Running up Debt to Build Prisons

By Bill Hobby

Like a good steward, the state of Texas has been cautious with debt. Until the mid-1980's, the state paid cash. Most of the bonds issued were self-supporting—like the veterans land loan programs—and didn't require taxpayer dollars for payment.

That was before the great prison construction extravaganza. In the past eight years, fed by more than $2 billion in prison bonds, outstanding debt increased 56 percent, from $6.4 billion to $10 billion. Texas still ranks among the most conservative states. A constitutional amendment is still required to issue general obligation bonds, as evidenced by four of the amendments on the ballot this month. The state ranks 10th out of 10 among the most populous states in outstanding debt and 33rd among the 50 states in debt as a percentage of personal income.

Nevertheless, the increase in debt has been rapid and has come mostly in the area of non-self-supporting debt, the kind where taxpayers foot the bills. That is because most of that debt has been incurred for prison beds and inmates do not pay room and board to pay off the bonds.

Between 1987 and 1995, Texas built 110,000 prison beds. Texas is testing the case for more incarceration, as Tony Fabelo, director of the Texas Criminal Justice Policy Council, said in a recent report. No western democracy and no other state has an incarceration rate that matches Texas' rate of 636 offenders per 100,000.

The bills are coming due, and we are witnessing some interesting spectacles. There are $40 million worth of taxpayer constructed corrections facilities in Harris County now empty or due to be partly or completely closed. There are as many as eight new state jails standing empty and costing taxpayers nearly $1.5 million a month in debt service. Texas counties are now actually importing prisoners from other states—that is, renting out their jails to, for example, North Carolina.

The reasons are complicated. The Harris County buildings are in financial trouble because they were built by the county adult probation department with money paid by the state to house prisoners. When the new state prisons were completed the state had plenty of room for prisoners and transferred them out of county facilities, thus drying up one source of revenue. One might have thought the county, which brought the Alberti lawsuit to force the state to house its prisoners, might have foreseen that outcome and not used a temporary source of funds for buildings that need permanent operation.

The Alberti order was lifted in August by U.S. District Judge Norman Black. The state promptly stopped paying counties for alternative sentencing programs.

The state jails are on mothball status because the demand for jail cells now is less than the supply. State jails were intended to provide a cheaper alternative to prisons by housing nonviolent offenders who commit drug and property crimes. The maximum sentence for state jail offenders is two years. Many juries still prefer to hand down longer sentences for those crimes and send the offenders to state prisons.

Sentencing practices may change, but don't count on it. It's more likely that the maximum penalties will be increased in keeping with the Texas tradition of creating new crimes and longer sentences with each legislative session.

Gov. Ann Richards clamped down hard on paroles and Gov. Bush has continued that policy so offenders are serving more of their sentences.
It's not a great price to pay, of course, if the strategy works. If more prisons, longer sentences and higher incarceration rates reduce crimes, it's money well spent. The answer is complicated. As every political campaign demonstrates, crime rates are up or down depending on whom you believe. The Criminal Justice Policy Council finds that increased imprisonment and a lower crime rate have a correlation, but it's not a one-to-one relationship. Between 1989 and 1993, Texas experienced a 1 percent decrease in the crime rate for every 4 percent increase in the incarceration rate.

The big factor in decreased crime is the crime-prone age group, ages 13 to 24. Since 1983, this demographic group has been declining, causing some downswing in crime just as it caused a decline in higher education enrollments. Another likely factor is a booming state economy. Between 1989 and 1993, Texas jobs increased 9.4 percent and property crimes decreased 17 percent.

It is clear that Texans and their political leaders have a very low tolerance for crime. Dr. Fabelo puts it in terms we can all understand: "If Texans were as worried about traffic accidents as they are about crime, Interstate 35 would be 110 lanes wide with speed bumps every 50 feet."

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