

The Economic Impact of Raising the Age of Juvenile Jurisdiction in Connecticut

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Good afternoon, and thank you, Representative Walker, the Connecticut Juvenile Justice Alliance, and members of the Committee, for inviting me to speak today. My name is John Roman, and I am a researcher in the Justice Policy Center at the Urban Institute, a nonpartisan, nonprofit economic and social policy research organization based in Washington, D.C.

The issue before us today is whether the age at which juveniles automatically enter the adult criminal justice system in Connecticut should be raised from 16 years to 18 years. Pending legislation would raise the age of jurisdiction to 18 years for Family with Service Needs and for the Juvenile Matters section of the Superior Court for delinquency matters. According to recent data, the proposed change in the age of juvenile jurisdiction would move more than 10,000 new cases a year from the adult criminal justice system to the juvenile justice system.

If this legislation becomes law, the economic consequences will likely be far-reaching. Responsibility within Connecticut agencies for processing and supervising juveniles will shift; in large part, the cost burden will move to the juvenile system. One key question is whether existing resources will follow youth from the adult system to the juvenile system, or whether new resources will be required.

A second question is whether the change ultimately reduces crime. If the juvenile system rehabilitates young offenders more effectively than the adult system, then fewer Connecticut citizens will be victimized, with savings to those would-be victims.

The third question is whether there are other community effects in addition to crime prevention. Since crime rates affect the quality of life throughout a community—through property values, wages, and access to capital—a reduction in crime may return benefits to residents, even those who are unlikely to be directly victimized.

The Connecticut Juvenile Justice Alliance has commissioned the Urban Institute, in partnership with the Chapin Hall Center for Children at the University of Chicago, to review the costs and benefits of the proposed change in juvenile jurisdiction.

Our research addresses the first two of the three questions posed here: What are the fiscal implications of the change in jurisdiction for public agencies? And, will the change in jurisdiction result in less crime in the community and fewer costs to would-be victims?

A lack of reliable data prevents us from addressing the third question, are there additional economic benefits to the community from reductions in crime? If, however, processing juveniles in the juvenile system does reduce crime, it would be safe to assume there are unmeasured, but important, additional benefits to the community.

For the past eight years, I have studied the economic impact of innovative policies and programs designed to improve local, state, and national criminal justice systems. Some of these policies and programs have proved to be cost-beneficial. Some have not. But virtually all share a common characteristic: these innovations are more expensive than the business-as-usual programs they replace. The reason for this is clear: doing more almost always costs more than doing less.

According to existing research, juveniles almost always receive more intensive supervision and services in the juvenile system than they do in the adult system. Jailing juveniles, or monitoring them in the community, is almost always more expensive in a juvenile justice system. But considering only the changes in costs to public agencies is a myopic approach to evaluating this type of policy change. If the change works as intended, the number and severity of crimes committed by affected juveniles may decline, with significant associated benefits.

Measuring the economic impact of this policy change requires a complete enumeration of all the costs and all the benefits. As a result, I have the unenviable task of putting dollar figures on the human toll of crime. How do we value the costs of preventing crime? How do we value the lost potential that results from jailing a young person? How do we value the changes in the quality of life for communities when crime rates rise or fall?

Estimating the economic impact of moving juvenile offenders from the adult criminal justice system to the juvenile justice system is extremely challenging. It is made all the more difficult by our limited ability to precisely forecast how events that have not yet transpired will play out on the streets of Connecticut.

In social science terms, the challenge is one of specifying the counterfactual. Will young people behave differently in the community because they were detained in the juvenile justice system rather than imprisoned in the adult system? Will the crimes committed by these young people increase or decrease? Will those crimes be more or less serious than they would have been under the old system?

The mechanism for calculating the economic impact is the cost-benefit analysis. Invoking a cost-benefit methodology suggests a bloodless calculation that coldly sums winners and losers and ignores any human element. In fact, I would suggest that a cost-benefit approach does the opposite—it counts impacts of crime that otherwise go unnoticed.

A standard crime report describes how many crimes a youth committed, but does not describe their impact. A crime report does not include the pain and suffering of victims or the fear felt by community residents whose neighbors have been victimized. A cost-benefit analysis does count these things, and in doing so gives voice not only to the victims of crime, but also to those who share in the costs of crime—the victim's family and neighbors, the offender's family and neighbors, and the community as a whole.

There are three key economic questions before us today: *Will this change in jurisdiction reduce crime and costs associated with crime? Who will benefit from changes in offending?* and *Who will pay the costs?*

Research shows that moving 16- and 17-year-old youth out of the adult system into the juvenile system, while maintaining all other services for youth as they are today, will return about \$3 in benefit for every \$1 in cost, assuming no new juvenile detention construction is required. If new construction is required, the transition of juveniles would result in slightly less than a \$1 in benefit for every \$1 in cost in the year the construction occurs, and \$3 in benefit for every \$1 in cost in subsequent years.

My colleagues and I developed the estimates by calculating two types of economic impact from the proposed legislation: the fiscal impact on Connecticut agencies from changes in how juveniles are processed, and the fiscal impact on Connecticut residents from changes in victimization costs due to expected changes in crime.

To estimate the fiscal costs to public agencies, we used data from the Office of Fiscal Analysis's review of HB-5215 and the report of the Implementation Team. Both reports summarize the expected fiscal impact of legislation to transfer juveniles from the adult to the juvenile system. We believe that both reports tend to overestimate the expected fiscal costs of the proposed legislation, since neither reallocates to the juvenile justice system the significant savings that accrue to the adult system. Nevertheless, those estimates of fiscal costs are the best available and were adapted in our report.

Our analysis finds some savings to the correctional system and some increased costs in the court system. This analysis assumes that few adult resources that had been used to serve juveniles would be transferred to the juvenile system and that new expenditures would be necessary to replicate those services in the juvenile system. It is therefore likely that some additional cost savings could be found.

To measure the impact on Connecticut residents, we estimated the economic impact of changes in offending patterns. Our estimates drew from past empirical studies of the differences in rates of offending between juveniles processed in the juvenile system and juveniles processed in the adult system.

The estimates of expected crime reductions were then combined with existing research on the costs to victims of crime, including missed work, health care costs, and pain and suffering. These estimates have great power because they give two pieces of information: the actual costs that crime victims incur, and what costs could be avoided by preventing future crime.

The latter issue is critical in understanding the impact of this legislation. Studies in other states conclude that crime rates for juveniles processed in the juvenile system are likely to be lower than if those juveniles are processed in the adult system. If putting juveniles through the juvenile system instead of the adult system prevents crime, then some crimes in the community would be prevented and victims would not have to pay any of the costs associated with being a victim. While this is a very real benefit, it is difficult to observe, as an example helps to illustrate.

Suppose that today when I leave this building, I am assaulted by a juvenile who has been released from the adult system, and my wallet is stolen. Suppose that one year from now

a similar juvenile approaches me, but instead of having been in the adult system he received services as part of his juvenile justice processing. This time when I walk down the street the juvenile passes me by and does not threaten me, does not take my wallet, and does not punch me in the face.

Without knowing it at the time, I have experienced a very real benefit. While individual citizens are unlikely to know from day to day that they have benefited from an effective program, over time, when their quality of life improves, when their fear is reduced, and when their sense of safety increases, they will certainly know the difference.

When the fiscal data and the victimization data are combined, as I noted, a transfer of 16- and 17-year-old juveniles to the juvenile system will return \$3 in benefit for each dollar in cost, assuming no new facilities must be built. If expensive new facilities are required, the costs and benefits of this legislation will be about the same, assuming those costs accrue in a single year. If those costs are spread out, or amortized, then the benefits of the legislation begin to accrue immediately.

Before concluding I want to say a few words about who benefits and who pays the costs of the proposed change in jurisdiction. If this policy change has the expected results, Connecticut's residents will be its beneficiaries, since the impact of reduced crime will be felt throughout Connecticut's neighborhoods. Less crime will mean fewer victims, fewer missed days of work, lower medical bills, and, maybe most important, less fear and less suffering.

However, some of Connecticut's public agencies are likely to see additional costs. That is to say, research suggests that the capacity of the juvenile and adult criminal justice systems predicts how many people will enter the system. If Connecticut institutes programs that reduce crime effectively, then the total fiscal cost of the system will likely remain the same.

Why? An example helps to illustrate. Suppose juveniles are transferred out of the adult system, and resources that had been spent on juveniles in the adult system are now available to be spent elsewhere. How will these funds be reallocated?

In all likelihood, these dollars will not become available to the public treasury for reallocation to some other worthy initiative, like schools, health care, or roads. Instead, the funds will likely be used to incarcerate offenders who at the moment receive some other punishment or no punishment at all. Parole and probation officers, knowing more bed space is available, may pursue revocation hearings for infractions that previously would have been overlooked. Prosecutors, knowing more bed space is available, may push for longer sentences or hold out for pleas on more serious offenses. Police, who also know bed space is available, may choose to arrest offenders they otherwise may not have.

While Connecticut's public budget may not reflect the impact if juveniles are sent to the juvenile justice system instead of the adult criminal system, Connecticut's residents may experience a real, quantifiable benefit. If juveniles commit fewer crimes because they have received more and better services, fewer community members will be victimized. In

addition, because adult beds have been made available to incapacitate more adult offenders, the absence of those offenders may yield real benefits in the community.

In conclusion, our data suggest that it is cost-beneficial to citizens of Connecticut to move juveniles from the adult to the juvenile justice system.

Thank you. I would be happy to take your questions.