

THE
PEW
CENTER ON THE STATES

Return on Investment: Using ROI in Setting Priorities

July 15, 2008

The Pew Center on the States

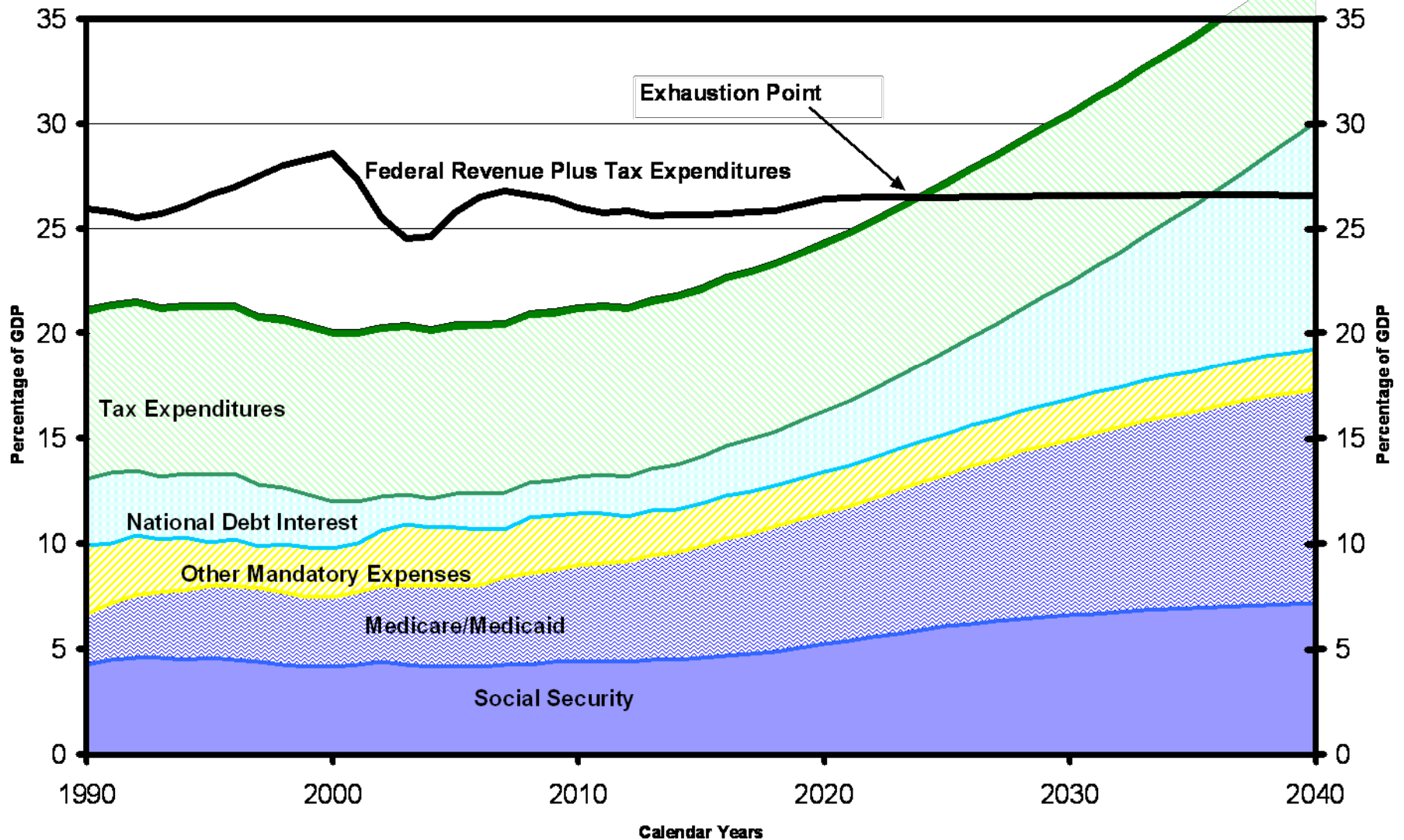
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- Advocates for nonpartisan, pragmatic state policy solutions to critical problems affecting Americans.
- Conducts rigorous research, brings together diverse perspectives, analyzes states' experiences to assess what works and what doesn't.
- Operates multi-state initiatives in sentencing and corrections, early education, elections , government performance and *Stateline.org*

www.pewcenteronthestates.org

Total Mandatory Spending Will Exhaust All Federal Revenue Resources by 2024

(Note: Tax expenditures are added back to federal revenue and shown separately as an expense to clarify their size and significance)



States Face Long Term Spending Pressures



- **Medicaid and Health Care**
- **K-12 Education**
- **Higher Education**
- **Demographic Changes**
- **Corrections**
- **Infrastructure**
- **Pensions and Post Retirement Benefits**

Expected Shortfalls

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- \$14 Billion – 18 states – FY 08
- \$31 Billion – 17 states – FY 09

Shortfall States

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ANNOUNCED BUDGET & REVENUE SHORTFALLS/GAPS

- **Arizona**
- **California**
- **Florida**
- **Indiana**
- **Kentucky**
- **Maine**
- **Maryland**
- **Massachusetts**
- **Minnesota**
- **Nevada**
- **New Hampshire**
- **New Jersey**
- **New York**
- **Ohio**
- **Rhode Island**
- **Tennessee**
- **Virginia**
- **Wisconsin**

A New Approach to Budgeting

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- Increase the value placed on long-term interests
- Evaluate economic returns
- Subject all areas of the budget to comparable treatment in the budget process
- Regularly compare new and existing funding opportunities



Kansas: Recidivism a key driver

Prison Admissions FY2006

New Court
Commitments

27 percent

Probation
Revocations

36 percent

Parole
Revocations

29 percent

Prob./Parole,
New Sentence

5 percent

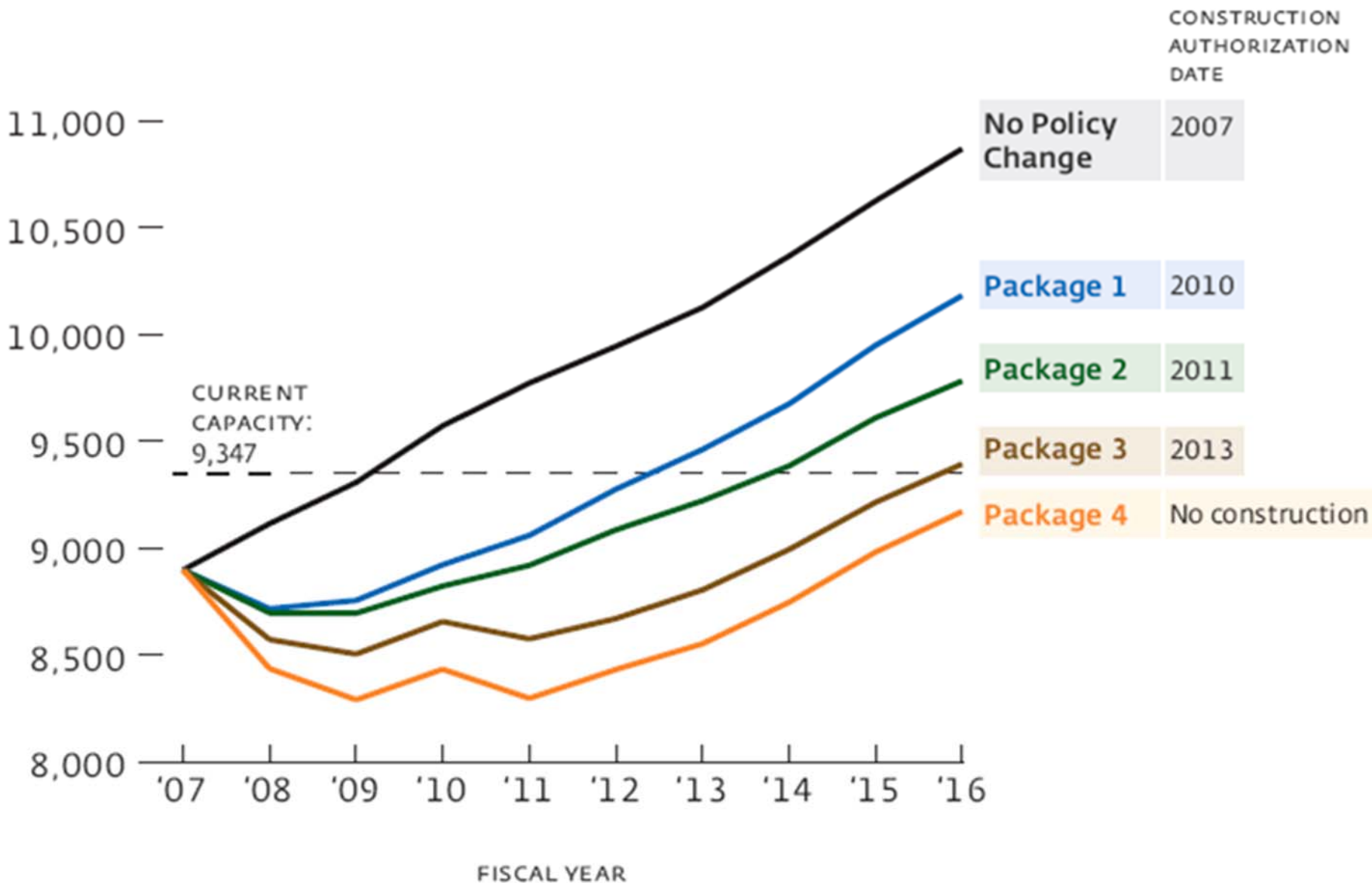
65% of admissions

27% of the prison
population

\$53 million annual cost

Projected Kansas Prison Population

Fiscal Year 2007-2016



Kansas State Grant Program



- ❑ **Clear goal: reduce probation revocations by 20%**
- ❑ **\$4.5 million in new funding**
- ❑ **Requires data-driven practices based on best practices to reduce revocations by targeting high risk offenders**
- ❑ **Continued funding contingent on performance**

Kansas Projected Prison Population (FY2007 & FY2008)

