

Analysis of HB 17-1101

By Kristine McLaughlin

House Bill 17-1101 proposes creating a program within the Division of Youth Corrections that would provide monetary rewards to former juvenile offenders for academic achievement. Rewarding former offenders for academic achievement would be beneficial to the community as a whole not only because society benefits from higher education rates in general but also because former offenders are less likely to reoffend if they receive specialized education. However, since the bill, as written, does not provide for any state funding is unlikely to have a strong impact.

Society benefits from higher education rates. Educated citizens advance technical improvements. They cost the state less in health care costs.¹ Most relevantly to this bill which, is attempting to raise education rates among former criminals, they have lower crime rates. In an analysis published in 2003, Lance Lochner and Enrico Moretti estimated that if male graduation rates had been 1% higher in 1990, 100,000 fewer, mostly violent, crimes would have taken place, saving the U.S an estimated \$1.4 million.²

Additionally, educated citizens are essential to a functioning democratic republic. As Milton Friedman, Nobel Laureate in economics, once said "A stable and democratic society is impossible without a minimum degree of literacy and knowledge on the part of most citizens and without widespread acceptance of some common set of values. Education can

¹ McMahon, Walter W. "Externalities in Education." *University of Illinois at Urbana-Champaign*, June 1982.

² Lochner, Lance, and Enrico Moretti. "The Effect of Education on Crime: Evidence from Prison Inmates, Arrests, and Self-Reports." *University of California Berkeley*, 2003. doi:10.3386/w8605.

contribute to both. In consequence, the gain from the education of a child accrues not only to the child but also to other members of the society.³"

What Friedman is suggesting is that all of these benefits constitute a positive externality. In a typical market interaction, a good will be produced at economically efficient levels by simply allowing the producers and consumers of that good to weigh how much they benefit from the good and negotiate over prices. But when that good benefits a third party who has no direct involvement in the interaction, that production level will be inefficiently low. In this case, it is appropriate for the government to subsidize the good in order to raise the production level to socially beneficial heights.

House Bill 17-1101 would subsidize education even further for former juvenile offenders. The positive effects of encouraging academic achievement are intensified with former juvenile criminals. Because education within juvenile detention facilities is known to be of a lower quality, former juvenile offenders have to work harder to achieve the same level of success as their classmates. Thus, their private cost of attending public school is higher than the average student and their private optimal level of schooling is even further below what is socially optimal.

Furthermore, educating former offenders has a stronger effect on crime rates than educating an average student. Literacy education, in particular, has a drastic effect on crime rates. Illiteracy lowers the likelihood of community involvement and employment. It leads

³ Friedman, Milton . "The Role of Government in Education." *Economics and the Public Interest*, 1995. <http://la.utexas.edu/users/hcleaver/330T/350kPEEFriedmanRoleOfGovttable.pdf>.

to underdeveloped problem solving skills and depression. As a consequence, there is a strong link between illiteracy and criminal tendencies.⁴

Juvenile offenders are likely to be illiterate. In 2003, the US Department of Education reported that 55% of all criminal offenders were illiterate. There is nothing to suggest that this number is lower among juvenile offenders. Since illiteracy is likely to be high among juvenile offenders, literacy education can have a drastic effect on their recidivism rates. A juvenile offender is 37% less likely to return to prison if he or she receives literacy education.⁵

The high public return on investing in former offenders' education is reason enough for the state to fund the program. The framework for such a project already exists. From 2006 until 2013 the Division of Youth Corrections had a Continuum of Care Initiative that educated juvenile offenders and treated them psychologically. The initiative had positive results and reduced the likelihood of recidivism.⁶ The DYC still directly interacts and monitors all of the juveniles who have committed to their care. It would be efficient to encourage academic and psychological progress by funding a DYC-lead initiative.

As written, the bill does not provide for any state funding. It just allows the Division of Youth Corrections to work with a nonprofit organization to run the program through private donations. It is not clear how the DYC's involvement would benefit the designated nonprofit, except, potentially, by monitoring the program's progress.

⁴ "Target Crime with Literacy." Literacy and Policing in Canada.

http://policeabc.ca/files/factsheets_englishPDFs/Ch02FactSheet02.pdf.

⁵ "Juvenile Justice Education Fact Sheet." The National Evaluation and Technical Assistance Center. January 2011. <http://www.neglected-delinquent.org/sites/default/files/NDFactSheet.pdf>.

⁶ The Center for Research Strategies. "Evaluation of the Continuum of Care Program Annual Report: Fiscal Year 2012 – 2013." Colorado Department of Human Services. April 24, 2014. <https://drive.google.com/file/d/0B6RNEF9DYEdYU09UZEJ1MXFKTFU/view>.

The DYC may be more capable than any nonprofit of tracking the program's progress through recidivism rates. The Division releases an annual report that tracks recidivism rates up to three years post discharge as well as several other factors linked to recidivism, such as, school attendance and the frequency of substance abuse. All of this information is already publically available at the Division of Youth Corrections "Reports and Evaluations" page. However if the Division could control for former offenders who have participated in the program they could successfully monitor progress.

The bill should be amended to take out the language that suggests that juveniles in the program "must maintain an outstanding academic record during each academic term." It would not be appropriate to track the program's progress by directly monitoring former offenders' academic record. Standard records of academic achievement like grades and test scores compare former juvenile offenders to their classmates, who are more capable of academic success. Recidivism rates and the DYC's risk assessment rates compare juvenile offenders to themselves and thus would be more appropriate. Additionally, crime rates drop substantially with small improvements to academic proficiencies, like increased literacy rates, that the school's grades and test scores may not detect.

Promoting educational and psychological achievement would have several positive effects for all of Colorado. However, without any state funding this program is unlikely to have a substantive effect. Still, allowing the Division of Youth Corrections to create this program may make it easier for them to obtain state funding sometime in the future when the Assembly might be more open to spending initiatives. In that case, it would be best to

amend the bill to encourage tracking progress through recidivism rates, which the Division of Youth Corrections currently track very closely, rather than academic records.

Works Cited

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