Resolution, Reinvestment, and Realignment: Three Strategies for Changing Juvenile Justice

Research and Evaluation Center
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RECOMMENDED CITATION

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This is the first of several reports on juvenile justice realignment from the Research and Evaluation Center at John Jay College of Criminal Justice.
EXECUTIVE SUMMARY

As violent crime declined across the United States after 1995, the number of young offenders placed in secure correctional facilities also fell, but not in every state and not to the same degree. The crime rate and youth incarceration are not linked in the way that many people expect. Incarceration sometimes fluctuates in concert with crime rates and sometimes it does not. Often, the two diverge entirely.

The scale of incarceration is not simply a reaction to crime. It is a policy choice. Some lawmakers invest heavily in youth confinement facilities. In their jurisdictions, incarceration is a key component of the youth justice system. Other lawmakers invest more in community-based programs. In their view, costly confinement should be reserved for chronic and seriously violent offenders.

These choices are critical for budgets and for safety. If officials spend too much on incarceration, they will eventually lack the resources to operate a diversified and well-balanced justice system. Correctional institutions and the high costs associated with incarceration will begin to dominate fiscal and programmatic decision making.

A number of states recognized this problem as early as the 1960s and 1970s. In California, Pennsylvania, and Wisconsin, legislators and administrators created innovative policies to reduce the demand for expensive state confinement and to supervise as many young offenders as possible in their own communities. During the 1990s, North Carolina, Ohio, and Oregon implemented similar reforms.

The reform strategies adopted by these states are known by different names, but they generally rely on three sources of influence: resolution (direct managerial influence over system behavior); reinvestment (financial incentives to change system behavior); and realignment (organizational and structural modifications to alter system behavior).

This report reviews the history and development of these strategies and analyzes their impact on policy, practice, and public safety.

All three strategies have been used effectively to reform juvenile justice systems, but this report suggests that realignment may be the best choice for sustaining reform over the long term. Reform strategies in juvenile justice are sustainable when they cannot be easily reversed by future policymakers facing different budgetary conditions and changing political environments.
INTRODUCTION

Juvenile justice is changing. The declining crime rate is partly responsible. When crime rates fall, the politics of crime begin to cool and policymakers have greater freedom to innovate. Several states are taking advantage of the opportunity presented by decreasing crime to reconsider the role of incarceration in juvenile justice. Building on reforms from the 1970s and 1980s, lawmakers are finding that youth confinement costs can be lowered without endangering public safety.

The number of youth in secure confinement has been declining as a result—even in Texas. The New York Times published an editorial in 2011 congratulating Texas officials for their leadership and “thoughtful, decisive action” in moving the state away from the “prison model” of juvenile justice (July 9, 2011). The editors cited the state’s $100 million investment in community-based programs and lauded the fact that the Texas “youth inmate” population dropped more than 60 percent since 2006. Other articles and editorials have praised recent reforms in California, Illinois, Missouri, and Ohio.

These reforms did not begin with the recent crime decline, but falling crime rates allow lawmakers to increase their focus on cost-effectiveness and the impact of juvenile justice policy. Down-sizing corrections is now a central theme in a growing number of juvenile justice systems (National Juvenile Justice Network 2011). Do these changes represent a permanent shift in policy and practice, or are they merely a temporary reaction to tight budgets and low rates of violent crime? Will policymakers maintain the reforms if crime rises and budgets rebound? Some of the political conservatives who fueled the get-tough movement of the 1990s now endorse policies that keep incarceration to a minimum. Can advocates trust these new partners over time? Can today’s reforms be “locked down” to survive the political climate and budget debates of tomorrow?

After 1995, violent crime rates declined among all age groups

![Violent crime index arrests per 100,000 U.S. residents](chart.png)

The number of juvenile offenders in residential facilities declined in most states between 2000 and 2008.

Percent change in juvenile residential facility populations: 2000-2008

The total number of offenders in juvenile residential facilities fell 26% between 2000 and 2008.

Note: Numbers in parentheses represent each state's total residential population on the 2008 census day.
State and local policymakers across the United States are closing once crowded youth confinement facilities. In a growing number of jurisdictions, incarceration is no longer an automatic response for all types of juvenile law violations. States are increasing their investments in alternatives to incarceration, especially for young offenders. These changes are supported by breakthroughs in the science of brain development, the increasing reliability of evaluation research on delinquency interventions, and opinions by the U.S. Supreme Court recognizing the special nature of adolescence.

Local governments and private providers are also taking on more responsibility for juvenile justice. Traditionally, juvenile confinement was managed by states while alternatives (not involving confinement) were managed by local governments. Under that system, locally managed programs suffered from low levels of financial and political support. It was cost-effective for city and county governments to send large numbers of youthful offenders to state institutions because, unlike community programs, confinement costs were paid by the state. This led to excessive reliance on incarceration and higher costs, but it did not improve public safety. The best research shows that incarceration by itself does not reduce recidivism (Mulvey et al. 2010), and it may exacerbate other youth problems, including poor educational outcomes, unemployment, and behavioral health issues (Holman and Ziedenberg 2006).

Juvenile offender populations declined more in public than in private facilities between 2000 and 2008

<table>
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<tr>
<th></th>
<th>Public Facilities (down 28%)</th>
<th>Private Facilities (down 24%)</th>
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<tbody>
<tr>
<td>2000</td>
<td>77,662</td>
<td>32,464</td>
</tr>
<tr>
<td>2008</td>
<td>56,157</td>
<td>24,757</td>
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THE ROLE OF SECURE CONFINEMENT

The scale of confinement in the juvenile justice system is not simply a function of the rate and severity of juvenile crime. It is a product of numerous policy decisions made by lawmakers, budget officials, and justice practitioners. Actions taken by state legislators, judges, prosecutors, police officials, probation workers, and correctional facility administrators determine how many and what type of offenders are seen as suitable for confinement.

Some juveniles, such as those charged with violent offenses or those with lengthy court records, are confined based solely on the severity and extent of their illegal behavior. These youth, however, rarely make up a sizeable portion of all confined youth. Many juveniles are placed in secure confinement for reasons other than the offense(s) with which they were charged. These reasons might include the perceived support provided by a youth’s family, the availability and cost of alternative supervision and treatment resources, the proximity of the juvenile’s home to such alternatives, and their reputation for effectiveness.

Debates over the proper use of youth confinement have bedeviled juvenile justice policy in the United States for more than a century, at least since the juvenile court reformers of the Progressive Era questioned the wisdom of placing delinquent youths in 19th Century “houses of refuge” (Mennel 1973; Platt 1969). Since the very beginnings of the juvenile justice era, reformers have tried to reduce the scale of institutional confinement by expanding the quality and availability of community-based alternatives.

Researchers also question the effectiveness of institutional confinement. Studies have shown for decades that institutional settings for youth involve an inherent conflict between control and treatment. The organizational subculture of confinement may actually breed violence rather than suppress it (Feld 1981).

Juvenile correctional institutions often do not live up to their name. In one of the most comprehensive studies of youthful offenders to date, researchers followed more than 1,300 serious adolescent offenders for seven years after their appearances in court (Mulvey et al. 2010). The results showed that the frequency of youth offending declined over time with maturation, and the length of time an offender spent in institutional settings did not contribute much to the rate of decline.

A recent meta-analytical review of group care settings for children and youth found no evidence that congregate care programs for court-involved youth were more effective in changing youth behavior and reducing recidivism than were programs delivering similar services in family-like, community-based settings (Lee et al. 2011).

More incarceration does not equal less recidivism. Placing youth in large, group confinement facilities does not seem to be justified from the perspective of treatment effectiveness or the prevention of future recidivism.
So, why has secure confinement remained the default disposition for so many juvenile offenders for so long? There are at least four reasons:

1) **Incapacitation**— Despite the rehabilitative rhetoric of the juvenile justice system, what some people really want is for offenders to be off their streets and out of their neighborhoods, if only for a few months or years. Even if research shows that incarceration does not reduce the overall crime rate, policymakers and the public may prefer confinement because it addresses our emotional needs for safety.

2) **Retribution**— Again, despite the treatment rhetoric of juvenile justice, placing a youth in secure confinement demonstrates the community’s disapproval of illegal behavior. In other words, the juvenile justice system confines some youthful offenders because they "deserve it." In policy circles, this is often called "accountability."

3) **Convenience**— Confinement just might be easier. There are economies of scale to be gained from large facilities, in terms of food service, educational programming, transportation, medical costs, and other supports and activities for youth. Policymakers may conclude that it is easier to operate a few large institutions rather than many smaller programs in the community.

4) **Isomorphism**— Sociologists use the term “isomorphism” to describe the processes that lead organizations within the same sector to resemble one another over time, not because the dominant structure is demonstrably effective but because it is advantageous for bureaucracies to fit in rather than to stand out (DiMaggio and Powell 1983). In other words, confinement may be the preferred policy for youthful offenders in part due to our own lack of imagination.
Complicated Systems Require Complicated Reforms

No single set of policies and practices controls what happens to a young person arrested for violating the law. No national rules govern whether the case should result in formal charges or be diverted from prosecution. No established principles identify if the youth should be supervised in the community or placed in a secure facility. These important decisions are left to state and local officials and even to individual practitioners, and this leads to considerable variation in the structure and management of juvenile justice systems.

In the United States, every state government, and sometimes every local government, decides for itself how to organize and operate the juvenile justice system. Each jurisdiction chooses how to divide the responsibility for handling young offenders among a broad network of law enforcement agencies, prosecutors, defense attorneys, juvenile and family courts, probation agencies, correctional institutions, detention centers, treatment providers, voluntary organizations, and youth advocates. Added to this mix are the school officials and behavioral health providers who often work hand-in-hand with the juvenile justice system but are not part of it.

When a young person is suspected of engaging in illegal behavior, what happens next can be complicated and unpredictable. A law enforcement agency must first decide whether to make an arrest or to handle the matter informally and within the family. Next, and usually with the approval of a court, the police or prosecutor or some type of administrative agency decides whether the youth should be held (or “detained”) pending court processing.

The prosecutor (or sometimes an administrative agency) then decides whether to file charges (or “petition”) against the youth, and if not, whether to refer the matter for informal supervision and social services. If prosecuted, the youth may end up in court facing a judge who might make one final attempt to get the youth and family to agree to an informal service plan. Failing that, the court will determine whether the facts of the case merit adjudication (a legal finding of “delinquency”), and if so, what type of response (or “disposition”) should be ordered.

All of these decisions may have a profound effect on the young person and his or her family, but the most dramatic and expensive decision is made at the end of the process, when the court chooses the “disposition” for each case. This is when the court decides whether its plan for the youth should involve some period of confinement, or in the vernacular of juvenile justice, whether the youth should be “placed out of the home.”
THREE MODELS OF REFORM

All juvenile justice systems need some confinement facilities. Even with the best efforts of families, communities and organizations, confinement will always be a potential part of the response to youth crime. The question addressed here is how confinement resources should be managed. In the past, secure confinement was staffed and operated by state governments, while non-confinement services and community-based programs were managed locally.

Incarceration is costly and it is not guaranteed to reduce recidivism or deter future crime. In the juvenile justice system, the average cost of incarcerating one juvenile in a state facility may reach $100,000 per year and sometimes even $250,000 (New York State Juvenile Justice Advisory Group 2010). The financial burdens of incarceration alone attract states to any strategy for reducing the scale of juvenile confinement and shifting young offenders into community programs.

Today, a growing number of states see the need for a localized, more flexible juvenile justice system that provides confinement when necessary, but only if and when other services and sanctions are clearly inappropriate, and only if the confinement facility is close to the offender's home so that family ties may be maintained and community reentry and aftercare planning can be effective.

There are a number of strategies for introducing this approach in juvenile justice systems that are still dependent on state-operated confinement facilities. This report proposes three basic strategies: 1) resolution, 2) reinvestment; and 3) realignment. The rest of the report describes these approaches and how juvenile justice systems have used them to reform practices and policies related to secure confinement for youthful offenders.

RESOLUTION MODELS

Resolution is the oldest and most traditional method of changing the justice system. Resolution approaches rely on leadership, managerial influence, and will power. The most prominent reform efforts of the 1970s and 1980s depended on the resolve of administrators and elected officials. In Massachusetts and Utah, for example, justice administrators worked with elected officials to reduce reliance on secure facilities and to move young offenders into community-based programs and smaller, home-like settings. More recently, juvenile justice leaders in Missouri used the resolution strategy to remake that state's approach to long-term placement for young offenders. Their efforts demonstrate that the resolve of administrators and policymakers can be a powerful force for reform.

In the 1960s, the Massachusetts juvenile justice system depended on a few large confinement facilities to deal with juvenile offenders. The facilities served as an incentive to use confinement in local jurisdictions throughout the Commonwealth. In 1969, however, state leaders selected an ambitious and capable agent of change to run the Massachusetts Department of Youth Services (Miller 1991).
In a few years, Jerome “Jerry” Miller and his team closed the state’s large juvenile facilities and developed a network of community-based programs to take their place. Research showed that youth served in the community had levels of recidivism no worse than youth who were previously incarcerated in Massachusetts (Ohlin, Miller, and Coates 1977). In a follow-up study, the National Council on Crime and Delinquency confirmed that the state’s community-based approach protected public safety as well as the previous incarceration-focused system but at less cost (Krisberg, Austin and Steele 1989).

In the mid-1970s, political leaders in Utah faced their own juvenile correctional crisis. Utah’s one large juvenile facility, the State Industrial School, was ineffective and dangerous. Lawyers representing the state’s youth filed a suit based on the facility’s poor condition. In search of alternative approaches, and encouraged by Federal assistance, state officials closed the training school and reduced the number of secure beds statewide from 350 to 60. Community-based programs and a limited number of small residential treatment units were used to supervise juveniles in their own communities. Researchers who examined the Utah experience later concluded that shifting juvenile justice away from incarceration and toward community-based programs did not worsen public safety and actually may have reduced subsequent criminal behavior (Krisberg 2005).

Since the Massachusetts and Utah reforms, other states have employed resolution-based strategies for reducing the use of confinement institutions. The most heralded of these is the “Missouri Model” (Mendel 2010). During the past 20 years, Missouri officials moved hundreds of youth out the state’s traditional juvenile corrections facilities and into community-based services and small, regionally distributed residential programs. The state also reconceptualized its approach to intervention, developing a model focused on youth development and behavioral change in family-like settings.

Enacting reform with simple resolve is an obvious strategy, and the accomplishments of Massachusetts, Utah, and Missouri show that it can work. Achieving reform with managerial resolution, however, means that ongoing resolution is necessary to sustain reform. For this reason, a number of states expanded their reform strategies to include more durable forces: financial incentives and structural realignment.

**REINVESTMENT MODELS**

Reinvestment refers to the use of financial incentives to encourage state and local governments to reduce spending on confinement and to invest in community-based programs. In the adult justice system, reinvestment strategies are promoted as a general method for increasing public safety and controlling costs (La Vigne et al. 2010).

A number of states developed reinvestment initiatives for youthful offenders as early as the 1960s and 1970s. Under these arrangements, states paid for the costs of community-based programs while charging local jurisdictions for confinement, sometimes on a sliding scale. The less severe a juvenile’s offenses, the more money counties were required to pay for incarcerating that juvenile. States such as California, Illinois, Ohio, and Pennsylvania adopted varying forms of this model.
**Juvenile Justice Systems Have Their Own Language**

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<th>Definition</th>
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<tr>
<td>Adjudication</td>
<td>The court hearing in which a juvenile offender is judicially determined to have committed a delinquent offense. Similar to a finding of guilt. Youth found to be legally responsible for an offense are then referred to as having been adjudicated.</td>
</tr>
<tr>
<td>Decarceration</td>
<td>An intentional process to reduce secure confinement through shorter sentences, expanded use of alternative sentencing, and policy directives.</td>
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<tr>
<td>Deinstitutionalization</td>
<td>Any effort to reduce the population of institutions or to reduce the processes that create dependency on institutional environments.</td>
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<tr>
<td>Detention</td>
<td>Temporary holding of an arrested juvenile in a secure facility to ensure the youth’s appearance at subsequent court hearings or to protect the public safety pending a final court disposition.</td>
</tr>
<tr>
<td>Disposition</td>
<td>The court hearing in which a juvenile is ordered to comply with specific services and sanctions. Similar to imposition of sentence. The court orders resulting from the hearing are also referred to as the final disposition of a case.</td>
</tr>
<tr>
<td>Realignment</td>
<td>Reconfiguring the justice system to expand the roles and responsibilities of local government while reducing or even eliminating the direct control of state government, especially in secure confinement and residential placements.</td>
</tr>
<tr>
<td>Reinvestment</td>
<td>Using financial incentives to lower the demand for secure confinement of offenders and diverting the funds that would otherwise be spent on incarceration to: 1) provide evidence-based and cost-effective alternatives for individual offenders; and/or 2) improve conditions in high-crime communities.</td>
</tr>
<tr>
<td>Resolution</td>
<td>Changing juvenile justice practice through leadership and direct managerial action and relying on those influences to sustain reforms in policy and procedure.</td>
</tr>
<tr>
<td>Secure Facility</td>
<td>A locked residential facility for adjudicated juveniles, ranging from therapeutically oriented facilities to prison-like correctional institutions.</td>
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The contemporary concept of justice reinvestment in the juvenile justice system began with the establishment of the California Youth Authority (CYA) in 1941 and enactment of the California Probation Subsidy Act of 1965. Lawmakers designed the CYA to provide access to secure placements for youth, but with the goal of keeping adjudicated youth close to home rather than being placed in state institutions by default. Probation became a conventional sentence for low-level offenders as counties finally had adequate resources and personnel to fund and operate probation programs.

By the 1970s, however, probation officers were supervising more than three times the number of youth recommended by the national standards of the day, raising concerns that probation supervision and services were becoming ineffective. Meaningful work with offenders became impractical because so much time was devoted to routine caseload management. Probation offices in California responded by referring more offenders to state correctional institutions. Correctional populations rebounded, although the recidivism rate from the state’s correctional system was acknowledged to be nearly 50 percent (Smith 1972). State officials began to construct new institutions and to incarcerate more offenders—the opposite of what they had intended.

CALIFORNIA PROBATION SUBSIDY ACT
To reassert the philosophy of community probation for both juveniles and adults, the California Legislature enacted the Probation Subsidy Act of 1965. The law offered financial incentives to local communities willing to utilize probation instead of state corrections. The program reestablished probation as the most cost-efficient method of dealing with at least one-quarter of offenders that would otherwise be sent to state institutions. Legislators believed probation departments would respond positively to financial rewards for meeting their performance goals. The Probation Subsidy Act provided counties with $2,000 to $4,000 in state funds for each otherwise eligible offender not committed to a state facility (Smith 1972).

The Probation Subsidy Act succeeded on several levels. Counties hired more probation officers, supervisors, support staff, and aides to provide offender supervision. The state shut down at least one secure institution. From 1965 to 1969, the percentage of convicted offenders sent to state prison dropped from 23 percent to 10 percent. More than 45,000 offenders avoided state prison and were sentenced instead to community probation and rehabilitation programs. The Subsidy Act established the practice of cost sharing between the state and counties (Smith 1972). Despite its successes, however, the program became gradually more expensive due to the rising number of offenders entering the system in the 1970s, many for drug-related crimes. The programs and services intended to supplement probation were never implemented in full at the county level. In 1978, California ended the Probation Subsidy Act and replaced it with a new program that provided grant funding to individual counties (Nieto 1996).
PENNSYLVANIA ACT 148
In 1970, Pennsylvania counties could either pay to supervise delinquent youth in their own communities or confine them at the state’s expense. Local communities had little incentive to develop programming for adjudicated youth. With few treatment options available at the local level, judges were sometimes compelled to incarcerate youth who may have been suitable for community-based treatment. To give counties financial responsibility for their own placement decisions, Pennsylvania adopted Act 148 in 1976. The law required counties to cover 40 percent of the costs of sending youth to state facilities but as little as 20 percent of the costs of community-based intervention (Aryna et al. 2005). The intent of the policy was to provide counties with financial incentives to develop local services for at-risk youth.

Act 148 demonstrated success within its first decade. By 1984, youth placements in confinement declined 24 percent while placements in community programs increased 20 percent and placements in day treatment programs grew 52 percent. State subsidies for local programming increased from $65 million to $114 million. The expanded reimbursement for community services allowed counties greater flexibility to develop programs that kept youth in their own homes during court-ordered treatment (Aryna et al. 2005).

The financial mechanisms associated with Act 148, however, concerned both state and county officials. The state worried that county spending would exceed projections while the counties feared being locked into fixed budgets if state supports were depleted prior to the end of a fiscal year. In the early 1990s, an amendment to Act 148 established needs-based planning and budgeting. Under the new system, Pennsylvania counties developed a plan of service needs and submitted the cost of the services in advance. This approach allowed counties greater flexibility and it gave the state better information for budgetary oversight.

WISCONSIN YOUTH AIDS
In 1981, Wisconsin began to hold counties financially responsible for juvenile placements and to offer financial support for counties willing to fund local programming for delinquent youth. Before 1981, the state paid for juvenile placements in secure facilities, but counties were responsible for all funds required to serve youth in their home communities. In an effort to reverse these incentives, the Department of Juvenile Corrections (DJC) launched Wisconsin Youth Aids.

The goal of Youth Aids was to decentralize the financial management of juvenile justice by distributing funds to counties in proportion to their investments in community-based services. The formula for dispersing funds to local governments incorporated three factors: each county’s total youth population, its proportion of the state’s total number of juvenile arrests, and the proportion of secure placements coming from
that county. The state agreed to bill individual counties for the cost of each juvenile placed in a state facility, and any remaining funds were to be used for local programs.

By 1997, the Youth Aids program accounted for 45 percent of county spending on delinquency services. To cover their share, the counties used revenue from property taxes and grants as they had before, but Youth Aids greatly expanded their resources (Stuiber et al. 1999). Judges had more flexibility to commit adjudicated juveniles to in-home dispositions, including intensive supervision, electronic monitoring, individual and/or family counseling, vocational training, payment of restitution to victims, and victim-offender mediation. Out-of-home placements were reserved for juveniles who had committed serious or repeat offenses or for those with damaging home environments. Placements could vary in level of restrictiveness from minimal (e.g., foster homes and group homes) to severe (e.g., institutions and secure facilities).

The Youth Aids program experienced ongoing funding challenges. Freezes in county allocations sometimes made it difficult for counties to address the rising costs of youth services. Also, counties at times were required to use more of their own funds than they expected to pay for services. These concerns compelled counties to search continually for outside grant revenue. Despite these problems, Youth Aids was credited with reducing secure placements by 23 percent after the mid-1990s; in Milwaukee County alone commitments fell nearly 75 percent between 1995 and 2005 (Tyler, Ziedenberg and Lotke 2006). Of course, juvenile crime was also falling during this time period. The key question is whether the decline in commitments would be sustainable under different conditions.

RECLAIM OHIO
In 1993, Ohio launched an ambitious juvenile reinvestment strategy to reduce the number of commitments to state institutions. RECLAIM Ohio (Reasoned and Equitable Community and Local Alternatives to the Incarceration of Minors) shifted the responsibility for juvenile incarceration to counties and empowered communities to treat offenders locally rather than in state institutions (Moon, Applegate and Latessa 1997). The initiative relied on financial incentives to keep juveniles close to home. In the initial funding approach, counties were responsible for 75 percent of the daily rate for an institutional bed versus 50 percent of the daily rate for a community placement.

RECLAIM Ohio soon demonstrated its potential to reduce juvenile commitment rates and to support community-based programs. It was adopted statewide in 1995. The number of juveniles committed to institutions operated by the Ohio Department of Youth Services (DYS) decreased nearly every year following the program’s inception. On the other hand, violent crime in Ohio also declined during the late 1990s. Falling crime rates may have reduced the demand for juvenile commitment resources.
In fact, trend data show that the drop in commitments to DYS actually leveled off between 2005 and 2007, just after a brief increase in the juvenile violent crime rate between 2004 and 2006. The real test of RECLAIM Ohio could come if and when violent crime rates rebound.

Still, when the costs associated with arresting, adjudicating, and processing juvenile offenders were taken into account the RECLAIM Ohio initiative appeared to be cost-efficient (Lowenkamp and Latessa 2005). The reinvestment approach used in Ohio also appealed to policymakers of varying political perspectives as it provided judges with the ability to determine how individual juveniles were handled. It supported more rehabilitation and treatment to meet the needs of adjudicated youth, but judges retained the authority to incarcerate juvenile offenders as they saw fit. This probably facilitated the adoption of reforms. Could it make them easier to dilute or repeal?

**DESCHUTES COUNTY COMMUNITY YOUTH INVESTMENT PROJECT**
In the mid-1990s, Deschutes County (which includes the city of Bend, Oregon) started a system known as “community justice,” which stressed community and victim involvement in the justice process, held government agencies accountable to citizens, and worked to repair the harms caused by crime. In 1997, as an extension of the community justice philosophy, Deschutes adopted new policies that led to the creation of the Community Youth Investment Project (CYIP). The CYIP shifted funding from costly state institutions to county-level
### Juvenile Justice Reinvestment Began in the 1970s

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<th>Act/Program</th>
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<tr>
<td>Pennsylvania Act 148</td>
<td>Required counties to pay 40% of institutional placement costs, but State reimbursed counties up to 80% for community-based services.</td>
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<tr>
<td>Wisconsin Youth Aids</td>
<td>Allocated juvenile justice funds to counties based on 3 factors: youth population, juvenile arrests, and secure placements. Counties paid for state confinement. Remaining funds could be used for community-based services.</td>
</tr>
<tr>
<td>RECLAIM Ohio</td>
<td>State provided counties with funds for community-based juvenile services, but allocations decreased as the number of youth sent to state facilities grew. Funding methods continued to evolve.</td>
</tr>
<tr>
<td>Deschutes County, Oregon Community Youth Investment Program (CYIP)</td>
<td>State reimbursed county 100% for each juvenile not sent to a state facility who otherwise would have been eligible for confinement. County used the funds to provide prevention programs and community-based treatment for adjudicated youth.</td>
</tr>
<tr>
<td>North Carolina Juvenile Crime Prevention Councils</td>
<td>Established a JCPC in each county to oversee local juvenile justice services. The state reimbursed counties for up to 90% of the costs of community-based programs.</td>
</tr>
<tr>
<td>Redploy Illinois</td>
<td>Counties received added funding for community programs if they reduced juvenile commitments to state facilities by 25% within the first year.</td>
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<tr>
<td>California Senate Bill 681</td>
<td>Counties paid variable fees to the State for costs of juvenile confinement. Fees were higher for youth committed for less serious offenses.</td>
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<tr>
<td>Texas Commitment Reduction Program (CRP)</td>
<td>State expanded funding for counties that used evidence-based programs to intervene with youth offenders locally rather than relying on the state's secure confinement facilities.</td>
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### Realignment Initiatives Emerged in 2000

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<th>Initiative</th>
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<tr>
<td>Wayne County (MI) Juvenile Services Reform 2000</td>
<td>Established a private juvenile case management system to replace the public probation agency. Divided county into geographic service zones, with one private provider assuming responsibility for all juvenile services in each zone, including residential placement. State matched funds the county spent on juvenile services.</td>
</tr>
<tr>
<td>California Senate Bill 81, Partial Realignment 2007</td>
<td>Counties assumed responsibility for all young offenders except those charged with a designated list of violent offenses. The state provided block grants to counties to develop adequate programs and services at the local level.</td>
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treatment and prevention programs for adjudicated and at-risk juveniles. It introduced strong incentives through state refunds to the county for costs that would have been incurred as a result of incarceration (approximately $48,000 annually per youth). The county used two-thirds of the reimbursements to treat juveniles in the community and invested the remaining funds in prevention programs (Maloney and Holcomb 2001).

The CYIP appeared to be effective given the 78 percent drop in institutional beds that followed. The county saved and reinvested $2 million in community-based programs within the first three years, and 49 percent of juveniles in the program were on pace to graduate high school with another 20 percent earning their GED while enrolled in the program (Maloney and Holcomb 2001). Over the past decade, juvenile crime decreased despite a consistent growth in the county population, delinquent referrals decreased 12.5 percent, and the juvenile recidivism rate decreased nine percent (Deschutes County 2010).

Subsequent evaluations, however, have yielded mixed results. An outside evaluation found that while the program was more cost-effective than state institutional placement, the recidivism rate of juveniles who completed the program was slightly higher (67 percent) than youth released from state custody (58 percent). On the other hand, the sample size of the study was small and the two samples compared by researchers were not carefully matched on relevant characteristics. The evaluators concluded that the results were not robust (Hannay 2004). In terms of recidivism for serious offenses alone, however, the youth managed through CYIP re-offended slightly less often than those released from state institutions (Gest 2002).

NORTH CAROLINA JUVENILE CRIME PREVENTION COUNCILS

Until the late 1990s, juvenile justice responsibilities in North Carolina were split between two departments. To improve oversight and efficiency, the state passed the Juvenile Justice Reform Act in 1998. The Act created the Department of Juvenile Justice and Delinquency Prevention (DJJDP), which assumed the duties of the two former departments. [Note: In 2011, the State announced that it intended to merge the department into an even larger public safety agency.] The DJJDP was charged with developing prevention, intervention, and rehabilitative programs targeting at-risk youth, and devising a formula to determine the amount of funding each county should receive to spend on community-based services (Mason 1999).

The Juvenile Justice Reform Act required each county to establish a Juvenile Crime Prevention Council (JCPC) that would act as the administrative body in charge of local planning. Each JCPC included community members as well as criminal justice and other local government personnel, counselors, health and treatment providers, and non-profit representatives. In addition to evaluating current programs and developing new strategies to treat juveniles, JCPCs submitted annual requests for
state funding to support community-based programming for delinquent juveniles (Mason 1999). Programs could address individual, family, and academic risk factors. If a county’s funding request was approved, the state required the county to match between 10 percent and 30 percent of its total allocation.

Following passage of the Juvenile Justice Reform Act, juvenile commitments in North Carolina fell dramatically. The number of juveniles committed to the state dipped to 357 in 2010 from 1,360 in 1998 (North Carolina Department of Juvenile Justice and Delinquency Prevention 2011). While this was due at least in part to the overall crime decline, the drop in commitments was steeper than the falling rate of youth violence.

Commitments continued to fall after the decline in violence slowed, suggesting that reductions in confinement were not simply a reaction to falling crime. As in Ohio, however, commitments in North Carolina stabilized between 2005 and 2008, just as violent youth crime grew slightly. It will be important for policymakers and practitioners to monitor this relationship in the future.

REDEPLOY ILLINOIS
Modeled after RECLAIM Ohio, Redeploy Illinois began in 2004 as a pilot program in four counties. The goal of the pilot was to reduce youth commitments to state facilities. Prior to launching the Redeploy program, the state simply paid for juvenile commitments coming from Illinois counties. The costs of institutional care averaged $70,000 annually for each offender, and in the early 2000s the State of Illinois spent more than $100 million per year incarcerating approximately 1,800 juvenile offenders. Almost half the juveniles sent to state...
facilities were charged with non-violent offenses. Nearly one-third of all juveniles were committed for short-term court evaluations (Illinois Juvenile Justice Initiative 2008).

The Redeploy initiative allocated state funds to participating counties for the provision of treatment and intervention programs for at-risk youth (excluding some violent crimes). The State reimbursed counties for the cost of managing adjudicated youth at the local level. Individual sites received approximately $6,000 annually for each youth, but to be eligible and to receive funding, counties needed to reduce institutional commitments 25 percent in the first year (Illinois Juvenile Justice Initiative 2006).

Redeploy Illinois encouraged broader county participation in community-based services for juvenile offenders. Individual counties were free to devise and structure their programming for juvenile offenders as long as they adhered to a few basic goals: to reduce reliance on correctional institutions, protect communities, hold youth accountable, and provide youth with opportunities to succeed (Illinois Juvenile Justice Initiative 2008). Counties used a wide variety of rehabilitative programming, including but not limited to educational advocacy, employment services, home detention, aggression replacement training, mental health treatment, substance abuse treatment, family support services, and community restorative boards.

The initiative showed promise in its first year, possibly avoiding more than $2 million in incarceration costs not including the potential savings from lowered recidivism (Illinois Juvenile Justice Initiative 2008). Within three years, the pilot counties had reduced commitments to state institutions by 51 percent. The initiative was expanded to 23 more of the state’s 102 counties.

TEXAS REINVESTMENT
In 2007, Texas faced prison construction needs with a price tag of $2 billion (Right on Crime 2010). The state legislature opted instead to invest in alternatives. Texas officials allocated $241 million to expand substance abuse and mental health treatment for offenders inside and outside of prison. Over the next two years, the number of crimes dropped, as did probation and parole revocations. The state adjusted its prison projections to just 10 percent of previous estimates (Council of State Governments Justice Center 2009).

In recent years, the Texas Youth Commission (TYC) charged $93,864 to place one youth in a secure facility for a single year (Levin 2008). The one-year re-arrest rate for youth released from TYC was 57 percent, and the three-year re-incarceration rate fluctuated between 47 percent and 52 percent. Policymakers believed the TYC needed significant transformation. In 2007, the Texas legislature passed Senate Bill 103, which was modeled after RECLAIM Ohio and promised a more cost-effective method of handling adjudicated youth. [By 2011, the State promised even more change, announcing a plan to merge the Texas Youth Commission and Juvenile Probation Commission to form a new juvenile justice agency.]
To ease the costs of youth incarceration, Senate Bill 103 prohibited institutional commitments for misdemeanor offenders. It provided counties with financial incentives to manage delinquent youth locally and funded more programs that could serve as effective alternatives to incarceration. The legislation provided $58 million to county probation departments to support youth services and to handle adjudicated youth at the local level (Levin 2010a).

The effects were immediate. Two TYC facilities closed and reduced the state budget by $115 million (Right on Crime 2010). Local officials placed 53 percent fewer juveniles in state institutions during the next three years — saving another $100 million. Nearly half the expenditures avoided by Texas counties were returned to local probation departments to keep even more youth from being placed in TYC facilities.

In 2009 the Texas Juvenile Probation Commission (TJPC) implemented the Commitment Reduction Program (CRP) to provide counties with the ability to obtain state funds for community-based youth programming. The funds were available only for counties pledging to reduce commitments and to rely on evidence-based programs as alternatives. Subsequent funding amounts were based on each county’s effectiveness, including its juvenile recidivism rate. In the following year, commitments to TYC fell nearly 40 percent, due at least in part to the CRP (Levin 2010b).

REALIGNMENT MODELS
Resolution and reinvestment strategies focus on influencing the decisions of administrators and policymakers, either through direct persuasion or financial incentives. Both strategies can be effective in reforming juvenile justice policies and practices, as this report has demonstrated. Both strategies, however, are vulnerable to being reversed when the policy environment changes.

Realignment focuses on structural arrangements. It promises to reconfigure organizations and systems on a permanent basis. Structural characteristics, of course, can also be changed, but it is more difficult to undo reforms implemented with structural change than to reverse procedural alterations that were designed to accommodate an existing structure. When system reform involves the elimination of agencies and the demolition of buildings, it is harder to go back to the old way of doing business.

WAYNE COUNTY, MICHIGAN
Prior to 2000, juvenile justice services in Wayne County were managed much like they were in other states. The county accessed secure confinement by committing young offenders to state-run facilities. Juvenile court judges had few local options for handling adjudicated youth. Commitments, however, were supported with state funds. This resulted in excessive use of out-of-home placement.
In the 1990s, the average daily population of state commitments from Wayne County was 700 with another 200 youth held in facilities outside Michigan (Wayne County Children & Family Services 2010a). Wayne County spent up to $150 million each year to incarcerate juvenile offenders (Latona, Smith & Chaney 2006). An audit by the State Auditor General in 1999 indicated a variety of problems surrounding state juvenile facilities, including escalating costs and high recidivism rates. Two-thirds of incarcerated juveniles returned to the system within six months of release. The apparent philosophy of juvenile justice was incapacitation in lieu of rehabilitation. In short, the juvenile justice system in Wayne County was not achieving its officials goal—helping juveniles to finish school, secure jobs, and avoid additional justice involvement.

County officials then signed an agreement with the Michigan Department of Human Services to shift the responsibility for managing adjudicated youth to the county from the state. Funds saved from reductions in institutional commitments were invested in local programs. Using a mix of local and state funds, the county implemented a completely new structure for delivering juvenile services. The Juvenile Assessment Center/Care Management Organization (JAC/CMO) system was a totally privatized system in which substance abuse and mental health providers teamed with case managers and youth workers to provide all services and supervision for juvenile offenders (Wayne County Children & Family Services 2010a).

The county's JAC became the entry point for all juveniles referred by law enforcement. After a preliminary assessment by the JAC, each juvenile was referred to one of five CMOs. Each CMO was responsible for a distinct section of the county and that CMO had complete freedom to create and manage a Plan of Care for every youth referred from that area, including case management and all interventions for juveniles and their families. The county provided the necessary funding through contracts with the five CMOs. In addition to overseeing all community-based services, the CMOs were responsible for placing juveniles in secure or non-secure residential facilities whenever placement was needed.

The county developed a web-based Juvenile Agency Information System to enable all the relevant parties to monitor daily services, ensure compliance with court orders, and assess the program's successes and weaknesses (Wayne County Children & Family Services 2010a). The system ensured accountability by requiring the JAC, an independent and non-profit agency, to monitor and review the CMOs every six months and to authorize changes in service when necessary. The reforms helped the county transition from a system focused on state-funded placement to one focused on local supervision and treatment. To provide local accountability, the county assumed half the costs of any remaining placements in state facilities (Wayne County Children & Family Services 2010a).
The reforms in Wayne County would likely not have been possible without a reliable source of funding. Michigan’s Child Care Fund is an uncapped, 50/50 cost-sharing agreement between the state and the county. To be eligible for these funds, Wayne County was required to submit an annual program plan and budget proposal to the Department of Human Services. If approved, the county received state reimbursement for half the costs of any juvenile services covered under the plan (Wayne County Children & Family Services 2010a). Eligible services included needs assessments, education supports, substance abuse treatment, mental health services, and family interventions (Wayne County Children & Family Services 2010b). The county could draw heavily on other funding sources as well, including Federal Title IV-E funds, which can be claimed for economically deprived juveniles, and Medicaid, which can be used to cover the costs of many healthcare and behavioral health services.

The new system was quite successful. In 1999, the state and county together spent $113 million on residential care alone for Wayne County youth. By 2010, the five CMOs combined spent $88 million for all juvenile services (Wayne County Children & Family Services 2010a). The number of youth in state facilities declined sharply. The average daily population of Wayne County juveniles in state facilities dropped from 731 youth in 1998, to 40 youth in 2003, to just two youth in 2010 (Wayne County Children & Family Services 2010b). Moreover, by 2010 no young offenders from Michigan were being held in out-of-state facilities. Only a decade earlier, 200 Michigan youth at any given time were confined in other states. Wayne County’s reforms helped the county and the state to reduce cost expenditures, eliminated the state institutional population, and established a new structure for delinquency services that was locally operated and managed.
CALIFORNIA SENATE BILL 81

By the 1980s the dominant philosophy of California juvenile justice had shifted from treatment to incarceration as lawmakers reacted to public fears of rising crime. During this period, the population of juveniles in CYA custody grew steadily, surpassing 10,000 by 1996. The increases led to crowding and deteriorating conditions in CYA facilities, including several deaths and 23 hour-a-day lock downs (Krisberg et al. 2010). The rising costs, appalling conditions, and pressure from litigation compelled the state to make changes in juvenile justice policy and practice.

In the early 1990s, the State of California shouldered the majority of costs for youth placed in CYA facilities. Counties paid as little as $25 per month to hold one juvenile in CYA custody (Krisberg et al. 2010). The California legislature introduced a requirement for counties to pay for youth placements on a sliding scale. The new system was based on financial incentives. Counties sending violent or serious offenders to the CYA paid a small flat fee, but counties sending offenders adjudicated for minor offenses such as drug possession paid up to 100 percent of the costs of commitment.
The new incentives led to significant reductions in CYA commitments beginning in the mid-1990s, falling to fewer than 500 by 2005. Despite or perhaps because of this progress, the cost of sending a juvenile to an institution managed by the state agency (by then part of the California Department of Corrections and Rehabilitation) increased to $225,000 per year (Ferriss 2010). State regulations made it difficult to reduce staff despite diminishing correctional populations.

In response, the California legislature changed tactics and enacted a realignment strategy. Senate Bill 81 transferred most juvenile justice responsibilities to counties. The purpose of the law was to remove all but the most violent juvenile offenders from state facilities and into local programs (Little Hoover Commission 2008).

Implementation of realignment was sometimes difficult. Local probation departments may have had insufficient time to prepare. Existing programs had to be adjusted to accommodate the new class of juveniles being referred to county probation. Resources became strained during the transition. Because the criteria for placement depended largely on current offense rather than a youth’s previous record of offending, juveniles with violent criminal histories but non-violent current offenses were eligible to be retained at the county level. In addition, no state entity was charged with overseeing county practices and counties were not required to report how state money was spent and whether outcomes were achieved as intended (Dawood 2009). Still, realignment changed California juvenile justice fundamentally and perhaps permanently.

**California lowered juvenile commitments more than 80 percent, and the reductions continued even when crime temporarily rebounded**

![Graph showing average institutional population and juvenile violent crime arrest rate in California](image)

Data sources: California Department of Corrections and Rehabilitation and FBI (UCR).

* Number of youth (under age 18) arrested for FBI Violent Crime Index offenses per 1,000 youth ages 10-17.
California realignment was the most successful statewide reform effort to date, and it appeared to be more resistant to crime fluctuations than were the reinvestment strategies pursued by other states. Between 2005 and 2007, the rate of juvenile violence in California increased nearly 20 percent before dropping again. During this fluctuation, the decline in juvenile commitments continued unabated. This suggests that system changes achieved through structural realignment may be more permanent than reforms generated through reinvestment strategies.

California continued to build upon the success of realignment even after commitments dipped more than 80 percent. Eventually, the state transferred responsibility for all non-violent youth to the counties. By 2010, local jurisdictions were receiving nearly $100 million annually to supervise and provide services for these youth. Seven correctional facilities once operated by the state were closed, and the counties expanded their responsibility to include parole supervision for youth still being released from state facilities. In 2011, California Governor Jerry Brown proposed closing the state youth corrections agency outright. Juvenile justice experts in California believed that complete realignment was all but inevitable (Steinhart 2011).
CONCLUSION

State and local governments in the United States draw upon an array of sanctions, services, and supports for youthful offenders. Of all possible choices, the most consequential and expensive is secure confinement. Incarceration is always a central issue in juvenile justice policy and practice. In terms of public prominence, confinement is probably second only to policies that transfer youth out of the juvenile system and into the criminal (or adult) justice system.

Like criminal court transfer, confinement is a gamble. Placing young offenders in secure facilities is an effective means of controlling their behavior for a short time, but its long-term impact is uncertain and research suggests that the unintended consequences may outweigh the benefits. For this reason, state and local governments try to restrict the use of confinement to cases in which it is demonstrably necessary.

This report describes innovative strategies being used across the country to prevent the over-utilization of youth confinement. These strategies demonstrate that it is possible to reduce the size of state systems of youth incarceration. Even when youth require some time in residential placement, they do not have to be sent away to correctional facilities hundreds of miles from their homes and families. They can be supervised and receive services in their own communities. If they must be confined for some time they can be maintained in smaller facilities managed by cities or counties.

Implementing these strategies, of course, is not simple. Public officials hoping to improve the juvenile justice system with the strategies described in this report should attend to a number of important considerations.

One of the first issues to arise in any debate about these reforms is equity. The reform strategies documented in this report may be received differently by small and large communities. Large cities often favor such reforms because they have the resources to operate their own, independent juvenile justice systems, complete with secure placement options. Smaller towns and rural areas, on the other hand, may not have the resources to provide appropriate interventions for every type of youthful offender. They need support from the state.

Hybrid reform models could be one solution to the equity problem. In large urban areas that can afford to manage an entire range of intervention options for youthful offenders, a full realignment strategy may be most effective. In smaller communities, a reinvestment approach may be more effective as it would maintain some access to state resources. States could implement varying approaches depending on the sizes and locations of their local jurisdictions.
Another serious policy concern is the possibility that restricting the supply of juvenile confinement resources could inadvertently increase demand for criminal (adult) alternatives, including prison. This issue figured prominently in California’s preparations for realignment (Little Hoover Commission 2008). Any effort to change policies and practices related to juvenile confinement must contend with the reasons that confinement is often over-utilized.

Juvenile confinement is partly a rational attempt to guard the public safety and to reduce recidivism, but it is also partly a political and even an emotional response to the public’s fear of crime and the desire of policymakers to address that fear. Reducing access to secure confinement will not eliminate the desire for confinement. Reforming the juvenile justice system too aggressively or too rapidly may encourage justice officials to turn to the adult system.

Finally, changes in structure and policy can always have unintended consequences. The dramatic reforms in Wayne County, for example, may have introduced new and unwanted incentives in the juvenile justice system. Some of the expanded funding sources in Wayne County’s realigned system were from behavioral health agencies that typically manage expenditures within diagnostic categories. It soon became customary in Wayne County to speak of delinquent offenders in terms of their “disorders.” While appropriate in some cases, the pervasive use of behavioral health terminology in a juvenile justice context can create new forms of bias and stigma. Reformers must be careful to avoid replacing one set of negative incentives with another.

States planning to implement the type of reforms described in this report should study the efforts of other jurisdictions and learn the lessons they provide. From the examples described here, it would seem that realignment is the preferred strategy for long-term change. Realignment strategies are likely to be more durable than either reinvestment or resolution strategies. Whatever strategies they choose, state and local policymakers should pursue reform systematically and transparently, with ongoing efforts to monitor and evaluate results.
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