

October 2002

THE JUVENILE JUSTICE SYSTEM IN WASHINGTON STATE: RECOMMENDATIONS TO IMPROVE COST-EFFECTIVENESS

The 2001 Washington State Legislature directed the Washington State Institute for Public Policy (Institute) to undertake a study of the state's juvenile justice system. Specifically, the Institute was instructed to:

1. *Conduct a comprehensive review of the costs and benefits of existing juvenile crime prevention and intervention programs;*
2. *Consider what changes could result in more cost-effective and efficient funding for juvenile crime prevention and intervention programs presently supported with state funds; and*
3. *Report findings and recommendations to legislative fiscal and policy committees by October 1, 2002.*¹

This report is organized in four parts.² First, to provide context for the Institute's findings, we present background information on long-term trends in juvenile crime rates and in public sector spending on the juvenile justice system. Next, using data from a survey of state and local juvenile justice agencies, we examine more closely how the state's juvenile justice system is organized and funded.

Third, we summarize evidence-based information on "what works" in the juvenile justice field. We identify approaches that have been shown to give taxpayers a good return on their dollar—as well as those that have not.

Finally, based on these findings, we present specific recommendations that we believe will lead to the improved use of scarce juvenile justice resources in Washington.

¹ Laws of 2001, Chapter 7, Section 608(9).

² This eight-page report summarizes the study's results. A separate report (to be published in late October 2002) contains detailed survey results; see the Institute's website: www.wsipp.wa.gov.

Executive Summary

The purpose of this legislatively directed study is to recommend changes that can lead to an improved use of scarce juvenile justice resources in Washington. The study provides a financial snapshot of how Washington spends money in two key parts of the state's juvenile justice system: the state Juvenile Rehabilitation Administration (JRA) and the county juvenile courts. We also summarize research-based evidence on the costs and benefits of different approaches in the juvenile justice field.

We make the following recommendations to the legislature:

1. **Shift a portion of state funds currently spent on community supervision caseloads to research-based interventions. The research evidence is clear that certain proven and well-implemented treatment services produce much higher returns on taxpayer dollars.**
2. **Require state-funded treatment programs for juvenile offenders to demonstrate a quality-control process. The research is also clear that effective quality control is vital to making treatment services work.**

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To help define the scope for this study, the Institute met several times with legislative staff, the Juvenile Rehabilitation Administration, and the county juvenile courts. JRA and the juvenile courts also contributed a significant amount of data we used in the analysis. The Institute would like to thank all of those who participated in this study. All conclusions and recommendations, of course, reflect those of the Institute and are not necessarily the views of JRA or the courts. Comments from these agencies on this report will be published by the Institute.

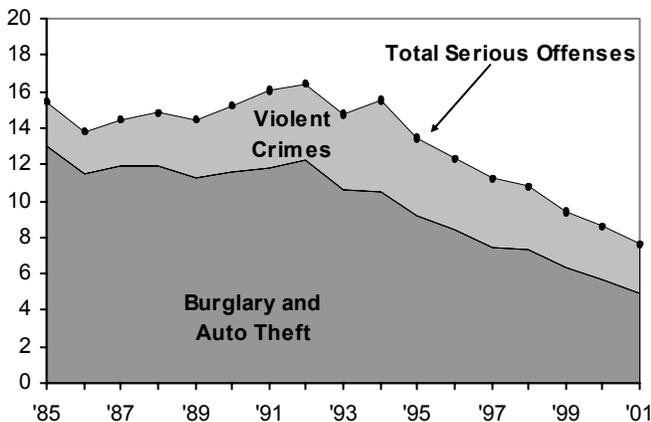
Part One: Background for the Study

The Good News: Juvenile Crime Has Declined

Juvenile (and adult) crime rates for most types of offenses have declined significantly in recent years. Even though the official statistics used to measure actual crime levels are imprecise, the available national and state evidence confirms that the general level of serious crime is lower today than just a few years ago.

Figure 1 shows Washington juvenile arrest rates from 1985 to 2001—the most comprehensive statewide picture of juvenile crime available with official statistics. In Washington, as in the rest of the nation, juvenile arrest rates have been falling since the mid-1990s. The overall arrest rate for juvenile violent and property felony crimes has fallen from 15.6 arrests per 1,000 juveniles in 1994 to 7.6 in 2001. This represents a 51 percent reduction in the juvenile arrest rate for serious crimes in just the last seven years.

Figure 1
Juvenile Arrest Rates in Washington Have Declined
(Arrests per 1,000 10-to-17-Year-Olds: 1985-2001)



Source: Washington State Caseload Forecast Council

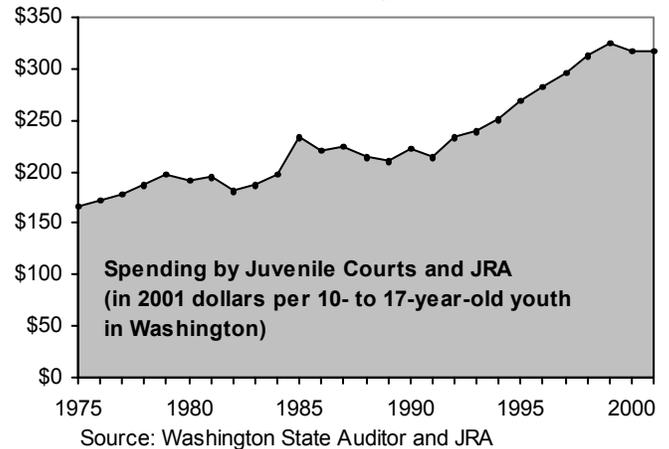
The Bad News: Justice System Spending Is Up

While the decline in juvenile crime is good news, the bad news is that taxpayers are spending significantly more on the juvenile justice system today than in previous years.

Figure 2 provides fiscal information from 1975 to 2001. The data reflect the amount of money taxpayers have spent on two key elements in Washington's juvenile justice system: county juvenile courts and the state Juvenile Rehabilitation

Administration (JRA).³ To make the numbers meaningful over time, we removed the general rate of inflation so that Figure 2 shows "real" inflation-adjusted spending levels. We also divided expenditures by the number of 10- to 17-year-olds in the state. Thus, Figure 2 shows real juvenile justice spending per Washington youth over the last 27 years—a "big picture" view of the amount that state and local governments have spent on juvenile crime.

Figure 2
Juvenile Justice System Spending Per Youth in Washington: 1975-2001



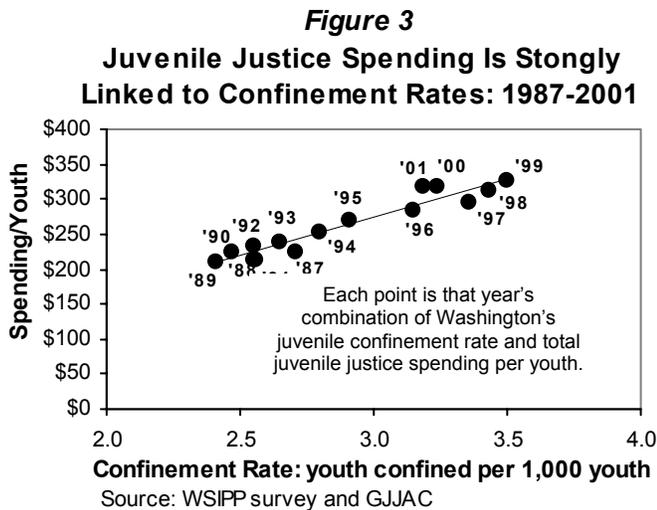
Source: Washington State Auditor and JRA

The data indicate that there has been a significant increase in the level of real public spending on Washington's juvenile justice system. The largest increase occurred during the 1990s. For example, in 1990, \$223 dollars per Washington youth was spent on the juvenile courts and JRA. By 2001, that level had grown to \$318 per youth—a 43 percent increase.

Our analysis shows that the main factor driving these expenses has been the increased use of confinement of juvenile offenders in secure county and state facilities. On an average day in the late 1980s, about 2.5 juveniles out of 1,000 youth in Washington were in confinement. Ten years later, in the late 1990s, there were about 3.5 juveniles in confinement per 1,000 youth in Washington—roughly a 40 percent increase in the juvenile confinement rate during the 1990s.

³ The financial information in Figure 2 does not include police expenditures, the costs of the judge and courtroom personnel, or county prosecutor costs. These additional costs are, of course, part of the juvenile and adult justice system, but they are beyond the purview of the legislative direction for this study. Because of the limitations of the state data system, Figure 2 includes a small level (perhaps 5 percent) of double-counted dollars.

Figure 3 provides an indication of the strong historical relationship between juvenile justice system spending and the juvenile confinement rate. Over the period for which data are available, total juvenile justice system spending has moved in step with changes in the rate of confinement.



The Link Between Increased Confinement and Reduced Crime. Since Figure 3 indicates that the main driver behind increased spending has been increased confinement, it is logical to ask: How effective has the increased use of secure confinement been in reducing the juvenile crime rate? In a previous legislatively directed report, we found that the increased use of detention has resulted in lower juvenile arrest rates, although the effect of detention on crime rates has decreased in recent years as the system has expanded.⁴ The lesson: confinement works, but it is an expensive way to lower crime rates. We discuss later in this report that some options are cheaper. This indicates that a combination of sanctions and research-based programs leads to an efficient use of taxpayer dollars.

The Question for This Study: Are There Less Expensive Ways to Reduce Juvenile Crime? The legislative direction for the present study is to identify changes in Washington's state-financed juvenile justice system that can continue to keep juvenile crime rates down, but at less taxpayer cost. In straightforward business-like terms, the task is to identify ways for taxpayers to get a better rate of return on their juvenile justice dollar than has been produced with current policies.

⁴ S. Aos (2002) "The 1997 Revisions to Washington's Juvenile Offender Sentencing Laws: An Evaluation of the Effect of Location Detention on Crime Rates," Washington State Institute for Public Policy, <www.wsipp.wa.gov/crime/pdf/JuvLaw1997.pdf>.

To summarize the report so far:

1. Juvenile crime rates are down;
2. Juvenile justice spending is up, driven primarily by the increased use of secure confinement;
3. The increased use of secure confinement has been responsible for some of the reduction in juvenile crime; and
4. The task for this study is to identify less expensive ways to keep crime rates falling.

Part Two: The Structure and Funding of Washington's Juvenile Justice System

Sentencing. In Washington, a person under 18 years of age who commits a criminal offense is subject to the state's juvenile justice laws.⁵ These laws have changed significantly over the last 90 years and, since 1977, Washington has had a juvenile sentencing system that is unique among the 50 states.⁶

Unlike all other states, Washington has a form of "determinate" sentencing for juvenile offenders.⁷ The sentence a juvenile offender receives is determined by a statewide "grid" that includes two factors: the severity of the juvenile's current offense and the juvenile's prior criminal history. While the Washington State Sentencing Guidelines Commission has the authority to consider and recommend changes to the juvenile sentencing system, it is the legislature that formally adopts the grid that Washington judges use to sentence juveniles. In all other states, local courts have discretion in how to sentence juveniles; Washington is unique in that the legislature limits judicial discretion.⁸

⁵ RCW 13.40. For certain serious offenses, 16- and 17-year-olds are automatically adjudicated in the adult criminal justice system.

⁶ For a history of Washington's juvenile and adult sentencing systems, see D. Boerner and R. Lieb (2001) "Sentencing Reform in the Other Washington." In *Crime and Justice: A Review of Research*, Volume 28, edited by Michael Tonry. Chicago: University of Chicago Press.

⁷ Since 1984, Washington has also had a form of determinate sentencing for adult offenders. While Washington is the only state with a statewide juvenile determinate sentencing system, nearly half the states (Washington included) use this type of system for sentencing adult offenders.

⁸ Under Washington's law, local juvenile court judges can sentence outside the statewide grid, but the grid is presumed to be the sentencing standard for the state. This presumption is generally heeded; in 2000, juvenile court judges sentenced offenders within the grid's standard range 97 percent of the time.

Washington's State and Local Juvenile Justice System. What happens after a sentence is imposed on a juvenile offender? In Washington, the operation of the juvenile justice system involves both state and local governments. This approach is similar in most other states: 32 states administer juvenile justice through a combination of state and local governments, 16 states have a state-only system, while just 2 states have a local-only system.⁹

1) The State Juvenile Offender System. Under Washington's juvenile sentencing grid, the most serious juvenile offenders are sentenced to incarceration in state institutions managed by JRA. Table 1 shows that during 2001 there were 1,144 offenders in JRA institutions (or community facilities) on an average day. The average length of a sentence to JRA is about ten months. After serving a JRA sentence, offenders are placed on parole—the state's name for community supervision. On an average day in 2001, 1,065 juvenile offenders were on JRA parole caseloads.

<i>Table 1</i>			
The Number of Offenders in Washington's Juvenile Justice System On an Average Day in 2001			
	State	Local	Total
Confinement	1,144	898	2,042
Community Supervision	1,065	10,539	11,604
Total	2,209	11,437	13,646

Source: WSIPP survey of JRA and juvenile courts.

2) The Local Juvenile Offender System. Washington's sentencing grid places less serious juvenile offenders under the jurisdiction of the counties. Some of these offenders are sentenced to confinement in county-operated detention facilities. During 2001, there were about 900 juveniles in county detention facilities on an average day. The typical detention sentence is about ten days. These juveniles, and other offenders not given a sentence to detention, usually receive a sentence to probation—local government's name for community supervision. In addition to detention and probation, many other less serious offenders are placed in diversion programs, often under the guidance of a community accountability board (not shown).

⁹ P. Griffin (2000) "National Overviews." *State Juvenile Justice Profiles*. Pittsburgh, PA: National Center for Juvenile Justice, <<http://www.ncjj.org/stateprofiles/>>. We analyzed the NCJJ data to arrive at the distribution reported here.

County juvenile courts perform other functions in addition to those relating to juvenile offenders. In particular, the courts implement state laws on child dependency, as well as at-risk, runaway, and truant youth. These youth are not criminal offenders and, since the focus of this report is Washington's juvenile offender system, court functions for these other youth are listed separately from those pertaining to offenders.

The Institute's Survey of Juvenile Justice Funding. To gain an increased understanding of how resources are currently spent in Washington's juvenile justice system, we conducted a survey of county juvenile courts and the state Juvenile Rehabilitation Administration.¹⁰ The goal of the survey was to provide an "apples-to-apples" picture of the financial and operating structure of Washington's juvenile justice system. We selected 2001 for analysis since it is the most recent year for which full accounting data are available. Using this information, we provide answers to the following five questions.

Question 1: How Much Money Was Spent on the Juvenile Justice System During 2001?

Table 2 (on page 5) highlights some of the "big picture" results from the survey. Statewide, about \$186 million was spent on Washington's juvenile justice system for offenders in 2001.¹¹ Of this total amount, about 45 percent (\$84.7 million) was spent by JRA while the juvenile courts used the remaining 55 percent (\$101.5 million).

The legislative direction for this study is to examine *state-funded* programs. To help identify state funds, Table 2 also displays information on state-funded juvenile justice resources. Of the total \$186 million spent in 2001, state resources covered about \$100 million, or 54 percent.

For the purpose of identifying cost-effective options, we divide the offender-related functions performed by JRA and the courts into two broad classifications: confinement and community supervision. During 2001, about \$119.4 million (64 percent of total spending) was spent on confinement, while \$66.8 million (36 percent of total spending) was used to supervise offenders.

¹⁰ The survey was most ably administered by our consultants Christopher Murray & Associates, Kathy Gookin, and Merlyn Bell.

¹¹ Unfortunately, our survey is not a complete census of all Washington juvenile courts; two small courts did not respond to the survey.

Table 2
Funding of Washington's Juvenile Justice System, 2001
(Millions of Dollars)

	JRA		Juvenile Courts		Total	
	State	Total	State	Total	State	Total
Juvenile Offender Functions						
Confinement	63.0	66.7	2.8	52.7	65.9	119.4
Community Supervision	15.8	18.0	18.4	48.8	34.2	66.8
Subtotal	\$78.9	\$84.7	\$21.2	\$101.5	\$100.1	\$186.3
Non-Offender Functions						
Dependency	n/a	n/a	0.8	9.0	0.8	9.0
Becca	n/a	n/a	5.2	7.6	5.2	7.6
Secure Crisis Residential	n/a	n/a	1.6	1.6	1.6	1.6
Subtotal	n/a	n/a	\$7.6	\$18.2	\$7.6	\$18.2
Total All Functions	\$78.9	\$84.7	\$28.8	\$119.8	\$107.7	\$204.5

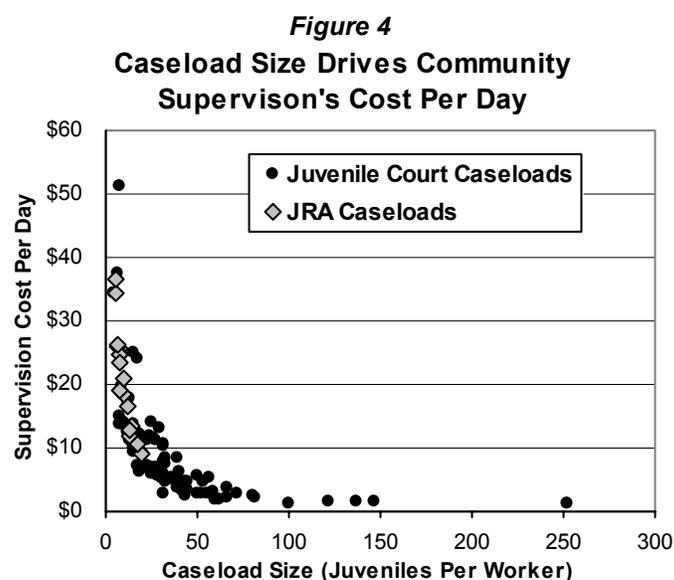
Notes: The numbers may not add due to rounding. The source for all numbers is the WSIPP survey of JRA and juvenile courts. Both JRA and the juvenile courts reported cost information on overhead and indirect costs. The information on this table includes direct allocations of identified administrative costs to each sub-category and WSIPP allocations of remaining overhead costs based on the total resources consumed by each sub-category.

Focusing on just the \$66.8 million spent on community supervision of juvenile offenders, about 27 percent of these funds were used by JRA to provide parole supervision for youth sentenced to the state system, and the other 73 percent of these monies were used by juvenile courts to provide probation for juvenile offenders given a local sentence. State funds cover about 88 percent of JRA community supervision (federal funds supplement state funds). State funds are also used to pay for about 38 percent of local community supervision—an amount equal to \$18.4 million in 2001.

Question 2: What Drives the Cost of Community Supervision of Juvenile Offenders? As part of this study, we examined a key policy choice that drives spending on community supervision; namely, the size of the caseload for the average probation or parole employee. The juvenile courts and JRA supplied us with information on the number of juveniles supervised on different types of community supervision caseloads.

Figure 4 plots the results. The chart shows that the cost of providing community supervision depends critically on the number of youth supervised by a probation or parole staff. The lower the caseload, the more expensive the supervision. Across Washington, there is wide variation in the size of community supervision caseloads. For example, some JRA and juvenile court caseloads serve less than 20 higher-risk youth per staff, while some juvenile court caseloads serve over 100 low-risk youth per probation worker.

Thus, a key policy-driven factor that determines the cost of community supervision is the size of the caseload.



Question 3: Who Provides Community Supervision Most Economically: JRA or the Juvenile Courts? There has been interest in knowing whether JRA or the courts provide the most economical community supervision. With the data from our survey, as depicted in Figure 4, we conducted a statistical analysis of this question. We included all direct and indirect overhead costs in the analysis. Our conclusion is that there is no statistically significant difference between the cost of community supervision as provided by JRA or the courts. That is, the factor that determines community supervision costs is the policy variable of caseload size—not which entity provides the community supervision.

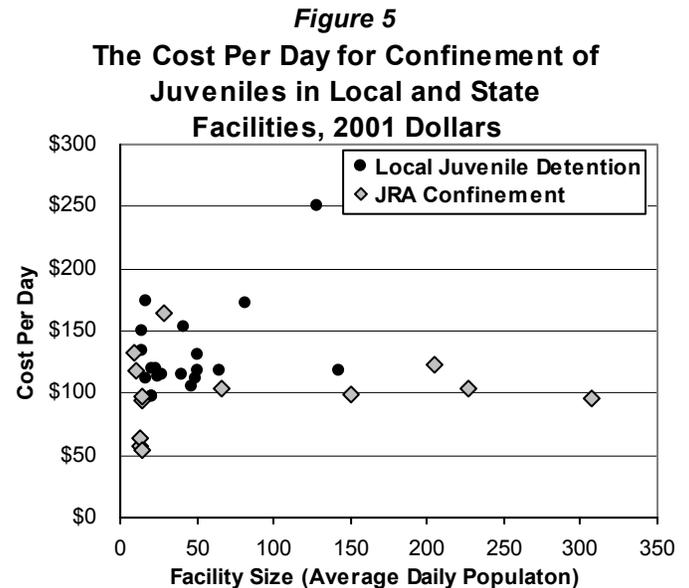
Figure 4 indicates that JRA costs-per-day are higher, but that is because JRA has lower caseload sizes for the higher-risk youth supervised by JRA—not because JRA is less cost-efficient than the courts.

Question 4: How Much Do JRA and the Courts Spend on Treatment Services for Offenders in the Community? Our survey also gathered information on the types of treatment services—as distinguished from supervision-related services—that are provided to juvenile offenders. In this “treatment” category, we include services such as substance abuse programs, family therapy programs, and group counseling programs. Table 3 shows that during 2001, about 85 percent of community supervision dollars was spent on supervision-related services, while 15 percent was spent on treatment-related services.

	JRA	Juvenile Courts	Total	
Supervision-Related Services	\$15.6	\$41.3	\$56.9	85%
Treatment-Related Services	\$2.4	\$7.5	\$9.9	15%
Total Spending	\$18.0	\$48.8	\$66.8	100%

Source: WSIPP survey of JRA and juvenile courts.

Question 5: What Is the Cost per Day for Confining Juvenile Offenders? Confining juveniles in state and local facilities uses 64 percent of all juvenile justice resources in Washington. We examined the average cost per day of confining juvenile offenders in these facilities. Figure 5 shows these cost data, arranged by the size of the county detention facility or JRA facility. To make the numbers comparable, for JRA and county facilities we only included confinement costs, not the costs to treat offenders while confined. The average confinement cost per day was about \$120 during 2001. Unlike the economics of community supervision, larger facilities in the state do not have significantly lower costs of confinement.



Part Three: What Works in Juvenile Justice, and What Produces the Best Returns for Taxpayer Dollars?

In this section, we present a summary of our review of research-based evidence on juvenile justice programs. We used two sources of information for this review: (a) the Institute’s previous analysis of the national research literature;¹² and (b) the results of recent evaluations of specific Washington juvenile justice programs we have undertaken at legislative direction.¹³

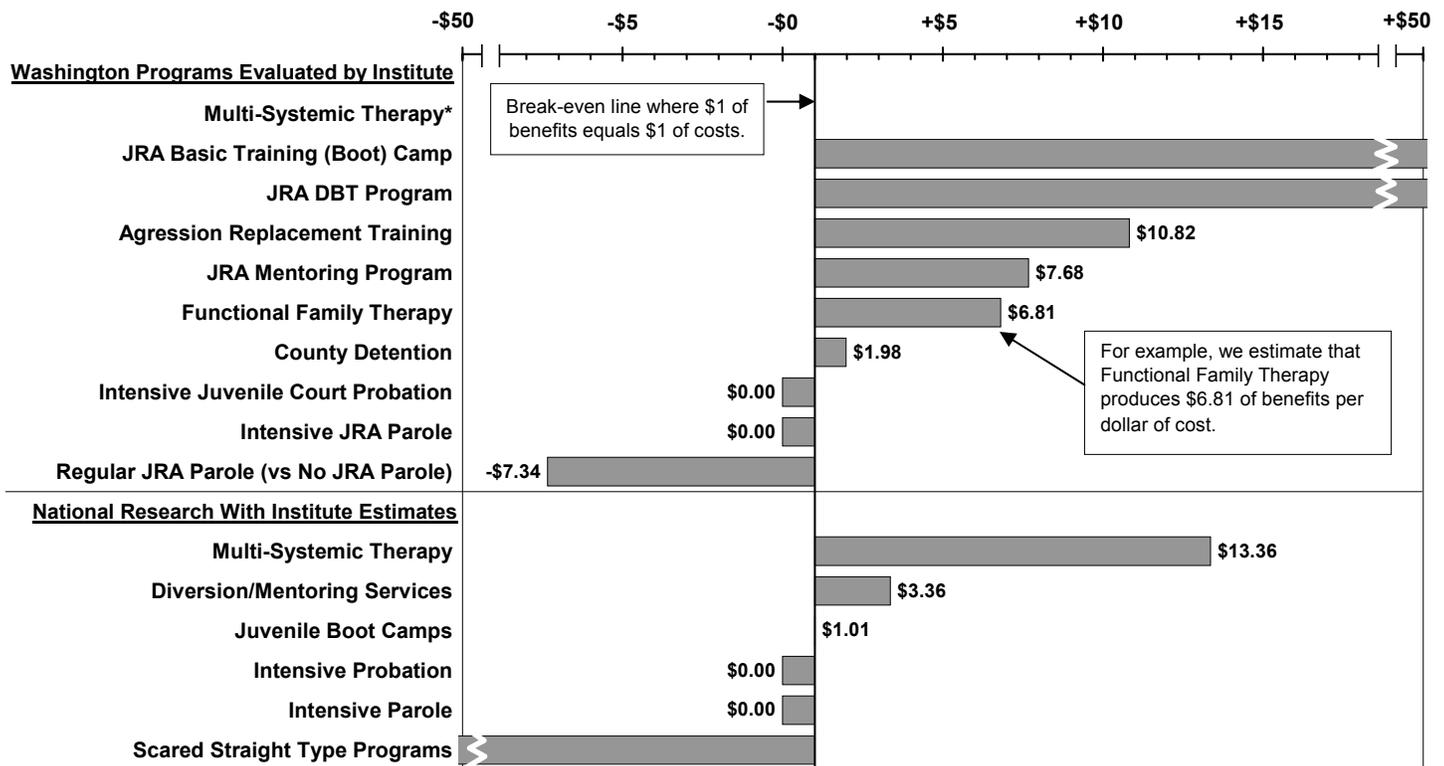
Findings From the Review. Figure 6 presents our benefit-to-cost ratios for different types of programs that have been evaluated and shown to work—or not to work—in lowering juvenile crime rates. For each of these programs, we estimate the benefits the programs produce for Washington taxpayers and crime victims, and then divide by the costs of the programs.¹⁴

¹² S. Aos, P. Phipps, R. Barnoski, and R. Lieb (2001) “The Comparative Costs and Benefits of Programs to Reduce Crime Version 4.0,” Washington State Institute for Public Policy, available at: <www.wa.gov/wsipp/crime/pdf/costbenefit.pdf>.

¹³ Reports on these evaluations of Washington programs are available on the Institute’s website: <www.wsipp.wa.gov/>.

¹⁴ For a technical discussion of how the costs and benefits are estimated, see Aos, et al. (2001). In a nutshell, the costs reflect the expenses of running the various programs shown on Figure 6, while the benefits are estimates of the savings to taxpayers (lower public spending on the criminal justice system) and crime victims when crime is avoided.

Figure 6
What Works in Juvenile Justice?
The Cost and Benefits of Different Approaches to Reduce Juvenile Crime
(Dollars of Benefits Per Dollar of Program Cost)



*The Institute's evaluation of Washington's implementation of MST is not complete.

We draw five conclusions from our economic analysis of juvenile justice programs:

1. Confinement can reduce crime; however, confinement is expensive. Based on our study of juvenile detention, we found that at Washington's current detention rates, juvenile detention produces about \$2 of benefits per dollar of cost.
2. Programs that reduce community supervision caseloads produce marginal or even negative returns to taxpayers. This finding is supported by our evaluations of Washington supervision programs and our review of studies from around the nation. The research results are consistent: lowering community supervision caseloads does not reduce recidivism. Supervision of juveniles in the community is a necessary aspect of Washington's sentencing grid and is needed to carry out the orders of the court, but the size of the community supervision caseload has not been shown to affect recidivism rates.
3. Some treatment interventions work, while others do not. When implemented competently, we found that specific Washington juvenile justice intervention programs achieve reductions in

recidivism and produce over six dollars in benefits per dollar of cost. In 1997, the Legislature took steps to implement research-based programs. Our preliminary evaluation of these programs confirms that this continues to be a sound approach.

4. Washington's juvenile boot camp produces a substantial positive return on the dollar, unlike the generally poor results from boot camp evaluations in other states. JRA's boot camp includes a strong cognitive behavioral treatment component. Washington's boot camp generates in excess of 50 dollars of benefits per dollar of cost, while other boot camps in the nation barely break even. The large savings for Washington's camp are generated by reduced recidivism rates for boot camp participants and shorter total time confined in JRA.
5. Risk assessments are key to achieving cost-effectiveness in that they direct juvenile justice resources toward higher-risk youth. Both the juvenile courts and JRA use separate state-funded assessments to direct program placements. Sharing a common assessment, however, could improve efficiency and reduce state costs of diagnostic services.

Part Four: Recommendations

The legislation directing this study required the Institute to recommend ways to improve the cost-effectiveness of Washington's juvenile justice system. Our recommendations are based on the findings presented in this report.

1. Shift a portion of state funds currently spent on community supervision caseloads to research-based interventions. With constrained budgets, policymakers can reduce recidivism rates in Washington—and give taxpayers a better rate of return on their dollar—by spending less on community supervision caseloads and more on particular evidence-based interventions. One way to implement this shift is to adopt higher caseloads for community supervision officers; another is to shorten lengths of stay on community caseloads.

As shown on Table 3, Washington spends about 85 percent of its non-confinement juvenile justice resources on supervision services and only 15 percent on particular treatment services. The best research evidence, as summarized in Figure 6, indicates that lower community supervision caseloads produce marginal or negative benefits to taxpayers in reducing crime compared with properly implemented interventions. Existing treatment programs that produce solid returns include ART and FFT (the Community Juvenile Accountability Act), and JRA's DBT program. Therefore, we recommend a portion of existing funds be shifted to higher-return programs such as these.

Juvenile courts have already started to raise caseloads for low-risk youth based on their successful implementation of a statewide standard risk assessment. JRA has recently shortened the time on parole for their lower-risk youth and has started to change how parole officers integrate research-based treatment into their work.

The information collected for this report could be used by the legislature to estimate the fiscal effects of specific proposals related to cost shifting.

2. Require state-funded treatment programs to demonstrate a quality-control process. The clear lesson (so far) from the Institute's evaluation of Washington's CJAA programs is that certain research-based programs work—but only when

implemented competently. Therefore, an improved form of quality control needs to accompany state funding of these programs in order to assure cost-beneficial reductions in recidivism. We recommend that the legislature require the monitoring of state-funded programs to ensure adherence to the proven practices.

As we did this study, it became clear that further analysis could be beneficial in two areas:

3. Direct that a study be done of the costs and benefits of prevention programs. In order to complete this study on time, we narrowed the scope of our examination to include only state-funded programs for juvenile offenders—that is, youth already involved in the juvenile justice system. There is evidence (Aos, et al. 2001) that some prevention programs can save taxpayers more money than they cost, particularly over the longer run. Prevention programs are designed for youth *before* they become offenders. A study could be undertaken to: (a) identify specific research-proven programs that save more money than they cost, and (b) identify realistic funding mechanisms.

4. Direct that an examination be undertaken of the costs and benefits of particular aspects of Washington's juvenile sentencing grid. In this study, the Institute was not directed to examine the cost-effectiveness of Washington's sentencing grid for juvenile offenders, but a cost-benefit review could possibly identify ways to further improve Washington's juvenile justice system.

During the 2002 session, the Legislature modified certain elements of Washington's *adult* sentencing system after finding that some current funding used to incarcerate certain drug offenders could more cost-effectively be directed toward drug treatment. Following the same logic, it is possible that a cost-benefit examination of Washington's *juvenile* sentencing grid may produce ways for taxpayer funds to be used more efficiently. The Institute has found that the use of juvenile detention in Washington produces benefits that exceed the costs (see Figure 6), but we also found that detention works best in deterring certain types of arrests. For example, confinement can be cost-effective for violent and some property offenders. This suggested study could build on that knowledge to identify policy considerations for the Sentencing Guidelines Commission and the legislature.