

State and Local Expenditures on Corrections and Education

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Policy and Program Studies Service*

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Over the past three decades, state and local government expenditures on prisons and jails have increased about three times as fast as spending on elementary and secondary education. At the postsecondary level, the contrast is even starker: from 1989–90 to 2012–13, state and local spending on corrections rose by 89 percent while state and local appropriations for higher education remained flat. This increase in corrections spending has been driven by — among other factors¹ — an increase in the number of people incarcerated in prisons and jails. The United States has only 5 percent of the world’s population but more than 20 percent of the world’s incarcerated population (Lee 2015). Linkages exist between educational attainment and incarceration. For example, two-thirds of state prison inmates have not completed high school (BJS 2009). Young black men between the ages of 20 and 24 who do not have a high school diploma (or an equivalent credential) have a greater chance of being incarcerated than of being employed (Neal and Rick 2014).² At the same time, researchers have estimated that a 10 percent increase in high school graduation rates may result in a 9 percent decline in criminal arrest rates (Lochner and Moretti 2004).

This policy brief examines state-by-state trends to compare the extent to which state and local governments are investing in education and in corrections. More specifically, this brief uses extant data from the Bureau of Justice Statistics, National Center for Education Statistics, U.S. Census Bureau, and other sources to present a snapshot of the changes in state and local expenditures for corrections and education between two points in time — 1979–80 to 2012–13 — both nationally and by state.³

Highlights

- From 1979–80 to 2012–13, public PK–12 expenditures increased by 107 percent (from \$258 to \$534 billion),⁴ while total state and local corrections expenditures increased by 324 percent (from \$17 to \$71 billion) — triple the rate of increase in education spending.
- Over the same 33-year period, the percentage increase in state and local corrections expenditures varied considerably across the states, ranging from 149 percent in Massachusetts to 850 percent in Texas. PK–12 expenditure growth rates were considerably lower, but still varied widely across states, ranging from 18 percent in Michigan to 326 percent in Nevada.
- All states had lower expenditure growth rates for PK–12 education than for corrections, and in the majority of the states, the rate of increase for corrections was more than 100 percentage points higher than the rate for education.
- When expenditures were adjusted for population change, the increases in both state and local corrections expenditures and PK–12 education expenditures were smaller. However, even after accounting for changes in population, growth in corrections expenditures outpaced PK–12 spending growth in all but two states.
 - In 24 states, the growth rate in per capita corrections spending was more than 100 percentage points higher than the rate for per-pupil PK–12 education spending.
 - After adjusting for population change, a few states had similar growth rates for corrections and education spending, and two states actually increased per-pupil expenditures on PK–12 education faster than per capita corrections spending.
- From 1989–90 to 2012–13, 46 states reduced higher education appropriations per full-time equivalent (FTE) student. On average, state and local higher education funding per FTE student fell by 28 percent, while per capita spending on corrections increased by 44 percent.

This brief was prepared by the Policy and Program Studies Service in the U.S. Department of Education, Office of Planning, Evaluation and Policy Development. Stephanie Stulich, Ivy Morgan, and Oliver Schak were the authors.

POLICY CONTEXT

Over the past three decades, state and local government expenditures on prisons and jails have increased at a much faster pace than state and local spending on elementary and secondary education and postsecondary education. All too often, children growing up in poor communities not only do poorly in school but also are disproportionately arrested and incarcerated during their teen-age and young adult years. Researchers at Columbia University found that a disproportionate number of the upwards of two million people in U.S. prisons and jails come from disadvantaged neighborhoods in the country's biggest cities; the authors coined the term "million dollar blocks" to refer to places where the concentration of incarcerated individuals is so dense that states are spending over a million dollars a year to incarcerate the residents of a single city block (Columbia University 2006). Incarceration in the U.S. occurs disproportionately among people of color. Even for offenses for which there are few differences by race or ethnicity in the likelihood of committing a crime, individuals of color — black youth in particular — are more likely than white individuals to be arrested and receive longer sentences for the same offenses (CEA 2015). For example, black males are six times more likely to be incarcerated than white males, and black students are about two times more likely to receive a referral to law enforcement or be subject to a school-related arrest than white students (Pew Research Center 2013; OCR 2016). Additionally, children with incarcerated parents face an increased risk of a variety of adverse outcomes, including antisocial and violent behavior and lower educational attainment (Johnson 2009).

Dramatic growth in incarceration rates

According to data from the Bureau of Justice Statistics, the number of people incarcerated in state and local correctional facilities more than quadrupled over the past few decades, rising from about 490,000 in 1980 to over 2 million in 2014, due in part to the enactment of additional, often lengthy mandatory minimum sentence laws (BJS n.d.; CEA 2016).

Incarceration rates have increased despite large decreases in crime rates, which declined by more than 50 percent between 1980 and 2014 (Cassell 2004; FBI n.d.). However, a large body of economic research finds that incarceration has a limited capacity to reduce crime, and that the effectiveness of incarceration declines as the incarcerated population grows.⁵ Because the U.S. has the largest incarcerated population in the world, the impact of incarceration in the U.S. is particularly weak relative to investing in other crime control policies (CEA 2016). Researchers who study crime and incarceration suggest that the impact of incarceration on crime reduction is small, with a 10 percent increase in incarceration decreasing crime by just 2 percent or less, though some studies have found a range of estimates for the effect of incarceration on crime (Donohue 2009; Levitt 1996; Johnson and Raphael 2012).

Linkages between education and incarceration

Researchers have found connections between poor educational outcomes and incarceration. Among state prison inmates, available data suggests that two-thirds have not completed high school (BJS 2009). Young black males between the ages of 20 and 24 who do not have a high school diploma (or an equivalent credential) have a higher chance of being incarcerated than of being employed (Neal and Rick 2014).⁶ Researchers have estimated that a 10 percent increase in high school graduation rates may result in 9 percent decline in criminal arrest rates (Lochner and Moretti 2004). A variety of studies have suggested that investing more in education, particularly targeted toward at-risk communities, could achieve crime reduction without the heavy social costs that high incarceration rates impose on individuals, families, and communities (Belfield et al. 2006; Reynolds et al. 2001; Heckman et al. 2010).

Redirecting investments to education

Investments in education can reduce criminal activity by altering student behavior and improving labor market outcomes (CEA 2016). Investments in early childhood education can lead to reduced incarceration later in life, in part through improving educational attainment (Currie 2001). Though many factors contribute to student success, research indicates that teacher effectiveness is perhaps the most important in-school factor related to students' success in school (Rivkin et al. 2005). Further, research suggests that investing more in teacher salaries could result

in an overall improvement in the quality of the teaching workforce and that higher salaries are associated with higher teacher retention (Dee and Wyckoff 2015; Kelly 2004; Guarino et al. 2006). Evidence also shows that education provides a pathway to help justice-involved people restore full participation in their communities. For example, one study found that incarcerated individuals who participated in high-quality correctional education — including postsecondary correctional education — were 43 percent less likely to return to prison within three years than those who did not participate in correctional education programs (Davis et al. 2013). Furthermore, researchers estimate that for every dollar invested in correctional education programs, four to five dollars are saved on three-year recidivism costs (Davis et al. 2013). King et al. (2005) have also suggested that “investments in drug treatment, interventions with at-risk families, and school completion programs are more cost-effective than expanded incarceration as crime control measures.”

DATA SOURCES AND METHODS

Data

This policy brief is based on state-level data that were collected or reported by several federal statistical agencies — including the National Center for Education Statistics, Bureau of Justice Statistics, Census Bureau, and Bureau of Economic Analysis — as well as the State Higher Education Executive Officers Association. The analyses are based on education, corrections, and population indicators, including state and local current expenditures for corrections, current expenditures for public education for preschool through grade 12 (PK–12), state and local appropriations for higher education, incarceration in state and local correctional facilities, resident population of school-aged children and adults, and enrollment in PK–12 public schools. Data for the District of Columbia are not included in these analyses because it does not have comparable data for state prisoners — as of 2001, adults sentenced for felony offenses from the District are the responsibility of the Federal Bureau of Prisons.

PK–12 current operating expenditure and enrollment data are based on school years — i.e., 1980 data are based on the 1979–80 school year and 2013 data are based on the 2012–13 school year. State and local higher education appropriations and enrollment data are based on the 1989–90 and 2012–13 fiscal years.⁷ Corrections current expenditure data are based on the state government’s fiscal year (FY).⁸ State prisoner data are based on counts from December 31 in 1979 and 2012. Local jail inmate data are based on an April 1 estimate from the 1980 Census and an averaged count across multiple points in time during 2013. School-aged and adult population data are based on Census estimates from April 1 in 1980 and 1990 and July 1 in 2013. Both PK–12 and corrections expenditure data exclude expenditures for capital outlay, which tend to have dramatic increases and decreases from year to year. To allow for comparisons across states, the State Higher Education Finance (SHEF) appropriations measure excludes funding for research, agricultural, and medical education, as well as support for independent institutions or students attending them, which can vary substantially among states. See Appendix B for more detailed information about the specific variables used.

Methods

This brief consists of two comparisons of education and corrections data. First, it examines changes in state and local expenditures for PK–12 education and corrections between 1979–80 and 2012–13. Second, it examines state and local appropriations for higher education and state and local expenditures for corrections between 1989–90 and 2012–13.⁹ Specifically, the analyses begin by comparing total expenditures (or appropriations) and the percent change in these indicators, and then calculate the percentage point difference in the indicators to identify which states have increased their corrections expenditures faster than their education expenditures.

In order to account for inflation growth over time, the PK–12 and corrections expenditure data for 1979–80 and 1989–90 have been converted to constant 2012–13 dollars, using the Consumer Price Index (CPI).¹⁰ The higher education appropriations data are available from SHEF in current 2015 dollars and were deflated to 2013 dollars using the Higher Education Cost Adjustment (HECA), the inflation measure used in the SHEF report.¹¹ In order to account for population growth, some analyses discuss corrections expenditures in terms of spending per capita, PK–12 education expenditures in terms of spending per pupil, and higher education appropriations in terms of appropriations per full-time student equivalent.

Limitations

Where possible, these analyses incorporate data from the same collection to compare 1980 or 1990 and 2013 data. As noted above, local jail inmate data are based on different kinds of counts in 1980 and 2012 — the data from 1980 are based on the 1980 Census, whereas, the data from 2013 are an averaged count across multiple points in time during the year. Additionally, the higher education data are based on state and local appropriations, which do not reflect all expenditures at public higher education institutions; the analyses use appropriations data to better reflect revenue from state and local investments, rather than tuition, fee, and other revenue sources. Finally, changes to data definitions and collection procedures may limit the comparability of variables across time. For example, PK–12 current expenditures data for 1979–80 include expenditures for state administration, while data for 2012–13 do not include that expense category.

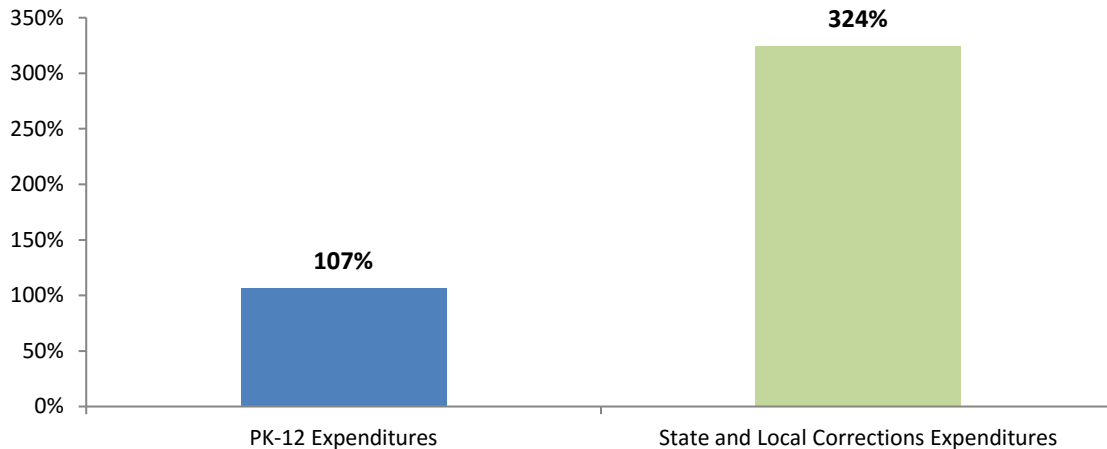
Many different factors may contribute to different rates of change in corrections and education expenditures. This brief does not identify specific policies, demographic characteristics, or trends that may have contributed to the differences observed across states. Additionally, these analyses do not control for differences in cost of living across states; for this reason, comparisons across time (within states) are appropriate, as are comparisons of rates of change across states, however, it is not appropriate to compare expenditures in each year across states. Finally, readers should note that education expenditures are much higher overall than corrections expenditures, and an increase in a small value yields a larger percentage change than the same increase would yield for a large value (i.e., a \$1 million increase from \$2 million represents a 50 percent increase while a \$1 million increase from \$20 million represents a 5 percent increase). As a result, a large percentage change for corrections spending represents a smaller dollar amount than would the same percentage increase in education spending.

CHANGE IN TOTAL STATE AND LOCAL SPENDING ON CORRECTIONS AND PK-12 EDUCATION

Over the last three decades, state and local corrections expenditures has increased three times faster than spending on elementary and secondary education.

Total PK–12 expenditures increased by 107 percent from 1979–80 to 2012–13 — from about \$258 billion to \$534 billion, while state and local corrections expenditures increased by 324 percent — from about \$17 billion to about \$71 billion.

Exhibit 1
Percentage change in PK–12 current expenditures and state and local corrections current expenditures from 1979–80 to 2012–13



Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, and Annual Survey of State and Local Government Finances. See Exhibit A.1 for more detailed information.

The magnitude of spending increases varied considerably among states, ranging as high as 850 percent for corrections expenditures and 326 percent for education expenditures.

Growth rates for state and local corrections expenditures ranged from 149 percent in Massachusetts to 850 percent in Texas. PK–12 current expenditures growth rates were considerably lower, ranging from 18 percent in Michigan to 326 percent in Nevada.¹²

All states had lower expenditure growth rates for education than for corrections, and in the majority of states, the rate of increase for corrections was more than 100 percentage points higher than the rate for education.

In 47 states, the rates of increase in state and local spending on corrections were more than 100 percentage points higher than rates of increase in spending on public PK–12 education; 12 states had increases in state and local spending on corrections that were 300 percentage points or more greater than the increase in spending on PK–12 education. In three states, the difference in percentage change between corrections expenditures and PK–12 expenditures was less than 100 percentage points (Exhibit 2).

Exhibit 2

States by percentage point difference in percent change between state and local corrections current expenditures and public PK–12 current expenditures from 1979–80 to 2012–13

300 or more percentage points	200–299 percentage points	150–199 percentage points	Less than 150 percentage points
12 states	14 states	12 states	12 states
Texas (668)	Florida (292)	Virginia (199)	Minnesota (149)
New Mexico (602)	Wisconsin (280)	Louisiana (197)	New Jersey (148)
Wyoming (598)	Oklahoma (272)	Washington (195)	Nevada (148)
Idaho (595)	Oregon (262)	Missouri (184)	Maine (135)
South Dakota (507)	Hawaii (260)	Indiana (181)	New Hampshire (128)
West Virginia (426)	California (255)	Alabama (171)	North Carolina (123)
Colorado (410)	Montana (254)	Tennessee (171)	Iowa (118)
Arkansas (385)	Kansas (247)	Ohio (166)	South Carolina (112)
Utah (383)	Pennsylvania (247)	Rhode Island (158)	Illinois (104)
Mississippi (355)	Georgia (244)	Kentucky (157)	New York (88)
North Dakota (338)	Nebraska (242)	Vermont (156)	Connecticut (87)
Arizona (303)	Delaware (239)	Maryland (150)	Massachusetts (63)
	Alaska (221)		
	Michigan (201)		

Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and Bureau of Labor Statistics, CPI Inflation Calculator. See Exhibit A.4 for more detailed information.

CHANGE IN CORRECTIONS SPENDING PER CAPITA AND PUBLIC PK-12 EDUCATION SPENDING PER PUPIL

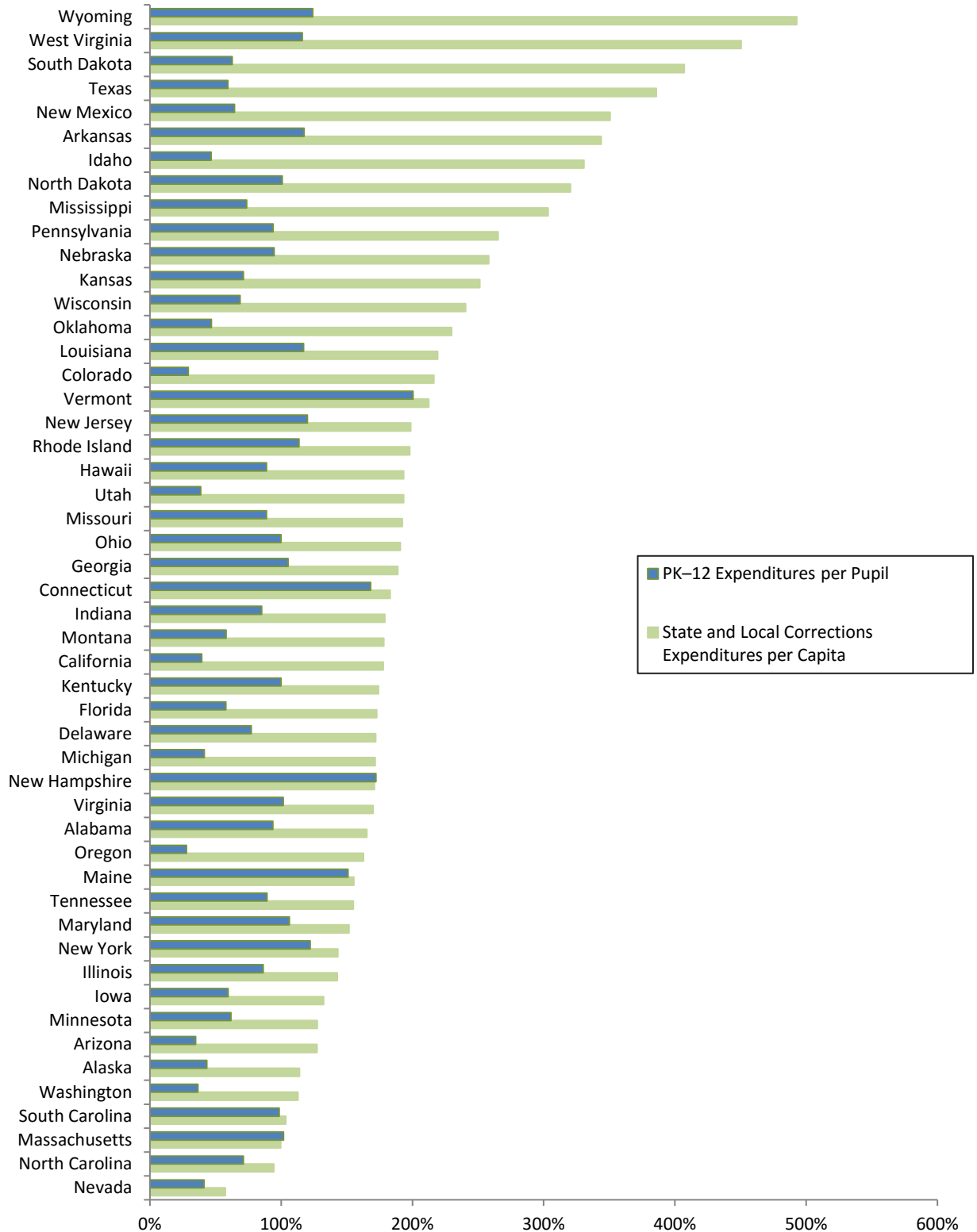
When expenditures were adjusted for population change, most states had lower expenditure growth rates for education than for corrections, but two states — Massachusetts and New Hampshire — had larger expenditure growth rates for education.

The population of the U.S. increased from 1980 to 2013, both overall and for school-age children, which would account for at least part of the increase in spending. Across the nation, the total adult population (aged 18 and over) increased 49 percent during this time period and the number of people incarcerated in state and local correctional facilities increased 345 percent. Meanwhile the population of school-age children (aged 5–17) increased 13 percent and enrollment in public elementary and secondary schools increased 20 percent. Again, rates of change varied significantly across states, from 6 percent to 264 percent for the adult population, 132 percent to 978 percent for people incarcerated in state and local correctional facilities, *negative* 33 percent to 201 percent for the school-age population, and *negative* 27 percent to 202 percent for public school enrollments. (Rates of change for individual states are provided in Appendix Exhibits A.5 and A.6.)

Due to these population changes, this brief also examines the percentage change in corrections expenditures per capita (based on total population in each state) and public PK–12 expenditures per pupil, based on fall enrollment. The population-adjusted figures showed smaller percentage increases, but the gap between corrections and education continued to be very large in most states. The increase in state and local corrections expenditures per capita ranged from 57 percent in Nevada to 493 percent in Wyoming, while the increase in PK–12 current expenditures per pupil ranged from 28 percent in Oregon to 201 percent in Vermont. (Rates of change for individual states are provided in Appendix Exhibit A.3.)

All but two states (Massachusetts and New Hampshire) had lower expenditure growth rates for education than for corrections (Exhibit 3). Twenty-four states had increases in state and local per capita spending on corrections that were 100 percentage points greater than their rate of increase in per-pupil spending on public PK–12 education. In four states this differential was greater than 300 percentage points (Exhibit 4).

Exhibit 3
Percentage change in PK-12 current expenditures per pupil and
state and local corrections current expenditures per capita from 1979-80 to 2012-13, by state



Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; and U.S. Census Bureau, Annual Survey of State and Local Government Finances. See Exhibit A.3 for more detailed information.

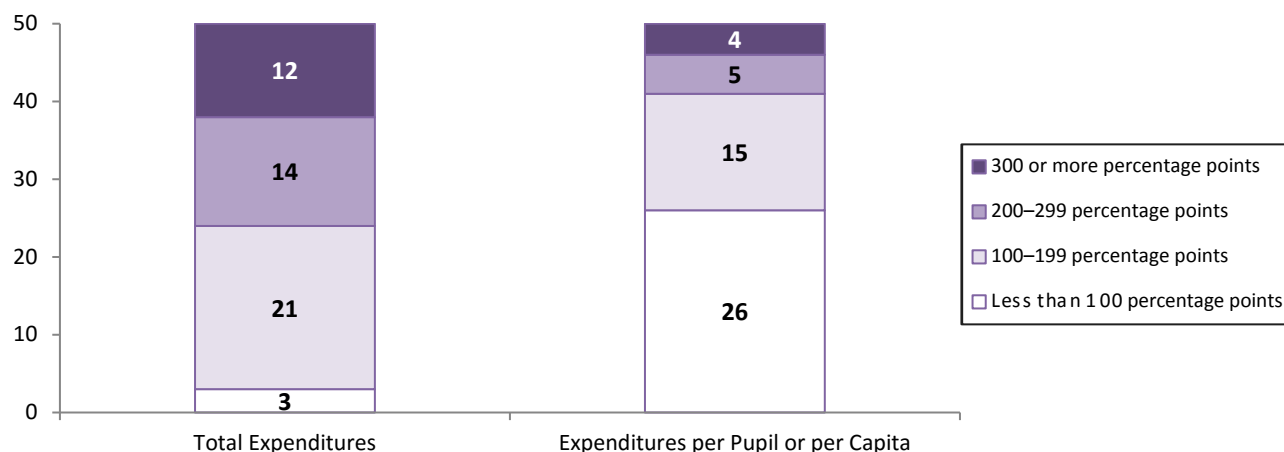
Exhibit 4
States by percentage point difference in percent change between state and local corrections current expenditures per capita and PK-12 current expenditures per pupil from 1979-80 to 2012-13

150 or more percentage points	100-149 percentage points	70-99 percentage points	Less than 70 percentage points
16 states	8 states	12 states	14 states
Wyoming (369)	California (138)	Delaware (95)	Virginia (68)
South Dakota (344)	Oregon (135)	Indiana (94)	Minnesota (66)
West Virginia (334)	Michigan (130)	Arizona (92)	Tennessee (66)
Texas (326)	Montana (120)	Ohio (91)	Illinois (56)
New Mexico (286)	Florida (115)	Rhode Island (85)	Maryland (45)
Idaho (284)	Hawaii (104)	Georgia (84)	North Carolina (23)
Mississippi (230)	Missouri (104)	New Jersey (79)	New York (21)
Arkansas (226)	Louisiana (102)	Washington (76)	Nevada (16)
North Dakota (220)		Kentucky (74)	Connecticut (15)
Colorado (187)		Iowa (73)	Vermont (12)
Oklahoma (183)		Alabama (72)	South Carolina (5)
Kansas (180)		Alaska (71)	Maine (4)
Wisconsin (172)			New Hampshire (-1)
Pennsylvania (172)			Massachusetts (-2)
Nebraska (163)			
Utah (154)			

Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and Bureau of Labor Statistics, CPI Inflation Calculator; and U.S. Census Bureau, State Population Estimates. See Exhibit A.4 for more detailed information.

Exhibit 5 compares the number of states with various degrees of difference between state and local corrections expenditures and PK-12 current expenditures, in total and adjusted for population change.

Exhibit 5
Number of states by percentage point difference in percent change between PK-12 current expenditures and state and local corrections current expenditures from 1979-80 to 2012-13, in total and per pupil or per capita spending



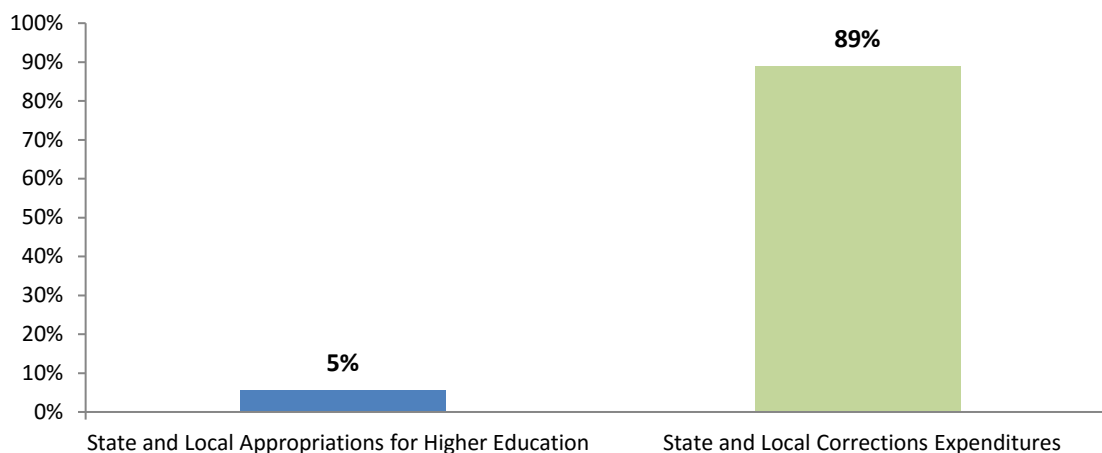
Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates. See Exhibit A.4 for more detailed information.

CHANGE IN TOTAL STATE AND LOCAL SPENDING ON CORRECTIONS AND HIGHER EDUCATION APPROPRIATIONS

Between 1989–90 and 2012–13, state and local higher education appropriations were nearly flat, while corrections expenditures grew by 90 percent.

Total state and local appropriations for higher education increased by 5 percent from 1989–90 to 2012–13 — from about \$67 billion to \$71 billion — while corrections expenditures increased by 89 percent — from about \$37 billion to \$71 billion.

Exhibit 6
Percentage change in state and local appropriations for higher education and state and local corrections current expenditures from 1989–90 to 2012–13



Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; and U.S. Census Bureau, Annual Survey of State and Local Government Finances. See Exhibit A.8 for more detailed information.

The magnitude of spending increases varied considerably among states, ranging as high as 86 percent and as low as *negative* 42 percent for higher education appropriations and as high as 302 percent and as low as 17 percent for corrections expenditures.

Higher education state and local appropriation growth rates were considerably lower than growth rates for corrections expenditures, ranging from *negative* 42 percent in New Hampshire to 86 percent in Arkansas.¹³ State and local corrections expenditures ranged from 17 percent in New York to 302 percent in Wyoming (Exhibit A.9).

In all states, growth in funding for corrections outpaced that for higher education; in nearly half of the states, the rate of increase for corrections was more 100 percentage points higher than the rate for higher education.

In 23 states, the rates of increase in state and local expenditures on corrections were 100 percentage points greater than the rates of increase in higher education appropriations. Across all states, the difference in percentage point change between corrections expenditures and higher education appropriations ranged from 10 percentage points in New York to 284 percentage points in Montana (Exhibit 7).

Exhibit 7

States by percentage point difference in change between state and local corrections current expenditures and state and local appropriations for higher education from 1989–90 to 2012–13

150 or more percentage points	101–149 percentage points	75–100 percentage points	Less than 75 percentage points
13 states	10 states	11 states	16 states
Montana (284)	Texas (140)	Oklahoma (99)	Rhode Island (74)
Idaho (270)	Virginia (139)	New Mexico (98)	Michigan (73)
West Virginia (264)	Minnesota (137)	Alabama (98)	Kansas (69)
Wyoming (252)	Arkansas (135)	Indiana (94)	Florida (67)
Vermont (208)	New Hampshire (134)	California (94)	Georgia (67)
Oregon (208)	Washington (132)	Missouri (92)	Arizona (64)
Wisconsin (204)	Louisiana (131)	Connecticut (86)	Nevada (63)
North Dakota (201)	Delaware (120)	Maine (83)	New Jersey (61)
Mississippi (180)	Iowa (104)	Tennessee (79)	Hawaii (56)
Pennsylvania (172)	Nebraska (102)	Kentucky (77)	Maryland (51)
Colorado (172)		Ohio (76)	South Carolina (46)
South Dakota (164)			North Carolina (45)
Utah (162)			Illinois (43)
			Alaska (37)
			Massachusetts (30)
			New York (10)

Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances. See Exhibit A.13 for more detailed information.

CHANGE IN CORRECTIONS SPENDING PER CAPITA AND HIGHER EDUCATION APPROPRIATIONS PER FULL-TIME EQUIVALENT STUDENT

When expenditures were adjusted for population change, growth in all states' corrections spending outpaced growth in higher education appropriations.

The increase in state and local corrections expenditures per capita ranged from *negative* 2 percent in South Carolina to 266 percent in West Virginia, while the increase in higher education appropriations per full-time equivalent student (FTE) ranged from *negative* 61 percent in New Hampshire to 26 percent in Wyoming. (Rates of change for individual states are provided in Exhibit A.11.)

All states had lower growth rates for state and local higher education funding per FTE student than for corrections spending per capita (Exhibit 9). Seventeen states had increases in state and local per capita spending on corrections that were at least 100 percentage points greater than the rate of increase in per-FTE funding for higher education (Exhibit 10). Indeed, 46 states reduced higher education appropriations per FTE student (Exhibit A.11).

Exhibit 8

Percentage change in state and local higher education appropriations per FTE student and state and local corrections current expenditures per capita from 1989–90 to 2012–13, by state



Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates. See Exhibit A.12 for more detailed information.

Exhibit 9

States by percentage point difference in percent change between state and local corrections current expenditures per capita and state and local higher education appropriations per FTE student from 1989–90 to 2012–13

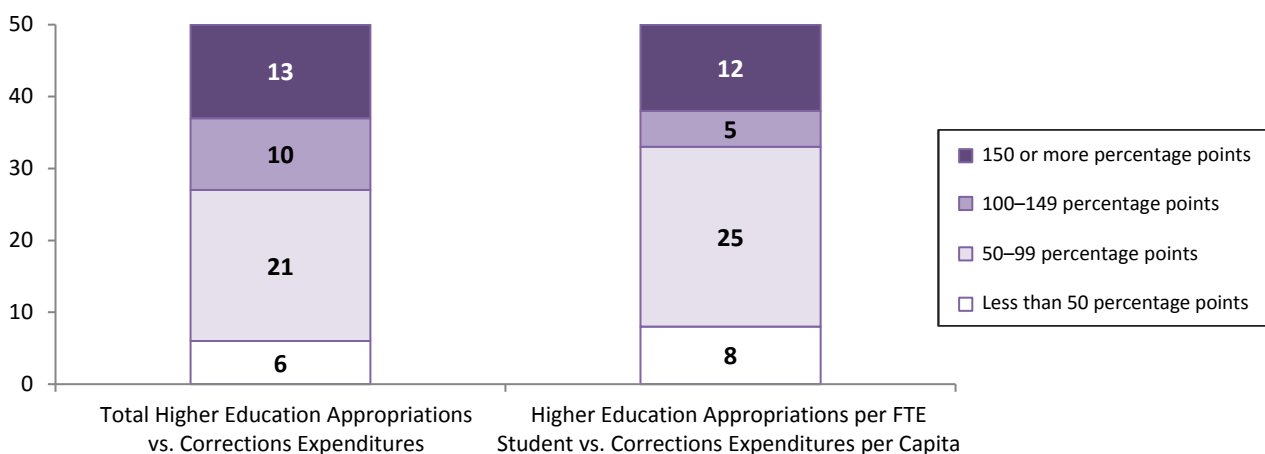
150 or more percentage points	100-149 percentage points	75-99 percentage points	Less than 75 percentage points
12 states	5 states	16 states	17 states
West Virginia (264)	Louisiana (133)	Colorado (98)	Rhode Island (74)
Montana (211)	New Hampshire (112)	Utah (96)	Michigan (72)
Vermont (182)	Virginia (108)	Washington (93)	California (69)
Idaho (168)	Minnesota (101)	Connecticut (92)	Kansas (68)
Wisconsin (165)	Iowa (100)	Indiana (92)	Georgia (68)
Pennsylvania (164)		Texas (92)	Tennessee (61)
Wyoming (161)		Oklahoma (88)	Maryland (57)
North Dakota (161)		Nebraska (87)	Florida (52)
Mississippi (155)		Missouri (82)	North Carolina (51)
South Dakota (154)		Delaware (82)	Hawaii (49)
Arkansas (153)		Maine (79)	Illinois (44)
Oregon (151)		Alabama (78)	South Carolina (43)
		New Mexico (77)	Massachusetts (42)
		New Jersey (77)	Arizona (32)
		Kentucky (77)	Nevada (27)
		Ohio (76)	New York (23)
			Alaska (22)

Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates. See Exhibit A.12 for more detailed information.

Exhibit 10 compares the number of states with various degrees of difference between the growth of state and local corrections expenditures and higher education appropriations, for total funding and funding adjusted for population.

Exhibit 10

Number of states by percentage point difference in change between state and local higher education appropriations per FTE student and state and local current corrections expenditures per capita from 1989–90 to 2012–13



Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances; U.S. Census Bureau, State Population Estimates. See Exhibit A.10 for more detailed data.

CONCLUSIONS AND POLICY IMPLICATIONS

From 1979–80 to 2012–13, state and local government expenditures on corrections rose by 324 percent (from \$17 billion to \$71 billion) and considerably outpaced funding growth for elementary and secondary education — which grew by 107 percent from \$258 billion to \$535 billion (in constant 2012–13 dollars). The same was true for postsecondary education between 1989–90 and 2012–13: during that time period, state and local appropriations for higher education rose from \$67 billion to \$71 billion (a 5 percent increase) while state and local expenditures for corrections increased from \$37 billion to \$71 billion (an 89 percent increase) (in constant 2012–13 dollars). There was a similar trend in terms of per person funding — from 1979–80 to 2012–13, per capita corrections expenditures increased more than twice as fast as per-pupil PK–12 expenditures (185 percent versus 73 percent) and from 1989–90 to 2012–13, per capita corrections expenditures increased by 44 percent while higher education appropriations per FTE student decreased by 28 percent.

While findings varied widely across states, the increases in corrections expenditures nearly always outpaced those for education funding. In all states, increases in corrections expenditures outpaced increases in PK–12 education expenditures; and in all except two states (Massachusetts and New Hampshire), the rate of increase for corrections expenditures per capita outpaced the rate of increase for PK–12 education expenditures per pupil. At the postsecondary level, increases in corrections expenditures outpaced changes in higher education appropriations, both in total funding and in funding per person; in fact, 46 states actually had declines in higher education funding per FTE student.

Reducing incarceration rates and redirecting some of the funds currently spent on corrections in order to make investments in education that we know work — including significantly increasing teacher salaries for great teachers willing to work in hard-to-staff schools,¹⁴ increasing access to high-quality preschool (Heckman et al. 2010; Belfield et al. 2006; Reynolds et al. 2001), providing greater educational opportunity for students seeking a higher education, and for those individuals who are incarcerated, providing access to high-quality correctional education — could provide a more positive and potentially more effective approach to both reducing crime and increasing opportunity among at-risk youth, particularly if in the PK–12 context the redirected funds are focused on high-poverty schools (Trostel 2015; Lochner and Moretti 2004).

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ENDNOTES

¹ In addition, increases in services provided to individuals under supervision of the corrections system, especially in healthcare due to an aging prison population, have led to the rapid rise of spending on corrections (Pew Research Center 2014).

² Note that this statistic includes individuals incarcerated in federal, state, and local correctional facilities.

³ This brief makes comparisons of the systemic ways in which education and corrections expenditures have changed over time, recognizing that the corrections system and the PK–12 and postsecondary education systems do not serve the same populations in the same way. The corrections system provides medical and other wrap-around supports that the education system does not necessarily provide. Understanding the reasons these changes have occurred over time and across states would require a comprehensive examination of individual state and local education and correctional policies. Such an examination is beyond the scope of this brief.

⁴ All elementary and secondary expenditure dollar amounts are in constant 2012–13 dollars.

⁵ See CEA (2016) for a more comprehensive summary of the research in this area.

⁶ Note that this statistic includes individuals incarcerated in federal, state, and local prisons.

⁷ The period covered for higher education is shorter than for the PK–12 spending analysis, because national data (from the State Higher Education Executives) on state and local appropriations for higher education began in fiscal year 1990.

⁸ For most states, FY 1980 and FY 2013 correspond to July 1 of 1979 and 2012 through June 30 of 1980 and 2013, respectively.

⁹ The brief compares recent (2012–13) data to 1979–80 because 1980 coincides with a sharp increase in incarceration rates; the higher education analyses compare 2012–13 data to 1989–90 because the SHEF data on state and local appropriations are only available beginning in FY 1990.

¹⁰ The data are adjusted to 2012–13 dollars using the school year CPI, which is calculated by adding the monthly CPI-U figures, beginning with July of the first year and ending with June of the following year, and then dividing that figure by 12.

¹¹ This adjustor is described in further detail in the Technical Notes section.

¹² Growth rates for individual states are provided in Appendix Exhibit A.1, and Exhibit A.2 displays a visual comparison of the growth rates for correctional and education expenditures in each state.

¹³ Growth rates for individual states are provided in Appendix Exhibit A.9, and Exhibit A.10 displays a visual comparison of the growth rates for correctional and education expenditures in each state.

¹⁴ See the section on *“Redirecting investments to education.”*

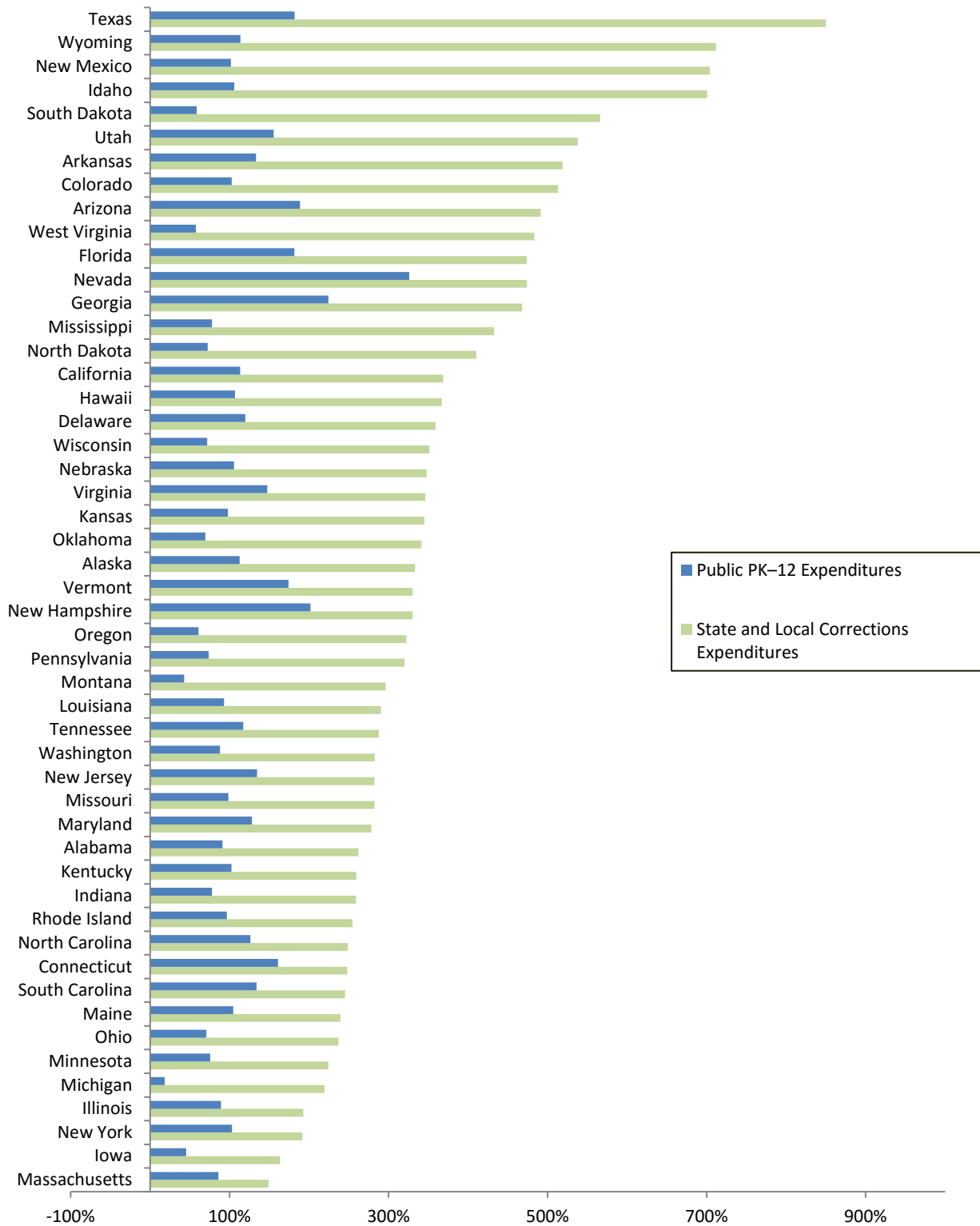
**APPENDIX A:
SUPPLEMENTAL EXHIBITS**

Exhibit A.1
Change in PK-12 current expenditures and state and local corrections current expenditures
from 1979-80 to 2012-13, by state

	PK-12 Expenditures (in constant 2013 dollars)			State and Local Corrections Expenditures (in constant 2013 dollars)		
	1979-80	2012-13	Change	1979-80	2012-13	Change
Total (50 states)	\$258,329,682,166	\$534,101,927,374	107%	\$16,619,181,455	\$70,547,349,000	324%
Alabama	3,417,288,344	6,532,358,451	91	188,039,084	680,275,000	262
Alaska	1,126,309,615	2,395,354,450	113	74,883,058	324,452,000	333
Arizona	2,830,333,184	8,164,529,035	188	234,030,418	1,383,473,000	491
Arkansas	1,987,556,645	4,637,168,808	133	87,151,984	539,075,000	519
California	27,333,699,556	58,323,458,467	113	2,722,506,379	12,763,436,000	369
Colorado	3,704,376,647	7,506,977,869	103	191,066,829	1,171,292,000	513
Connecticut	3,659,207,682	9,543,010,253	161	185,017,299	643,930,000	248
Delaware	801,961,460	1,761,558,838	120	61,049,599	280,152,000	359
Florida	8,244,276,335	23,214,633,617	182	677,189,835	3,886,503,000	474
Georgia	4,792,040,677	15,536,733,145	224	371,628,932	2,109,958,000	468
Hawaii	1,048,654,875	2,169,636,174	107	42,945,708	200,482,000	367
Idaho	935,525,348	1,925,675,926	106	38,928,581	311,749,000	701
Illinois	13,646,811,768	25,783,910,875	89	681,817,875	1,995,482,000	193
Indiana	5,516,985,132	9,811,165,842	78	273,632,494	982,587,000	259
Iowa	3,536,330,336	5,143,771,432	45	154,474,619	406,800,000	163
Kansas	2,473,856,863	4,895,863,088	98	113,987,464	507,132,000	345
Kentucky	3,142,364,698	6,354,306,136	102	207,016,134	744,106,000	259
Louisiana	3,885,723,024	7,492,133,677	93	327,938,207	1,279,578,000	290
Maine	1,148,794,265	2,350,468,900	105	55,321,916	187,730,000	239
Maryland	5,313,636,878	12,108,545,690	128	457,880,936	1,732,240,000	278
Massachusetts	7,863,619,703	14,627,898,268	86	426,307,153	1,061,575,000	149
Michigan	13,836,022,557	16,354,807,414	18	761,117,389	2,430,553,000	219
Minnesota	5,324,698,908	9,354,375,944	76	267,177,674	866,329,000	224
Mississippi	2,252,988,759	4,006,797,799	78	93,001,850	495,541,000	433
Missouri	4,484,973,964	8,905,755,838	99	227,343,153	868,674,000	282
Montana	1,067,217,749	1,523,696,352	43	58,275,159	231,032,000	296
Nebraska	1,733,255,104	3,563,939,466	106	80,694,184	361,331,000	348
Nevada	840,085,533	3,577,346,249	326	117,879,428	676,355,000	474
New Hampshire	880,313,537	2,655,076,620	202	42,266,253	181,784,000	330
New Jersey	10,843,093,615	25,417,319,683	134	538,870,146	2,059,640,000	282
New Mexico	1,536,081,560	3,099,308,151	102	75,723,437	608,867,000	704
New York	26,106,928,703	52,938,585,763	103	2,049,718,099	5,970,104,000	191
North Carolina	5,605,105,888	12,666,607,169	126	472,831,919	1,648,330,000	249
North Dakota	680,895,998	1,174,364,407	72	22,028,636	112,391,000	410
Ohio	11,433,276,194	19,506,122,951	71	522,315,888	1,759,207,000	237
Oklahoma	3,146,492,099	5,329,897,044	69	158,512,606	699,701,000	341
Oregon	3,357,981,913	5,395,741,686	61	246,519,868	1,041,559,000	323
Pennsylvania	13,661,607,830	23,712,930,530	74	757,296,947	3,182,655,000	320
Rhode Island	1,078,923,476	2,121,403,207	97	56,263,616	199,476,000	255
South Carolina	2,974,065,080	6,950,409,756	134	205,463,520	709,439,000	245
South Dakota	710,246,736	1,125,929,001	59	23,864,356	158,903,000	566
Tennessee	3,931,619,127	8,531,674,871	117	273,811,298	1,061,028,000	288
Texas	14,893,477,587	41,947,639,284	182	603,832,570	5,736,222,000	850
Utah	1,544,425,764	3,944,735,587	155	79,293,554	505,949,000	538
Vermont	565,650,619	1,549,228,460	174	31,335,377	134,803,000	330
Virginia	5,607,063,796	13,868,587,328	147	487,526,616	2,174,796,000	346
Washington	5,440,963,473	10,216,675,998	88	392,405,941	1,500,971,000	283
West Virginia	2,021,639,739	3,186,121,082	58	57,136,775	333,203,000	483
Wisconsin	5,687,537,685	9,758,649,848	72	317,570,563	1,433,083,000	351
Wyoming	673,696,142	1,439,040,945	114	26,290,128	213,416,000	712

Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; and U.S. Census Bureau, Annual Survey of State and Local Government Finances.

Exhibit A.2
Percentage change in PK–12 current expenditures and state and local corrections current expenditures
from 1979–80 to 2012–13, by state



Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; and U.S. Census Bureau, Annual Survey of State and Local Government Finances.

Exhibit A.3
Change in PK–12 current expenditures per pupil and state and local corrections current expenditures per capita from 1979–80 to 2012–13, by state

	PK–12 Expenditures per Pupil (in constant 2012–13 dollars)			Corrections Expenditures per Capita (in constant 2012–13 dollars)		
	1979–80	2012–13	Change	1979–80	2012–13	Change
Total (50 states)	\$6,218	\$10,748	73%	\$102	\$292	185%
Alabama	4,531	8,773	94	69	183	165
Alaska	12,716	18,217	43	277	593	114
Arizona	5,558	7,495	35	122	276	127
Arkansas	4,386	9,538	117	54	240	344
California	6,635	9,258	40	158	438	178
Colorado	6,729	8,693	29	92	291	216
Connecticut	6,458	17,321	168	81	229	183
Delaware	7,709	13,653	77	143	388	172
Florida	5,466	8,623	58	92	250	173
Georgia	4,443	9,121	105	97	281	189
Hawaii	6,218	11,743	89	62	183	193
Idaho	4,614	6,761	47	61	263	331
Illinois	6,679	12,443	86	83	202	143
Indiana	5,090	9,421	85	71	197	179
Iowa	6,449	10,291	60	74	172	132
Kansas	5,849	10,011	71	67	234	251
Kentucky	4,641	9,274	100	80	220	174
Louisiana	4,855	10,539	117	114	364	219
Maine	5,042	12,655	151	69	176	155
Maryland	6,832	14,086	106	150	378	152
Massachusetts	7,592	15,321	102	100	200	100
Michigan	7,437	10,515	41	117	318	172
Minnesota	6,844	11,065	62	92	209	127
Mississippi	4,674	8,117	74	55	220	303
Missouri	5,138	9,702	89	64	187	192
Montana	6,746	10,662	58	105	292	178
Nebraska	6,033	11,743	95	72	257	258
Nevada	5,686	8,026	41	202	318	57
New Hampshire	5,162	14,050	172	64	173	171
New Jersey	8,420	18,523	120	100	299	199
New Mexico	5,574	9,164	64	86	386	351
New York	8,793	19,529	122	159	387	143
North Carolina	4,874	8,342	71	112	218	94
North Dakota	5,786	11,615	101	48	200	320
Ohio	5,645	11,276	100	68	197	191
Oklahoma	5,393	7,914	47	73	241	230
Oregon	7,189	9,183	28	129	339	163
Pennsylvania	6,939	13,445	94	87	316	265
Rhode Island	6,974	14,889	113	80	238	198
South Carolina	4,760	9,444	98	94	192	104
South Dakota	5,307	8,630	63	49	249	407
Tennessee	4,539	8,588	89	83	212	155
Texas	5,184	8,261	59	61	296	386
Utah	4,637	6,432	39	86	252	193
Vermont	5,752	17,286	201	86	268	212
Virginia	5,436	10,960	102	126	340	170
Washington	7,113	9,714	37	131	279	113
West Virginia	5,211	11,257	116	41	226	450
Wisconsin	6,630	11,186	69	95	323	241
Wyoming	7,060	15,815	124	81	480	493

Sources: PK–12 Current U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates.

Exhibit A.4
Percentage point difference in percent change between PK-12 current expenditures
and state and local corrections current expenditures from 1979-80 to 2012-13, by state

	Change in Total Expenditures			Change in Expenditures per Person		
	PK-12 Education	Corrections	Difference	PK-12 Education	Corrections	Difference
Total (50 states)	107%	324%	218	73%	185%	112
Alabama	91	262	171	94	165	72
Alaska	113	333	221	43	114	71
Arizona	188	491	303	35	127	92
Arkansas	133	519	385	117	344	226
California	113	369	255	40	178	138
Colorado	103	513	410	29	216	187
Connecticut	161	248	87	168	183	15
Delaware	120	359	239	77	172	95
Florida	182	474	292	58	173	115
Georgia	224	468	244	105	189	84
Hawaii	107	367	260	89	193	104
Idaho	106	701	595	47	331	284
Illinois	89	193	104	86	143	56
Indiana	78	259	181	85	179	94
Iowa	45	163	118	60	132	73
Kansas	98	345	247	71	251	180
Kentucky	102	259	157	100	174	74
Louisiana	93	290	197	117	219	102
Maine	105	239	135	151	155	4
Maryland	128	278	150	106	152	45
Massachusetts	86	149	63	102	100	-2
Michigan	18	219	201	41	172	130
Minnesota	76	224	149	62	127	66
Mississippi	78	433	355	74	303	230
Missouri	99	282	184	89	192	104
Montana	43	296	254	58	178	120
Nebraska	106	348	242	95	258	163
Nevada	326	474	148	41	57	16
New Hampshire	202	330	128	172	171	-1
New Jersey	134	282	148	120	199	79
New Mexico	102	704	602	64	351	286
New York	103	191	88	122	143	21
North Carolina	126	249	123	71	94	23
North Dakota	72	410	338	101	320	220
Ohio	71	237	166	100	191	91
Oklahoma	69	341	272	47	230	183
Oregon	61	323	262	28	163	135
Pennsylvania	74	320	247	94	265	172
Rhode Island	97	255	158	113	198	85
South Carolina	134	245	112	98	104	5
South Dakota	59	566	507	63	407	344
Tennessee	117	288	171	89	155	66
Texas	182	850	668	59	386	326
Utah	155	538	383	39	193	154
Vermont	174	330	156	201	212	12
Virginia	147	346	199	102	170	68
Washington	88	283	195	37	113	76
West Virginia	58	483	426	116	450	334
Wisconsin	72	351	280	69	241	172
Wyoming	114	712	598	124	493	369

Sources: PK-12 Current U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates.

Exhibit A.5
Change in number of people incarcerated in state and local correctional facilities and adult population (aged 18 and over) from 1979–80 to 2012–13, by state

	Persons in State and Local Correctional Facilities			Adult Population (Aged 18 and Over)		
	1979–80	2012–13	Change	1979–80	2012–13	Change
Total (50 states)	466,282	2,073,772	345%	162,268,000	242,007,992	49%
Alabama	11,011	45,666	315	2,729,000	3,722,241	36
Alaska	863	5,163	498	270,000	547,000	103
Arizona	6,728	55,532	725	1,926,000	5,009,810	160
Arkansas	3,699	24,302	557	1,614,000	2,249,507	39
California	50,452	217,709	332	17,281,000	29,157,644	69
Colorado	4,475	32,850	634	2,080,000	4,030,435	94
Connecticut	4,551	17,563	286	2,285,000	2,810,514	23
Delaware	1,496	7,004	368	428,000	722,191	69
Florida	33,110	155,393	369	7,381,000	15,526,186	110
Georgia	19,974	92,258	362	3,818,000	7,502,458	97
Hawaii	1,088	5,632	418	689,000	1,096,788	59
Idaho	1,369	11,777	760	637,000	1,184,355	86
Illinois	18,919	70,826	274	8,178,000	9,858,828	21
Indiana	9,155	46,059	403	3,872,000	4,984,875	29
Iowa	3,264	12,748	291	2,088,000	2,366,384	13
Kansas	3,294	16,863	412	1,714,000	2,169,865	27
Kentucky	5,946	39,025	556	2,579,000	3,381,291	31
Louisiana	15,379	66,450	332	2,874,000	3,512,513	22
Maine	1,264	3,246	157	803,000	1,067,026	33
Maryland	11,152	33,398	199	3,049,000	4,584,292	50
Massachusetts	5,917	21,421	262	4,247,000	5,298,878	25
Michigan	20,917	60,962	191	6,507,000	7,650,421	18
Minnesota	3,453	16,913	390	2,905,000	4,141,269	43
Mississippi	6,088	33,544	451	1,706,000	2,253,775	32
Missouri	8,305	43,306	421	3,555,000	4,646,486	31
Montana	994	6,441	548	555,000	791,184	43
Nebraska	2,146	8,556	299	1,123,000	1,404,168	25
Nevada	2,151	19,958	828	584,000	2,128,531	264
New Hampshire	541	5,030	830	663,000	1,052,337	59
New Jersey	9,897	38,850	293	5,374,000	6,877,222	28
New Mexico	1,429	15,405	978	884,000	1,577,747	78
New York	34,698	80,509	132	12,870,000	15,411,151	20
North Carolina	19,437	55,705	187	4,219,000	7,562,455	79
North Dakota	424	2,664	528	462,000	560,705	21
Ohio	19,512	69,640	257	7,703,000	8,920,978	16
Oklahoma	6,326	36,994	485	2,170,000	2,903,541	34
Oregon	5,213	21,195	307	1,910,000	3,072,459	61
Pennsylvania	15,123	88,756	487	8,742,000	10,058,156	15
Rhode Island	813	3,361	313	704,000	837,524	19
South Carolina	9,781	33,652	244	2,178,000	3,695,041	70
South Dakota	871	5,527	535	485,000	636,918	31
Tennessee	11,187	53,774	381	3,292,000	5,004,401	52
Texas	40,636	232,597	472	9,923,000	19,406,207	96
Utah	1,612	13,523	739	921,000	2,004,283	118
Vermont	499	2,078	316	366,000	503,929	38
Virginia	14,942	64,765	333	3,872,000	6,395,870	65
Washington	7,395	28,904	291	2,991,000	5,375,611	80
West Virginia	1,977	11,290	471	1,390,000	1,472,626	6
Wisconsin	6,100	35,096	475	3,347,000	4,434,937	33
Wyoming	709	3,892	449	325,000	444,979	37

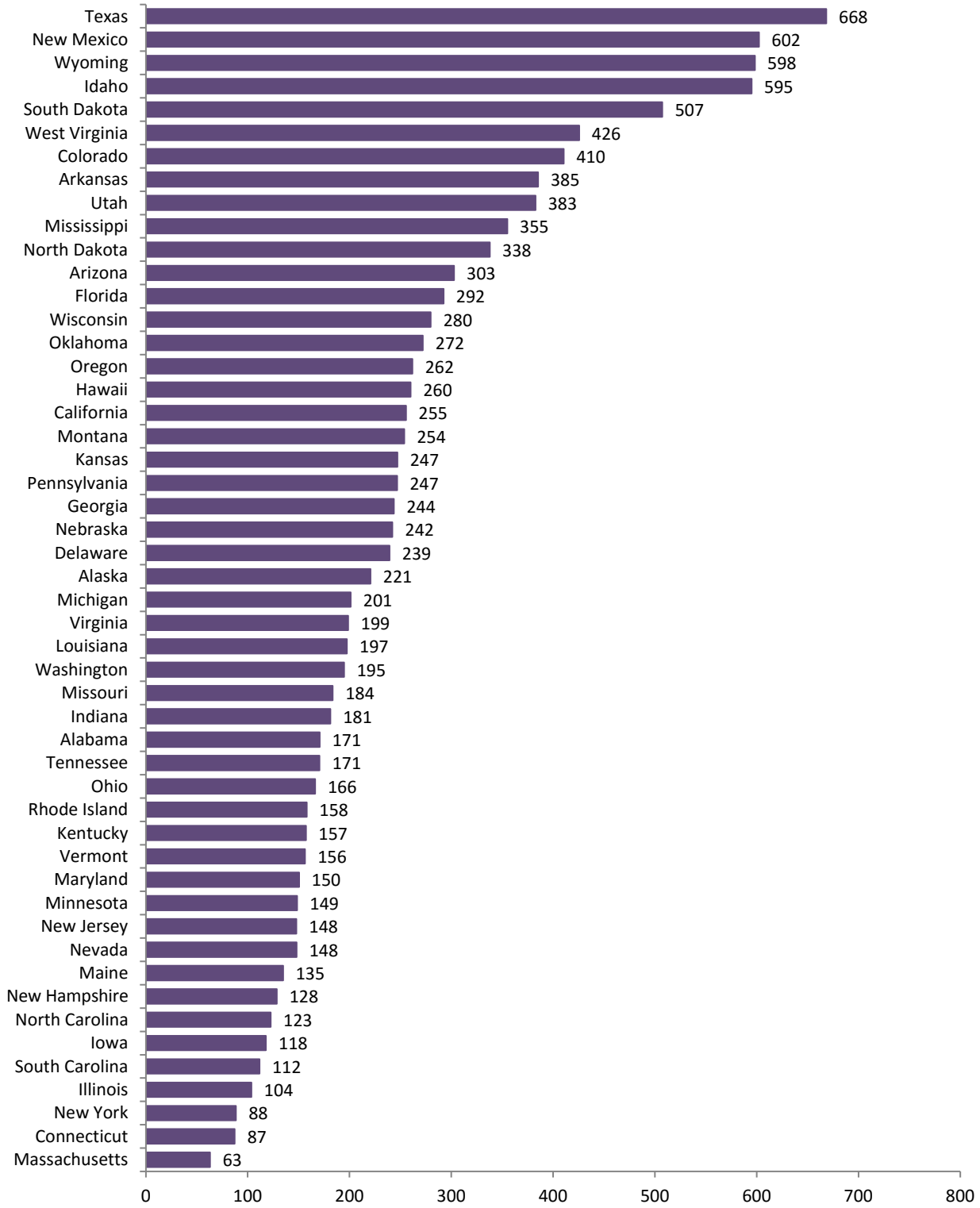
Sources: Bureau of Justice Statistics, National Prisoner Statistics Program; Bureau of Justice Statistics, Annual Survey of Jails, 2013; and U.S. Census Bureau, 1980 Census of Population, Persons in Institutions and Other Group Quarters; 1984; U.S. Census Bureau, State Population Estimates.

Exhibit A.6
Change in PK–12 public school enrollment and population of school-age children (aged 5–17)
from 1979–80 to 2012–13, by state

	PK–12 Public School Enrollment			School-Age Children (Aged 5–17)		
	1979–80	2012–13	Change	1979–80	2012–13	Change
Total (50 states)	41,544,556	49,694,978	20%	47,291,000	53,671,722	13%
Alabama	754,181	744,637	-1	866,000	814,307	-6
Alaska	88,573	131,489	48	92,000	133,118	45
Arizona	509,252	1,089,384	114	578,000	1,184,223	105
Arkansas	453,125	486,157	7	496,000	516,579	4
California	4,119,511	6,299,451	53	4,681,000	6,666,240	42
Colorado	550,527	863,561	57	592,000	903,529	53
Connecticut	566,634	550,954	-3	638,000	594,237	-7
Delaware	104,035	129,026	24	125,000	147,335	18
Florida	1,508,337	2,692,162	78	1,789,000	2,955,556	65
Georgia	1,078,462	1,703,332	58	1,231,000	1,822,237	48
Hawaii	168,660	184,760	10	198,000	217,192	10
Idaho	202,758	284,834	40	213,000	313,967	47
Illinois	2,043,239	2,072,880	1	2,401,000	2,223,434	-7
Indiana	1,083,826	1,041,369	-4	1,200,000	1,165,148	-3
Iowa	548,317	499,825	-9	604,000	529,424	-12
Kansas	422,924	489,043	16	468,000	523,334	12
Kentucky	677,123	685,167	1	800,000	738,839	-8
Louisiana	800,435	710,903	-11	969,000	804,855	-17
Maine	227,823	185,739	-18	243,000	196,537	-19
Maryland	777,725	859,638	11	895,000	979,131	9
Massachusetts	1,035,724	954,773	-8	1,153,000	1,032,137	-10
Michigan	1,860,498	1,555,370	-16	2,067,000	1,672,859	-19
Minnesota	778,056	845,404	9	865,000	931,632	8
Mississippi	482,039	493,650	2	599,000	538,823	-10
Missouri	872,933	917,900	5	1,008,000	1,021,192	1
Montana	158,208	142,908	-10	167,000	162,818	-3
Nebraska	287,288	303,505	6	324,000	334,385	3
Nevada	147,734	445,707	202	160,000	482,179	201
New Hampshire	170,546	188,974	11	196,000	205,637	5
New Jersey	1,287,809	1,372,203	7	1,528,000	1,489,602	-3
New Mexico	275,572	338,220	23	303,000	368,586	22
New York	2,969,216	2,710,703	-9	3,552,000	3,074,755	-13
North Carolina	1,150,053	1,518,465	32	1,254,000	1,672,657	33
North Dakota	117,688	101,111	-14	136,000	114,297	-16
Ohio	2,025,256	1,729,916	-15	2,307,000	1,959,008	-15
Oklahoma	583,458	673,483	15	622,000	682,766	10
Oregon	467,128	587,564	26	525,000	626,782	19
Pennsylvania	1,968,801	1,763,677	-10	2,376,000	2,001,519	-16
Rhode Island	154,699	142,481	-8	186,000	159,726	-14
South Carolina	624,795	735,998	18	703,000	787,177	12
South Dakota	133,840	130,471	-3	147,000	148,425	1
Tennessee	866,117	993,496	15	972,000	1,091,239	12
Texas	2,872,719	5,077,659	77	3,137,000	5,101,545	63
Utah	333,049	613,279	84	350,000	642,758	84
Vermont	98,338	89,624	-9	109,000	92,546	-15
Virginia	1,031,403	1,265,419	23	1,114,000	1,354,688	22
Washington	764,879	1,051,694	37	826,000	1,150,307	39
West Virginia	387,966	283,044	-27	414,000	279,446	-33
Wisconsin	857,855	872,436	2	1,011,000	963,596	-5
Wyoming	95,422	91,533	-4	101,000	99,413	-2

Source: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD). U.S. Census Bureau, Current Population Reports, Series P-25, No. 1095.

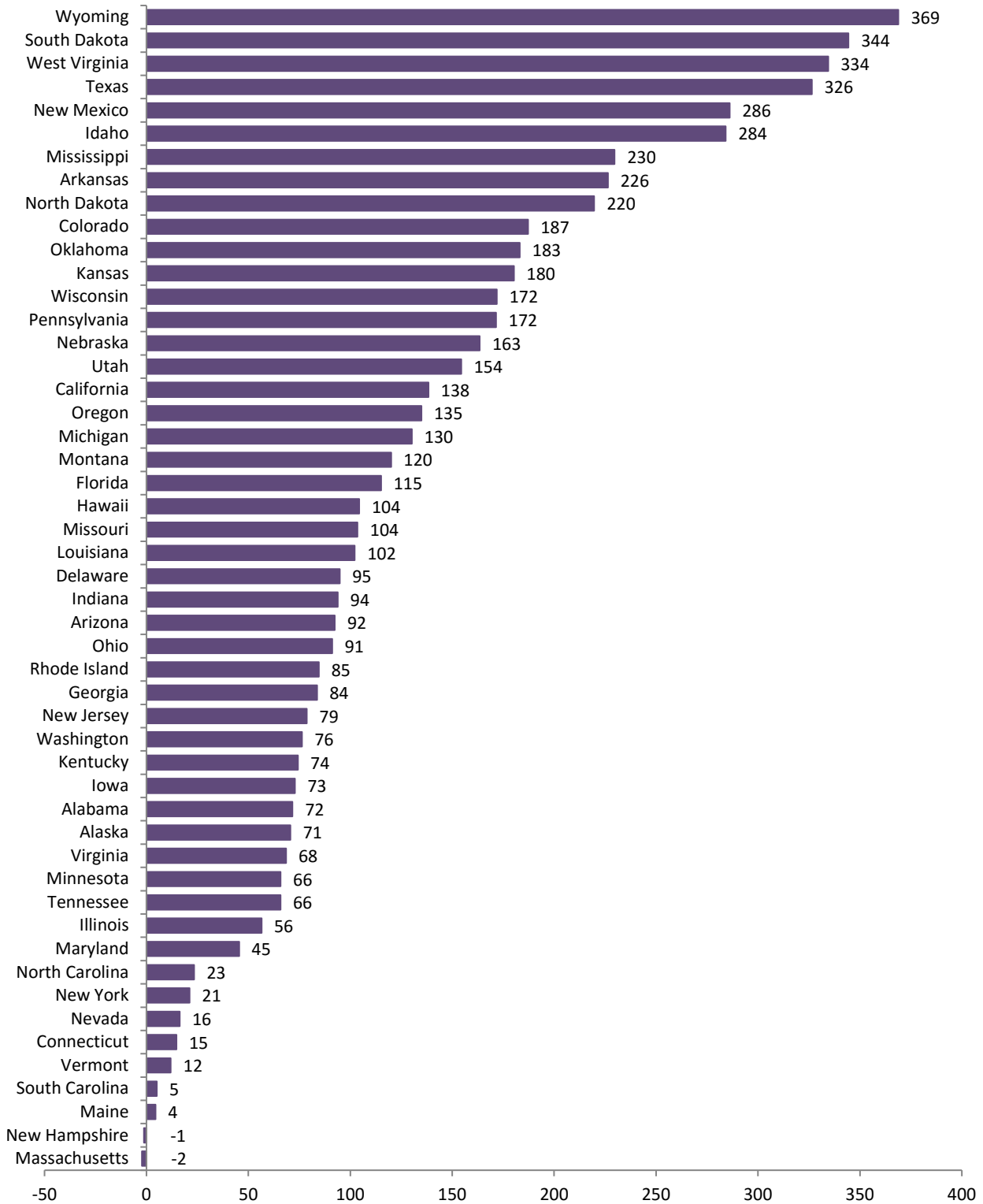
Exhibit A.7
Percentage point difference in percent change between PK-12 current expenditures
and state and local corrections current expenditures from 1979-80 to 2012-13, by state



Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; and U.S. Census Bureau, Annual Survey of State and Local Government Finances.

Exhibit A.8

Percentage point difference in percent change between PK-12 current expenditures per pupil and state and local corrections current expenditures per capita from 1979-80 to 2012-13, by state



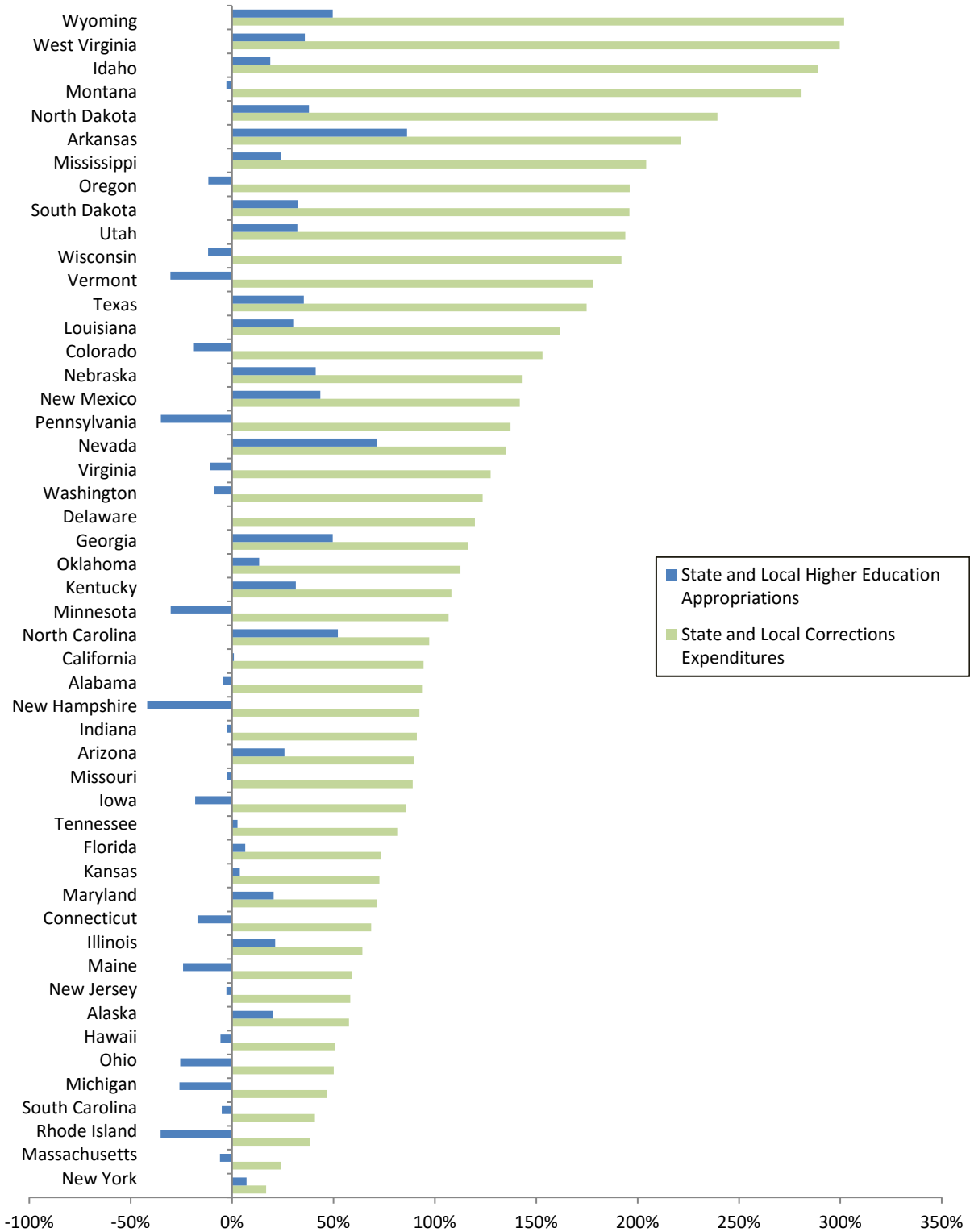
Sources: U.S. Department of Education, Revenues and Expenditures for Public Elementary and Secondary Education and National Public Education Financial Survey; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates.

Exhibit A.9
Change in state and local appropriations for higher education and state and local corrections current expenditures from 1989–90 to 2012–13, by state

	Total Educational Appropriations for Higher Education (in constant 2012–13 dollars)			Total Corrections Expenditures (in constant 2012–13 dollars)		
	1989–90	2012–13	Change	1989–90	2012–13	Change
Total (50 states)	\$67,490,139,218	\$71,177,898,745	5%	\$37,352,428,654	\$70,547,349,000	89%
Alabama	1,085,565,829	1,036,202,142	-5	351,136,268	680,275,000	94
Alaska	290,576,715	349,253,901	20	205,794,710	324,452,000	58
Arizona	1,151,515,153	1,448,921,971	26	728,639,140	1,383,473,000	90
Arkansas	452,452,326	842,770,723	86	167,756,178	539,075,000	221
California	10,979,563,082	11,072,757,037	1	6,564,754,328	12,763,436,000	94
Colorado	744,427,966	601,972,950	-19	462,852,251	1,171,292,000	153
Connecticut	858,939,973	712,947,278	-17	381,786,466	643,930,000	69
Delaware	210,638,141	210,445,235	0	127,500,234	280,152,000	120
Florida	2,715,313,499	2,891,170,926	6	2,239,714,696	3,886,503,000	74
Georgia	1,588,779,150	2,376,937,054	50	974,684,328	2,109,958,000	116
Hawaii	482,029,599	454,697,776	-6	133,004,589	200,482,000	51
Idaho	303,566,733	360,758,408	19	80,178,456	311,749,000	289
Illinois	3,057,850,287	3,709,630,419	21	1,214,888,086	1,995,482,000	64
Indiana	1,356,557,594	1,320,581,338	-3	514,160,632	982,587,000	91
Iowa	867,533,370	709,373,326	-18	218,745,704	406,800,000	86
Kansas	792,590,957	822,888,295	4	293,682,178	507,132,000	73
Kentucky	768,409,539	1,009,635,938	31	357,476,934	744,106,000	108
Louisiana	686,472,501	896,221,240	31	489,078,559	1,279,578,000	162
Maine	316,756,598	240,039,063	-24	117,865,336	187,730,000	59
Maryland	1,390,931,180	1,676,359,392	21	1,010,833,415	1,732,240,000	71
Massachusetts	1,291,407,656	1,215,182,975	-6	855,877,002	1,061,575,000	24
Michigan	2,760,878,486	2,045,927,988	-26	1,656,129,233	2,430,553,000	47
Minnesota	1,535,819,845	1,070,029,122	-30	418,908,518	866,329,000	107
Mississippi	585,749,898	726,908,015	24	162,838,517	495,541,000	204
Missouri	1,089,163,065	1,062,248,195	-2	459,452,342	868,674,000	89
Montana	194,450,580	188,937,725	-3	60,659,042	231,032,000	281
Nebraska	463,443,880	654,376,142	41	148,542,865	361,331,000	143
Nevada	254,604,357	436,589,411	71	288,006,552	676,355,000	135
New Hampshire	131,898,646	76,739,540	-42	94,457,710	181,784,000	92
New Jersey	1,878,756,326	1,827,650,523	-3	1,301,212,251	2,059,640,000	58
New Mexico	570,761,415	819,290,853	44	251,744,500	608,867,000	142
New York	4,870,457,442	5,217,839,478	7	5,110,613,584	5,970,104,000	17
North Carolina	2,212,300,024	3,366,701,912	52	835,840,132	1,648,330,000	97
North Dakota	201,645,052	278,213,594	38	33,111,762	112,391,000	239
Ohio	2,391,961,968	1,780,378,468	-26	1,171,281,428	1,759,207,000	50
Oklahoma	823,567,154	934,214,210	13	329,071,478	699,701,000	113
Oregon	790,992,186	698,617,538	-12	351,766,691	1,041,559,000	196
Pennsylvania	2,302,830,458	1,494,001,766	-35	1,340,790,400	3,182,655,000	137
Rhode Island	249,408,350	161,508,531	-35	144,131,729	199,476,000	38
South Carolina	835,158,247	792,693,501	-5	503,649,338	709,439,000	41
South Dakota	123,105,403	163,001,204	32	53,677,021	158,903,000	196
Tennessee	1,116,741,873	1,146,721,037	3	584,640,419	1,061,028,000	81
Texas	4,786,122,247	6,480,077,539	35	2,086,611,289	5,736,222,000	175
Utah	520,799,807	688,409,944	32	172,087,145	505,949,000	194
Vermont	94,727,210	65,913,839	-30	48,484,234	134,803,000	178
Virginia	1,693,898,374	1,508,475,964	-11	955,611,312	2,174,796,000	128
Washington	1,417,910,449	1,293,021,408	-9	671,452,889	1,500,971,000	124
West Virginia	299,769,651	407,342,466	36	83,357,899	333,203,000	300
Wisconsin	1,644,935,998	1,449,527,420	-12	490,780,336	1,433,083,000	192
Wyoming	256,402,975	383,794,023	50	53,108,547	213,416,000	302

Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances.

Exhibit A.10
Percentage change in state and local appropriations for higher education and
state and local corrections current expenditures from 1989–90 to 2012–13, by state



Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances.

Exhibit A.11

Change in state and local appropriations for higher education per full-time equivalent (FTE) student and state and local corrections current expenditures per capita from 1989–90 to 2012–13, by state

	Higher Education Appropriations per FTE Student (in constant 2013 dollars)			Corrections Expenditures per Capita (in constant 2013 dollars)		
	1989–90	2012–13	Change	1989–90	2012–13	Change
Total (50 states)	\$8,688	\$6,260	-28%	\$203	\$292	44%
Alabama	6,799	5,257	-23	118	183	55
Alaska	19,101	16,528	-13	546	593	9
Arizona	7,742	5,354	-31	272	276	2
Arkansas	7,359	6,884	-6	97	240	147
California	9,620	7,446	-23	299	438	46
Colorado	5,829	3,195	-45	190	291	53
Connecticut	13,554	8,119	-40	151	229	52
Delaware	8,543	6,062	-29	254	388	53
Florida	7,777	4,669	-40	223	250	12
Georgia	9,708	6,696	-31	206	281	37
Hawaii	17,011	11,066	-35	161	183	14
Idaho	10,305	6,238	-39	115	263	129
Illinois	8,548	8,286	-3	143	202	41
Indiana	8,075	5,223	-35	126	197	57
Iowa	8,853	5,471	-38	106	172	62
Kansas	7,721	5,870	-24	162	234	44
Kentucky	7,099	6,489	-9	131	220	68
Louisiana	5,705	5,134	-10	164	364	123
Maine	11,031	6,428	-42	128	176	37
Maryland	8,946	7,020	-22	280	378	35
Massachusetts	10,535	7,066	-33	184	200	9
Michigan	8,439	4,969	-41	243	318	31
Minnesota	8,675	5,103	-41	131	209	60
Mississippi	5,994	5,502	-8	89	220	146
Missouri	7,425	5,401	-27	121	187	55
Montana	7,078	4,704	-34	105	292	177
Nebraska	7,185	8,061	12	129	257	99
Nevada	9,065	6,623	-27	319	318	0
New Hampshire	4,980	1,956	-61	114	173	52
New Jersey	11,085	6,621	-40	219	299	37
New Mexico	9,402	8,093	-14	236	386	63
New York	11,306	9,127	-19	373	387	4
North Carolina	10,299	8,199	-20	167	218	31
North Dakota	6,270	7,495	20	72	200	180
Ohio	7,455	4,442	-40	146	197	35
Oklahoma	8,005	6,481	-19	143	241	69
Oregon	8,002	4,220	-47	166	339	104
Pennsylvania	8,240	4,099	-50	148	316	114
Rhode Island	9,352	5,095	-46	186	238	28
South Carolina	8,102	4,403	-46	197	192	-2
South Dakota	6,443	4,948	-23	108	249	131
Tennessee	8,147	5,848	-28	160	212	33
Texas	8,062	6,461	-20	172	296	72
Utah	8,570	5,558	-35	157	252	60
Vermont	6,228	3,092	-50	116	268	131
Virginia	8,028	4,707	-41	204	340	66
Washington	9,233	5,208	-44	187	279	50
West Virginia	5,101	5,192	2	62	226	266
Wisconsin	8,726	6,317	-28	136	323	137
Wyoming	11,875	14,952	26	167	480	187

Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates.

Exhibit A.12

Percentage point difference in percent change between state and local appropriations for higher education and state and local corrections current expenditures from 1989–90 to 2012–13, by state

	Change in Total Funding			Change in Funding per Person		
	Higher Education	Corrections	Difference	Higher Education	Corrections	Difference
Total (50 states)	5%	89%	83	-28%	44%	72
Alabama	-5	94	98	-23	55	78
Alaska	20	58	37	-13	9	22
Arizona	26	90	64	-31	2	32
Arkansas	86	221	135	-6	147	153
California	1	94	94	-23	46	69
Colorado	-19	153	172	-45	53	98
Connecticut	-17	69	86	-40	52	92
Delaware	0	120	120	-29	53	82
Florida	6	74	67	-40	12	52
Georgia	50	116	67	-31	37	68
Hawaii	-6	51	56	-35	14	49
Idaho	19	289	270	-39	129	168
Illinois	21	64	43	-3	41	44
Indiana	-3	91	94	-35	57	92
Iowa	-18	86	104	-38	62	100
Kansas	4	73	69	-24	44	68
Kentucky	31	108	77	-9	68	77
Louisiana	31	162	131	-10	123	133
Maine	-24	59	83	-42	37	79
Maryland	21	71	51	-22	35	57
Massachusetts	-6	24	30	-33	9	42
Michigan	-26	47	73	-41	31	72
Minnesota	-30	107	137	-41	60	101
Mississippi	24	204	180	-8	146	155
Missouri	-2	89	92	-27	55	82
Montana	-3	281	284	-34	177	211
Nebraska	41	143	102	12	99	87
Nevada	71	135	63	-27	0	27
New Hampshire	-42	92	134	-61	52	112
New Jersey	-3	58	61	-40	37	77
New Mexico	44	142	98	-14	63	77
New York	7	17	10	-19	4	23
North Carolina	52	97	45	-20	31	51
North Dakota	38	239	201	20	180	161
Ohio	-26	50	76	-40	35	76
Oklahoma	13	113	99	-19	69	88
Oregon	-12	196	208	-47	104	151
Pennsylvania	-35	137	172	-50	114	164
Rhode Island	-35	38	74	-46	28	74
South Carolina	-5	41	46	-46	-2	43
South Dakota	32	196	164	-23	131	154
Tennessee	3	81	79	-28	33	61
Texas	35	175	140	-20	72	92
Utah	32	194	162	-35	60	96
Vermont	-30	178	208	-50	131	182
Virginia	-11	128	139	-41	66	108
Washington	-9	124	132	-44	50	93
West Virginia	36	300	264	2	266	264
Wisconsin	-12	192	204	-28	137	165
Wyoming	50	302	252	26	187	161

Sources: State Higher Education Executive Officers, State Higher Education Finance: FY 2015; U.S. Census Bureau, Annual Survey of State and Local Government Finances; and U.S. Census Bureau, State Population Estimates.

APPENDIX B: DATA SOURCES

PK–12 current expenditures are funds spent operating local public schools and local education agencies, including such expenses as salaries for school personnel, student transportation, school books and materials, and energy costs. Expenditure data cover prekindergarten through high school public education in regular, special, and vocational schools; charter schools; and state-run education programs (such as special education schools or education programs for incarcerated youth). Current expenditures data exclude capital outlay, interest on school debt, payments to private schools, and payments to public charter schools. Data for 1979–80 include expenditures for state administration, and extensive changes were made to the data collection procedures in 1989–90. Sources: U.S. Department of Education, National Center for Education Statistics, Revenues and Expenditures for Public Elementary and Secondary Schools, 1979-80; and Common Core of Data (CCD), "National Public Education Financial Survey," 2012-13. See *Digest of Education Statistics 2015*, [table 236.25](#).

PK–12 expenditures per pupil are current expenditures divided by enrollment in elementary and secondary public schools. Sources: U.S. Department of Education, National Center for Education Statistics, Revenues and Expenditures for Public Elementary and Secondary Schools, 1979-80; and Common Core of Data (CCD), "National Public Education Financial Survey," 2012-13. See *Digest of Education Statistics 2015*, [table 236.65](#).

Enrollment in PK–12 public schools represents the count of students on the school day closest to October 1. Sources: U.S. Department of Education, National Center for Education Statistics, Statistics of Public Elementary and Secondary School Systems, Fall 1979; and Common Core of Data (CCD), "State Nonfiscal Survey of Public Elementary/Secondary Education," 2013-14. See *Digest of Education Statistics 2015*, [table 203.20](#) and *Digest of Education Statistics 1995*, [table 42](#).

Expenditures for state and local corrections are current operating expenses for state and local corrections facilities and include expenditures for community supervision (i.e., parole and probation). Source: U.S. Census Bureau, *Annual Survey of State and Local Government Finances*, 1980, 1990, and 2013; retrieved from The Urban Institute-Brookings Institution Tax Policy Center, [State & Local Government Finance Data Query System](#).

Prisoners in state correctional facilities (i.e., prisons) includes prisoners, with sentences of any length of time or who are awaiting sentencing, under the jurisdiction of state correctional authorities. Jurisdiction refers to the legal authority of state correctional officials over a prisoner regardless of where the prisoner is held. State methods of enumeration may change over time. Sources: Bureau of Justice Statistics, "National Prisoner Statistics Program." See *Corrections Statistical Analysis Tool (CSAT) – Prisoners*, [Prisoners under the jurisdiction of state or federal correctional authorities, December 31, 1978–2014](#).

Inmates in local correctional facilities (i.e., jails) are offenders confined in short-term facilities that are usually administered by a local law enforcement agency and that are intended for adults but sometimes hold juveniles before or after adjudication. Jail inmates usually have a sentence of less than one year or are being held pending a trial, awaiting sentencing, or awaiting transfer to other facilities after a conviction. Sources: Bureau of Justice Statistics, *Annual Survey of Jails*, 2013; and U.S. Census Bureau, 1980 Census of Population, Persons in Institutions and Other Group Quarters, 1984. See Bureau of Justice Statistics, [Mortality in Local Jails and State Prisons, 2000–2013 - Statistical Tables](#) and [Historical Corrections Statistics in the United States, 1850–1984](#).

Populations of adults over 18 are estimates of the resident population, as of April 1 in 1980 and July 1 in 2013. Sources: U.S. Census Bureau, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties, and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2013; retrieved from <https://www.census.gov/popest/data/state/asrh/2013/files/SCPRC-EST2013-18+POP-RES.csv>; and U.S. Census Bureau, *1980 Census of Population, Supplementary Report*, Series PC80-S1-1, and unpublished data; retrieved from <http://www2.census.gov/library/publications/1981/compendia/statab/102ed/1981-02.pdf>.

Populations of school-aged children are estimates of the resident population, as of April 1 in 1980 and July 1 in 2013. Sources: U.S. Census Bureau, Current Population Reports, Series P-25, No. 1095; CPH-L-74. See *Digest of Education Statistics 2015*, [table 101.40](#).

State and local appropriations for higher education are the part of state and local support available for public higher education operating expenses. To allow for comparisons across states and time, the SHEF appropriations measure excludes funding for research, agricultural, and medical education, as well as support for independent institutions or students attending them, which can vary substantially between states. Source: State Higher Education Executive Officers Association, [State Higher Education Finance: FY 2015](#).

Note that the SHEF methodology for state and local appropriations is somewhat different than PK-12 and corrections spending figures. First, state and local appropriations do not reflect all expenditures at public higher education institutions. Appropriations are a component of revenue that only accounts for a small fraction of all resources available at public institutions. Additional expenditures are financed by tuition and fees, federal grants, private donations, and returns on endowment. Second, SHEF inflation-adjusts its published data using the Higher Education Cost Adjustment (HECA), while corrections and PK-12 spending data have been adjusted by the Consumer Price Index (CPI). Similarly to CPI, HECA is constructed from two federally developed and maintained price indices—the Employment Cost Index (ECI) and the Gross Domestic Product Implicit Price Deflator (GDP IPD). The ECI reflects employer compensation costs including wages, salaries, and benefits; and GDP IPD reflects general price inflation in the U.S. economy. Since 1990, employer costs (ECI) or general prices (GDP IPD) have increased slightly faster than prices of consumer goods and services (CPI). (For more information, see: http://www.sheeo.org/sites/default/files/SHEF_FY15_Technical_Paper_A_HECA.pdf.) Third, SHEF measures state and local appropriations per student based on the estimated number of full-time equivalent students (FTE), rather than a raw headcount. In order to calculate figures that are comparable among state systems with various mixes of full-time and part-time students, appropriations are divided by FTE — a measure of enrollment equal to one student enrolled full time for one academic year, calculated from the aggregate number of enrolled credit hours (including summer session enrollments). (For more information, see: <http://www.sheeo.org/sites/default/files/Technical%20Paper%20D%20-%20Measures%2C%20Methods%2C%20and%20Analytical%20Tools.pdf>.)