 dealing with these ever-increasing number of cases that  
22 they have, and an inability to spend any time trying to  
23 help somebody work through something if they present  
24 them with an -- with a situation that they have to  
25 address, it's send them back, rather than in the past

1 it was more opportunity to try and work with somebody  
2 and keep them out of jail. They don't have that  
3 opportunity or as much of it now. But I would bet that  
4 the larger the item, the larger the issue is, the  
5 substance abuse issue.

6 Q. Okay, and this may be somewhat of an  
7 unfair question. Mr. Forrest may be somewhat helpful  
8 in answering this. I'm dimly aware, and again, I  
9 apologize because I don't have the name of the report  
10 or the authors, but I'm dimly aware of at least one  
11 report, and I think it was put out by the National  
12 Institute of Justice, but I'm not certain, that  
13 actually looked at peripherally what you're doing here  
14 and came up with a conclusion that when you get repeat  
15 offenders and large categories of criminals and you  
16 incarcerate them, that your \$25,000 a year cost average  
17 in Pennsylvania actually is a break for taxpayers, that  
18 it's actually less expensive to pay \$25,000 keeping  
19 them behind bars away from law-abiding citizens than it  
20 would be having them out on the street committing  
21 however many crimes they commit during a year's period  
22 of time. Did the League look at this report or reports  
23 or is the League even aware of these reports?

24 Q. We reviewed it and I must say that I  
25 don't recall, I can only recall my initial reaction to



1 it was that, and Bob may recall better than I, but I  
2 think that they look the maximum costs and applied it  
3 to all the folks who would get out. You know, the  
4 maximum cost of their crime. In other words, I think  
5 this is right, Bob, that there's a variety of costs to  
6 crime and that study just applied the maximum cost of  
7 crime to everyone who came out.

8 MR. GREENWOOD: Yeah, and there are some  
9 other particular things with that. The information is  
10 there, it's a question of how you wanted to look at it.  
11 The important thing is this: Number one, of the people  
12 that we're talking about, whether they would be put  
13 into an intermediate punishment program or not, these  
14 are folks that are going to be out anyway. I mean,  
15 these are two-year or less, for the most part,  
16 sentenced people. So you're not, you know, these are  
17 not the serious guys, these are not people that are  
18 going to be in prison for a long period of time.

19 Number two, by taking those people out,  
20 you create cell space to keep in people that you do  
21 decide don't belong in society. Now, as I understand  
22 it, we are not in a position in Pennsylvania and have  
23 not been in the position where they have actually had  
24 to release serious and violent offenders in order to  
25 make room for newly sentenced low-level offenders, but

1 that does occur in some other places in this country.  
2 It's actually happening. It's a totally perverted  
3 approach. It's the way it's playing out because of  
4 overcrowding conditions and court mandated positions on  
5 these things. But we have a number of cells already in  
6 place here and if you're going to create a program  
7 that's going to lessen the demand for those cells from  
8 the lowest level of people, you're also lessening the  
9 demand to have to move other people out on an  
10 as-soon-as possible basis if there's a desire to keep  
11 them in.

12 Now, as far as the other costs that are  
13 identified in that study and some other studies, I  
14 don't know. I mean, I wouldn't add those things in  
15 myself on some of it. You know, the pain and suffering  
16 and a whole bunch of other things, and I'm sure there  
17 is a cost to that but I would hate to try and quantify  
18 it. But the important thing is this is not designed,  
19 not intended or at least not intended for the violent,  
20 dangerous, repeat threat to society type of offender.  
21 That person should be sentenced and serve their  
22 sentence and it should be away from society and if the  
23 prison offers some method of rehabilitation for them,  
24 great. But this is designed for other people.

25 And I guess one of the other things is

1 that there's a lot of ways you could look at these  
2 alternative sanctions, intermediate punishments, as  
3 being much more of a punishment or much more of a thing  
4 to be endured and go through than prison. Because in  
5 prison you're basically there and you watch TV and it's  
6 an unpleasant lifestyle, but is it doing anything for  
7 the individual, as opposed to someone who is forced to  
8 potentially work, who is forced to go to a  
9 rehabilitative substance abuse program on a regular  
10 intensive basis, who is forced to provide money both  
11 for their upkeep in the programs that they're in, also  
12 potentially to make restitution, that could be a lot  
13 more of a, quote, "punishment" than having to go and  
14 sit in a jail someplace or a prison somewhere. Not  
15 that that's pleasant, but nonetheless, to the right  
16 kinds of individual that may be much more meaningful to  
17 them and if they really have the potential to be turned  
18 around there's probably a greater opportunity to turn  
19 them in that setting than in jail.

20 REPRESENTATIVE WOGAN: Thank you,  
21 gentlemen.

22 CHAIRMAN CALTAGIRONE: Representative  
23 Dermody.

24 BY REPRESENTATIVE DERMODY: (Of Mr. Greenwood)

25 Q. Just a question following up a little bit

1 on the parole violators. Did you talk to the parole  
2 board about a new policy that may be instituted that  
3 would reduce the number of people that are recommitted  
4 because of technical violations?

5 A. No, we didn't get into that at all. We  
6 just took the information that they provided to us and  
7 included it in as part of the background.

8 Q. I believe they're considering that and  
9 that should reduce--

10 A. Yes.

11 Q. --the population in State institutions.  
12 It's unfortunate, but from experience it was clear that  
13 technical violators oftentimes would just be placed  
14 back in. That could be either for being in a bar or  
15 consuming alcohol or part of the problem was due to  
16 technical violations that they even used marijuana or  
17 alcohol, they were placed back into the institutions.

18 A. Clearly a technical violation is distinct  
19 from another criminal activity so it is something that  
20 in and of itself would not be enough to be sent to  
21 jail, it's just a violation of the terms of the parole.

22 CHAIRMAN CALTAGIRONE: Mary Beth.

23 BY MS. MARSCHIK: (Of Mr. Forrest)

24 Q. Mr. Greenwood or Mr. Forrest, back to the  
25 3,200 number. The 3,200 is from two facilities not

1 opening, the 1,600-bed Clearfield County--

2 A. Oh, yeah.

3 Q. 1,600 from Clearfield.

4 A. I think it's actually less, but I'm not  
5 certain what the numbers are.

6 Q. Okay. And that, say, the ballpark of  
7 3,200, and that population would be the population ripe  
8 for intermediate punishment or alternate sanctions?

9 MR. GREENWOOD: Well, that would be the  
10 number used to not have to build those two prisons and  
11 still be in relative balance between the prison  
12 population and the capacity.

13 BY MS. MARSCHIK: (Of Mr. Greenwood)

14 Q. And when you indicated that the counties  
15 will be absorbing the cost for your intermediate  
16 punishment, is that because the more inmates that are  
17 coming back and that are appropriate for intermediate  
18 punishment are inmates that are sentenced two years or  
19 less?

20 A. No, it's because the counties are the  
21 ones that are actually providing those programs now.

22 Q. So if Senate legislation which would  
23 authorize State sentenced inmates to serve intermediate  
24 punishments were enacted, then that defrays the cost  
25 for the counties? I mean, normally county facilities

1 pick up probation for inmates for the amount of  
2 sentencing, but you're saying the amount that the  
3 counties would pick up is because counties are  
4 presently doing the intermediate sentencing?

5 A. Yeah. It would be a question of what's  
6 the State role going to be. This is all presumptive.  
7 If there were to be a program to deal directly with  
8 State level inmates and put them into some form of an  
9 intermediate punishment program, basically we were told  
10 that this would not be something that the State itself  
11 would provide, that more than likely these people would  
12 be given to the county programs that are already in  
13 place to provide them, and so what we're saying is,  
14 well, if you're going to do that, you better be ready  
15 to come up with some kind of fair and equitable method  
16 to pay them for that because they are effectively  
17 bearing your costs here, so that is why. Now, there  
18 would be nothing to prevent the State from having its  
19 own intermediate punishment program with State  
20 employees or contracted employees or whatever. It  
21 would probably make more sense to do it using what's  
22 already in place if there was an equitable arrangement  
23 for paying for it. So, that's what we meant with that.  
24 I don't know if it was clear, but that's what we meant.

25 Q. Okay, thank you.

1                   CHAIRMAN CALTAGIRONE: And for the  
2 benefit of the members, I think it's important to  
3 realize that we're going to be facing these very issues  
4 with Senate Bill 683 and 684. We have the budget  
5 coming before us and to look into the future just a  
6 little bit, and I think you can share some of this with  
7 us, the dollars that have to flow if, and I know in  
8 conversations that we've had with the Commissioner of  
9 Corrections that there was cases that money would be  
10 made available from the department for the counties to  
11 do just these things as it regards to probation and we  
12 have to look at it both from a State point of view,  
13 from probation as well as county probation to make sure  
14 that the added funding is there for that flow.

15                   I was also told, and I would like to get  
16 some reaction from you because if this is actually  
17 true, these figures, it's even more cause for alarm for  
18 the General Assembly that when the institutions that  
19 we've already built do come on line fully, with the  
20 full complement of inmates that would be placed there,  
21 that by the end of this century we're talking about a  
22 potential cost of \$50,000, and maybe sooner, per inmate  
23 within the State system. Because we're looking at a  
24 potential growth factor of \$605 million plus the  
25 whatever supplementals they get this year, to a growth

1 rate of at least \$1 billion to operate the system  
2 potentially. The payback on what we've built is also  
3 \$1 billion, correct? On the new prisons that we've  
4 already constructed. I mean, it was \$500 million,  
5 basically, to build them. The payback on those is  
6 double that cost, so we're talking about a \$1 billion  
7 cost factor incurred in just building.

8 Now, when you start to, and we've toured  
9 some of those, Coal Township and Mahanoy we toured this  
10 summer. They had 200, 300 prisoners that were brought  
11 in just as a startup. They're going to reach capacity,  
12 they've double celled them already. I mean, they built  
13 them to double cell them. So we're looking at 1,600 to  
14 1,800 per facility. And as we meet those numbers, the  
15 costs are going to continue to escalate. When we  
16 finally have the maximum capacity again in those new  
17 facilities that we've already built, the budget for  
18 corrections for next year will not be \$605 million or  
19 \$625 million, it may be \$700 million. The following  
20 year, \$800 million, \$900 million; \$1 billion within the  
21 very near future.

22 A. Well, clearly every time you bring a new  
23 facility on line your average cost is going to jump. I  
24 mean, if you have plotted it on a graph it would be  
25 like a stair/step type of a thing. It's not a smooth



1 line. And as you bring on -- I mean, the most  
2 efficient way to operate the prison is to jam them  
3 full, on a unit cost basis. So the more facilities you  
4 bring on line for the same number of people or for a  
5 marginal increase in population, your average cost is  
6 going to jump, so yes, that's correct.

7 Q. So the way to contain this is to pass  
8 this legislation, number one, on what would hopefully  
9 make sense economically, because we're depriving all  
10 other areas of State government of potential resources  
11 for programs, whether it's education, jobs, training,  
12 you name it, they're being deprived because more money  
13 is being absorbed into this pit with no return on it,  
14 basically. Some decisions have to be made budget wise.  
15 And I've been saying this for the last year and a half  
16 or so, that the goal should be not to build those two  
17 additional prisons, number one.

18 Number two, that we could reach a point,  
19 hopefully, that we can close down one of the already  
20 older prisons once we have implemented legislation and  
21 other types of reforms that if we can get it down to  
22 the numbers that we can deal with, if we could get  
23 15,000 or 20,000 State prisoners out of our system  
24 within a relatively short period of time, a year, year  
25 and a half, two years at max, in addition to what you

1 were saying earlier, we could have even greater  
2 potential savings, but recommending that there is a  
3 responsibility if we shift that burden to State  
4 Probation and Parole and counties, that we have to  
5 provide funding in order to help them too to bear that  
6 cost.

7 A. Yeah, it needs to be looked at in an  
8 overall sense and not just the State's component or  
9 this program's component.

10 Q. But it's got to be a bigger bang for the  
11 buck. What we're really getting down to, if you want  
12 to have dramatic impact, now if we keep talking around  
13 the circle that the nonviolent offenders don't belong  
14 incarcerated and we're developing the programs for  
15 them, then for God's sake, we've got to start taking  
16 them out of the State prison and putting them in those  
17 kinds of programs in large number in order to  
18 effectuate the savings.

19 A. That is correct. That is our finding.

20 Q. And that's the bottom line, basically, if  
21 we're going to try to address this in a manner that  
22 we're going to have some general savings that will  
23 impact on our budget deliberations.

24 A. Yes, sir.

25 CHAIRMAN CALTAGIRONE: Are there any

1 other comments from any of the other members?

2 (No response.)

3 CHAIRMAN CALTAGIRONE: Thank you very  
4 much for your testimony. We'll adjourn.

5 (Whereupon, the proceedings were  
6 concluded at 2:25 p.m.)

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I hereby certify that the proceedings and evidence are contained fully and accurately in the notes taken by me during the hearing of the within cause, and that this is a true and correct transcript of the same.

*Ann-Marie P. Sweeney*

ANN-MARIE P. SWEENEY

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