States Forced to Close Prisons as Budgets Dwindle and Prison Populations Shrink

Kansas, New Hampshire and Michigan are singing the jailhouse blues as those states—like many others—are shutting down state prison facilities. Although some states are taking advantage of alternative corrections and criminal justice strategies to reduce prison populations, when a prison is closed, most often jobs are lost. And losing jobs due to prison closures is a hard pill to swallow in this recession.

By Mikel Chavers
People in small-town Stockton, Kan., got used to seeing the work crews from the local prison mowing the city’s lawns and keeping the parks clean. In fact, the inmate work crews were a welcome blessing as far as most of the town’s 1,500 or so residents were concerned.

But those work crews won’t be lending a helping hand anymore. After severe budget cuts, the state was forced to close down the 128-bed Norton Correctional Facility East Unit prison in Stockton and the inmates were moved to other prisons.

The work crews were a “really a big impact—most people don’t understand,” said Keith Schlaegel, city manager for Stockton. “They did so much work around town. We could have our paid employees do other things.”

And in a small town where the minimum security prison facility was a huge economic benefit, it’s not just the work crews the city will be missing.

“Job-wise, it’s another big hit,” Schlaegel said. His small, rural town lost 32 state jobs as a result of the closure.

The town also lost five to six contract jobs such as food service workers and other contract providers, according to Kansas Secretary of Corrections Roger Werholtz.

Other small, rural communities like Stockton were especially hard-hit when Kansas shut down prisons, Werholtz said. Often, the prisons were a huge economic driver for the small towns. Stockton, for example, is “in a part of the state that is losing its population,” Werholtz said. “They are looking for economic anchors to keep their kids from moving away.”

But incarceration is expensive. It costs, on average, more than $20,000 a year to house a state prisoner, according to the Pew Center on the States, but costs vary from state to state. In New York, for example, where the state is shutting down some prison camps and prison annex buildings, it cost $50,000 a year to incarcerate an inmate, according to New York Assemblyman Jeffrion Aubry.

In these hard economic times, budget cuts are forcing states to shut down prisons, something possible only with a shrinking prisoner population, experts say.

Michigan, for example, is suffering from cuts to the state’s corrections budget just as other states are. But Michigan is also using alternative strategies that are cheaper than keeping people in jail. So the state is in a position to close even more prisons.

Budget Cuts Drive Prison Closures

Stockton wasn’t the only small town in Kansas rocked by the prison closures. The state closed six prison facilities—five so far this year and one last year. (See sidebar.)

By closing those facilities and shuffling around other prisoners, the Kansas Department of Corrections cut 447 prison beds out of the state’s budget, according to Werholtz. That means a savings of around $7.8 million just by shutting down prisons.

To accommodate some of the displaced prisoners, Kansas corrections had to re-open a cell house on the campus of one of the state’s larger prisons for inmates who were moved out of closing facilities.

The main goal of closing these prisons was to save money, Werholtz said. The corrections department was under some pretty hefty budget pressures to the tune of more than $20 million. And although closing prisons alone couldn’t bridge that budget gap, they made up a chunk of the cuts.

“We were needing to ultimately cut about $23.5 million out of our budget,” he said.

Most of the facilities closed in Kansas were smaller, lower security prisons or boot camps, which serve as an alternative to traditional prisons.

“We first looked at the small facilities because we had a surplus of male minimum security beds
because we’d been pretty successful in driving the prison population down,” Werholtz said.

So Kansas was in a position to shut down prisons to save on operating costs. But it wasn’t all so straightforward.

Some of the closed facilities, such as the ones located in Toronto, Osawatomie and Stockton, just weren’t needed for the state’s current prison population. “They were beds that we did not need at that time,” Werholtz said.

But for others, budget cuts absolutely forced closure, he said.

“When you get to some of the other facilities that we closed, I would rather not have done that, because we were shutting down some beds that either we did need or they, in the case of the boot camps or conservation camps, provided a sentencing alternative that kept people out of prison for longer periods of time,” said Werholtz, who admits he’s not a big fan of the boot camps in general.

The additional facilities—if they had remained open—also meant the state was able to spread out the prison population, ensuring prison facilities weren’t so densely populated, Werholtz said.

New Hampshire is in the same bind as Kansas. The state closed its first prison in July. At 2:30 p.m., July 1, the final six inmates were moved from the Lakes Region Facility in Laconia, N.H. The Department of Corrections Honor Guard gave the facility an official closure, retiring the New Hampshire and American flags flown over the facility for many years, according to a New Hampshire Department of Corrections press release.

The closure was due to the “tough economy and budget constraints,” said Jeff Lyons, spokesman for the state’s Department of Corrections.

The New Hampshire Department of Corrections had to deal with a budget that was $2 million less than the previous year, sealing the prison’s fate.

“We all had to change the way we do business,” Lyons said. “This was our way.”

Though the facility employed 100 people, the state was able to move employees to other facilities to avoid laying off so many.

“No one likes to do layoffs of course,” Lyons said. When the department began plans to close the prison facility, it expected hundreds of layoffs as a result, Lyons said. But by savings gleaned from reducing or getting rid of overtime pay in some cases, the department instead laid off approximately 34 people, he said.

But since closing the prison, many correctional officers have been called back due to retirements and attrition, Lyons said.

As for the building, it will probably never be used as a prison facility again.

The buildings and original grounds of the Lakes Region Facility dated back to the early 1900s—it used to be the Laconia State School, a place where mentally challenged children and children with disabilities were institutionalized.

In 1991, the state’s department of corrections inherited the prison facility and because it was such an old building, it was “never really conducive to being a prison,” Lyons said. The building suffered from maintenance issues that contributed to expensive upkeep, Lyons said.

The old prison cost the state $10 million a year to operate—a cost the state can now avoid, according to Lyons.

Shrinking Prison Populations Yield Fewer Prisons

On the other hand, states such as Michigan are using alternative strategies to shrink prison popu-
Michigan’s Department of Corrections is finding the state simply doesn’t need as many prison facilities and that there are ways to deal with offenders that are cheaper than keeping them in prison.

And those kinds of strategies couldn’t have come at a better time—because with budget cuts, Michigan needed to shut down even more prisons.

Michigan has closed 15 state prison facilities throughout the decade—probably the most of any state, according to John Cordell, spokesman for the Michigan Department of Corrections.

“We were able to absorb most of the staff that would have been put out on the street” as a result of the prison closures, Cordell said, simply by shuffling staff. But this year, with the amount of budget cuts the state faces, the department of corrections could see up to 1,000 layoffs, Cordell said. Officials hope layoffs will be closer to 500 though, he said.

But for places like Standish, a small town in northern Michigan where there’s a maximum security prison the state is preparing to close, the economic effect of the closure will be felt pretty hard. The prison is the small town’s largest employer.

Michigan’s unemployment rate is already at 15 percent. “That creates even greater pressures for us,” Cordell said.

The Standish community fought the prison locating there, Cordell said, but now it provides a pretty good neighbor.

Cordell predicts the small town of Standish could lose 300 or more good paying jobs when the prison closes this year.

“It is a significant economic hardship,” he said. Including the Standish Maximum Correctional Facility, Michigan will close eight prison facilities this year, five of them are prison camps. Closing the camps will end the department’s prison camp program altogether.

Closing the eight prison facilities will help the department of corrections meet a $120 million savings goal for the 2009-2010 fiscal year corrections budget and comes amidst the staggering situation of the Michigan state government, which is facing a $1.4 billion deficit next fiscal year, according to a Michigan Department of Corrections press release.

But as it turns out, Michigan is no stranger to shutting down prisons and dealing with budget pressures. “Budget considerations are always a driving force in corrections,” Cordell said. “We have had pretty significant budget issues since 2001-2002.”

But even with budget pressures, the state wouldn’t be in a position to shut down prisons if it weren’t for a shrinking prison population—something the state worked on with The Council of State Governments Justice Center.

“There’s no way to (close prisons) without a declining prison population,” Cordell said. “There’s no way we can purge prisoners into society.”

Together with the CSG Justice Center, the state was able to identify strategies to treat inmates more cheaply using alternative means instead of keeping them in jail for longer, Cordell said.

“CSG works to provide state policymakers with the information they need to make smart decisions. The CSG Justice Center is a prime example of the principle, ‘knowledge is power,’” said David Adkins, CEO and executive director of The Council of State Governments. “We’ve learned that when policymakers are committed to working together to enact sound public policy in the crime and sentencing arena, solutions can be found that make a state safer at a lower cost.”

Michigan together with the CSG Justice Center began looking at a corrections system that eats up $2 billion of general fund money every year, ac-
According to Cordell. “We were very good at warehousing prisoners. That’s fine. But we were missing the point to some degree. We need to provide an opportunity for prisoners to rehabilitate themselves and become better citizens,” Cordell said.

Since Michigan started down the road of rethinking the way the state does corrections, the prison population declined from 51,500 to 47,300, Cordell said.

The study, released this year by the CSG Justice Center, provided bullet points for the state to work on, Cordell said.

One of the recommendations was this: If prisoners could be released at their minimum sentence, then the state should be releasing them, according to Cordell. “That recommendation challenged us to look at our post-earliest release date prisoner population,” Cordell said.

And by that Cordell is referring to prisoners who actually serve more prison time than their minimum sentence. According to the CSG Justice Center, people released from prison in Michigan in 2007 on average served 127 percent of their court-imposed minimum sentence before they got out of prison and were placed under community supervision.

That was costing the state big bucks.

Based on an initial look, that meant 11,000 prisoners at the time were staying in prison past their minimum sentence, Cordell said.

But thanks to addressing that recommendation and by using other strategies in the corrections system, the state is now able to shrink the prisoner population.

“That’s part of the reason why we’re able to close eight facilities this year,” Cordell said.

—Mikel Chavers is associate editor of State News magazine.

The Anatomy of Shutting Down Prisons

States are closing prisons under budget pressures in a down economy. Some states have worked for years to reduce prison populations and, as a result, are in a position to close some state prison facilities while shuffling around displaced prisoners to others. But the closures are resulting in job losses in communities where the prison facilities are located. That’s particularly painful for small, rural communities already hard-hit by the recession, said Kansas Secretary of Corrections Roger Werholtz. Kansas closed six prison facilities since the state hit hard budget times—five facilities were shut down this year:

**Osawatomie Correctional Facility**  
Location: Osawatomie, Kan.  
Size: 80-bed male minimum-security facility  
Closed: Feb. 6  
Savings: $900,000

**El Dorado Correctional Facility**  
**East Unit**  
Location: Toronto, Kan.  
Size: 70-bed minimum security male facility  
Closed: Feb. 27  
Savings: $900,000

**Norton Correctional Facility East Unit**  
Location: Stockton, Kan.  
Size: 128-bed male minimum security facility  
Closed: March 31  
Savings: $1.6 million

**EL Dorado Correctional Facility**  
**North Unit**  
Location: El Dorado, Kan.  
Size: 102-bed male minimum security facility  
Closed: June 12  
Savings: $1 million

**Labette Correctional Conservation Camps**  
Location: Oswego, Kan.  
Size: a 38-bed female boot camp substance abuse treatment program and a 198-bed male boot camp facility  
Female facility closed: Jan. 1, 2008  
Male facility closed: June 8  
Savings: $3.4 million for both facilities

Photos courtesy of Kansas Department of Corrections. Labette photo courtesy of the Labette Avenue newspaper.
The Corrections Crunch
Many states are reversing a decades-long trend and are cutting funding for corrections in a recession that’s hit virtually every state’s budget, according to a new Vera Institute of Justice report released late this summer. There’s a fiscal crisis in corrections, the report said.

states cut corrections spending this year.
(That’s out of the 33 states that responded to Vera’s survey.)

6 states—Georgia, Idaho, Kansas, Montana, Nebraska and Washington—made double-digit cuts to their corrections budgets.

Getting Creative
Many states are using strategies to reduce the number of formerly incarcerated people who get sent back to jail—that means states are reducing costs associated with recidivism.

2 states—Missouri and Arkansas—are developing technical violator centers to address people who violate the conditions of their release from prison—and hopefully reduce the number of people sent back to jail for technical violations.

Colorado’s Crime Prevention and Recidivism Reduction Package includes $160,000 in funding for community corrections discharge planning $1.2 million for a pre-release program for working with inmates who are within four months of getting out of prison.

Michigan’s efforts to help prisoners reintegrate into society after prison received a funding boost in the budget—the state provided $56.6 million for the Michigan Prisoner Re-entry Initiative.

Missouri’s budget includes $3 million to expand a program providing community re-entry grants and another $900,000 for a St. Louis-based prisoner re-entry program.

Montana plans to use $1 million to add 33 beds to a special prison facility treating mentally ill, aging and disabled inmates who are getting ready to transition back into the community.

Making Cuts
States are:
- Decreasing health services;
- Reducing food services;
- Eliminating pay increases, benefits and overtime pay for staff;
- Laying off staff and implementing hiring freezes;
- Eliminating, reducing or renegotiating programs;
- Closing prisons or reducing prison beds; and
- Delaying construction or expansion of new prison facilities.

At least 28 states reduced staff, instituted hiring freezes, cut staff salaries and benefits and stopped pay increases in corrections departments.

19 states are downsizing, eliminating or renegotiating contracts for prison programs and other programs in the department of corrections.

At least 20 states are shutting down prisons, cutting prison beds, stopping prison expansions or delaying the opening of new prisons.

Michigan will close 8 prison facilities this year, in addition to the three prison facilities it has already closed this year.

New York will close 3 minimum security prison camps and parts of 7 more prison facilities.

Alaska expects to save $700,000 by delaying prison system expansion.

Colorado delayed opening 1 new prison and delayed expanding another prison.