

An Economic Report on the Cost of Crime in Jackson County, Oregon¹

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Executive Summary

- This project estimates the economic cost of crime and the economic cost of pre-trial released inmates in Jackson County, Oregon relative to the State of Oregon at the request of the Jackson County Sheriff's Department.
- Costs are estimated based upon seven major index crimes by Rand Corporation in conjunction with crime data in Oregon from 2013-2017.
- The cost of crime in Jackson County is estimated to be \$171.2 million per year compared to \$2.49 billion for the state as a whole. In per capita terms the cost of crime in Jackson County is \$806 per person and \$618 per person for the State of Oregon.
- The estimated economic cost of pre-trial released inmates is at most \$22.4 million per year or 13.1 percent of the total cost of crime in the county.
- The cost of Pre-trial released inmates is likely an upper bound estimate due to structural differences between Jackson County Jail inmates released and the reference study estimates.³
- This report acknowledges the economic benefits of having a structured pre-trial release program, but quantifying those benefits is out of the scope of this study. As such, this report should not be considered to be a comprehensive cost-benefit analysis.
- A deeper understanding of other structural factors that are causing Jackson County to have higher than average crime costs is needed for a well-informed policy response.

¹ The views, findings, and opinions expressed in this report are solely those of the author and do not represent the views of Southern Oregon University.

² This report is partial fulfillment of the requirements for EC 494: Senior Capstone Experience in Economics at Southern Oregon University.

³ This report is preliminary and should be updated as additional information becomes available.

Purpose and methodology of the study

This study estimates the economic costs of crime for Jackson County, Oregon. The aim is to provide a comparison of overall county cost of crime estimates with those of the State of Oregon and to shed light on the economic impact of forced released inmates due to jail capacity limitations in Jackson County. The study aimed to be non-partisan and was initiated at the request of the Jackson County Sheriff's Department.

Estimates of the total economic cost of crime follow the methods provided by RAND Corporation, a non-profit global think tank (Heaton 2010). The RAND method uses an average of three techniques of estimating the cost of crime that are well established in the literature⁴. Crime data are collected from the annual State of Oregon Reports of Criminal Offences and Arrests. The number of occurrences is multiplied by the estimated cost of each crime. Seven major index crimes are used: homicide, rape, robbery, serious assault, burglary, larceny, and motor-vehicle theft. These crime cost totals for each year are then averaged to get the estimated annual cost of crime in both Jackson County and Oregon as a whole.

In addition to estimating the total economic costs of crime, the report also estimates what percentage of those total costs might be associated with forced released inmates due to jail capacity constraints in Jackson County. Unfortunately, data demarcating that this subset of economic costs is incomplete. As such, we take an indirect approach to estimating the proportion of economic costs stemming from a forced release by relying on a study from another state.

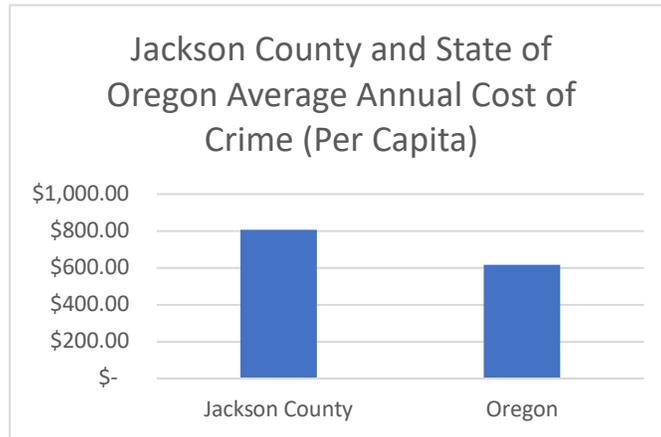
What is the cost of crime in Jackson County, Oregon?

- The average annual total economic cost of crime in Jackson County from 2013-2017 is \$171.2 million per year.
- On average, the per capita cost of crime in Jackson County is \$806 per person, compared to the State of Oregon, which averages \$618 per person.

The average annual cost of crime in Jackson County is estimated to be \$171.2 million and \$2.49 billion statewide in Oregon. In order to account for population differences, the annual estimated costs are divided by the area's respective populations for the years 2013-2017, using Census Bureau data, and averaged to get a per capita cost for both the county and state. Jackson County's per capita cost is \$806 per person, which is \$188 higher than Oregon's estimated per capita cost of \$618, illustrated in the figure below.

⁴ The three cost of crime studies used for cost of crime estimate are Cohen and Piquero (2009), McCollister, K., French, M., & Reznik. (2004), and Cohen, Rust, et al. (2004).

Several factors may explain the difference between Jackson County and Oregon’s cost estimates, such as proximity to interstate traffic, population densities, and others. One issue that this report is concerned with is how much of Jackson County’s costs of crime are associated with jail capacity and the subsequent forced releases of inmates.



How much of Jackson County’s cost is due to forced released inmates?

- Pre-trial released inmates could account for as much as \$22.4 million annually or 13.1% of the total cost of crime in Jackson County.
- This estimate should be considered an upper-bound estimate.

In 2016, Jackson County, Oregon released 8655 inmates due to limited jail capacity. Inmates are selected for release based on pre-adjudicated release assessment instrument (PRAI), that looks at violent history, number of priors, the seriousness of the current offense, substance abuse, and other criteria. The data on recidivism of forced release prisoners is incomplete at the county level, so this analysis takes an indirect approach to estimating the proportion of economic costs stemming from forced release by relying on a study from Illinois.⁵

A number of adjustments are needed for better congruence between the Illinois and Jackson County cases. The Illinois study relied on data on convicted criminals in a prison setting, which holds convicted felons that have been sentenced for more than one year. Jails, however, such as the one in Jackson County, hold pre-trial detainees as well as those convicted of misdemeanors serving shorter sentences. Since not all that go to trial are convicted, an adjustment to the data is necessary. Therefore, the data on the number of pre-trial released inmates in Jackson County⁶ is multiplied by the national conviction rate of 68% to account for the portion of released inmates that will likely be found innocent.

⁵ See Austin 1986 and Cohen 1988 for details.

⁶ Data provided by the Jackson County Sheriff’s Department.

Using this indirect method, pre-trial released inmates could be costing the county as much as \$22.4 million annually, or 13.1% of the total cost of crime in Jackson County. This is likely an upper-bound estimate given the difference between release of longer-term convicted prison inmates and shorter-term pre-trial jail inmates. Those differences are out of the economist's purview. It would not be unreasonable to consider a more general estimate of 10% of the total economic cost of crime in Jackson County to be associated with pre-trial forced release.

Unmeasured benefits of early release programs

- The estimates above reflect only the total economic cost of crime and the proportion of those total costs associated with forced released inmates.
- Potential benefits of early release programs are well established in the literature and should be acknowledged.

Though a more thorough cost-benefit analysis is out of the scope of the current report, it is essential to identify the potential benefits of well-structured, early release programs. Benefits of early release programs may include a reduction in direct jail costs and medical costs, prevention of innocent individuals detained, reduced strain on at-capacity jails, and can help the defendant participate in his or her defense. Additional benefits include the prevention of a person having undesirable negative employment consequences and allows them the opportunity to provide for their families while awaiting trial.

Summary

This study has two significant findings. First is that the per capita economic cost of crime in Jackson County is higher than for the State of Oregon (\$806 per person versus \$618 per person, respectively). The second finding is that approximately 10% (and at most 13.1%) of that total economic cost of crime is associated with pre-trial forced release inmates stemming from jail capacity constraints. Though this report quantifies the costs associated with pre-trial forced release, it also acknowledges the need for further research on the benefits of well-structured early release programs. The latter being out of the scope of this study. As well, this study finds that only a small portion of Jackson County's crime costs are associated with jail capacity constraints. A deeper understanding of other structural factors that are causing Jackson County to have higher than average crime costs is needed for a well-informed policy response.

As the community of Jackson County addresses the issue of overcrowding in the jail, this analysis may be used alongside other available information to help make informed decisions going forward.

To receive the full research paper behind this report in order to better understand these estimates and the methods behind them, please send a request to the author at lukeswancutt@yahoo.com.

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