



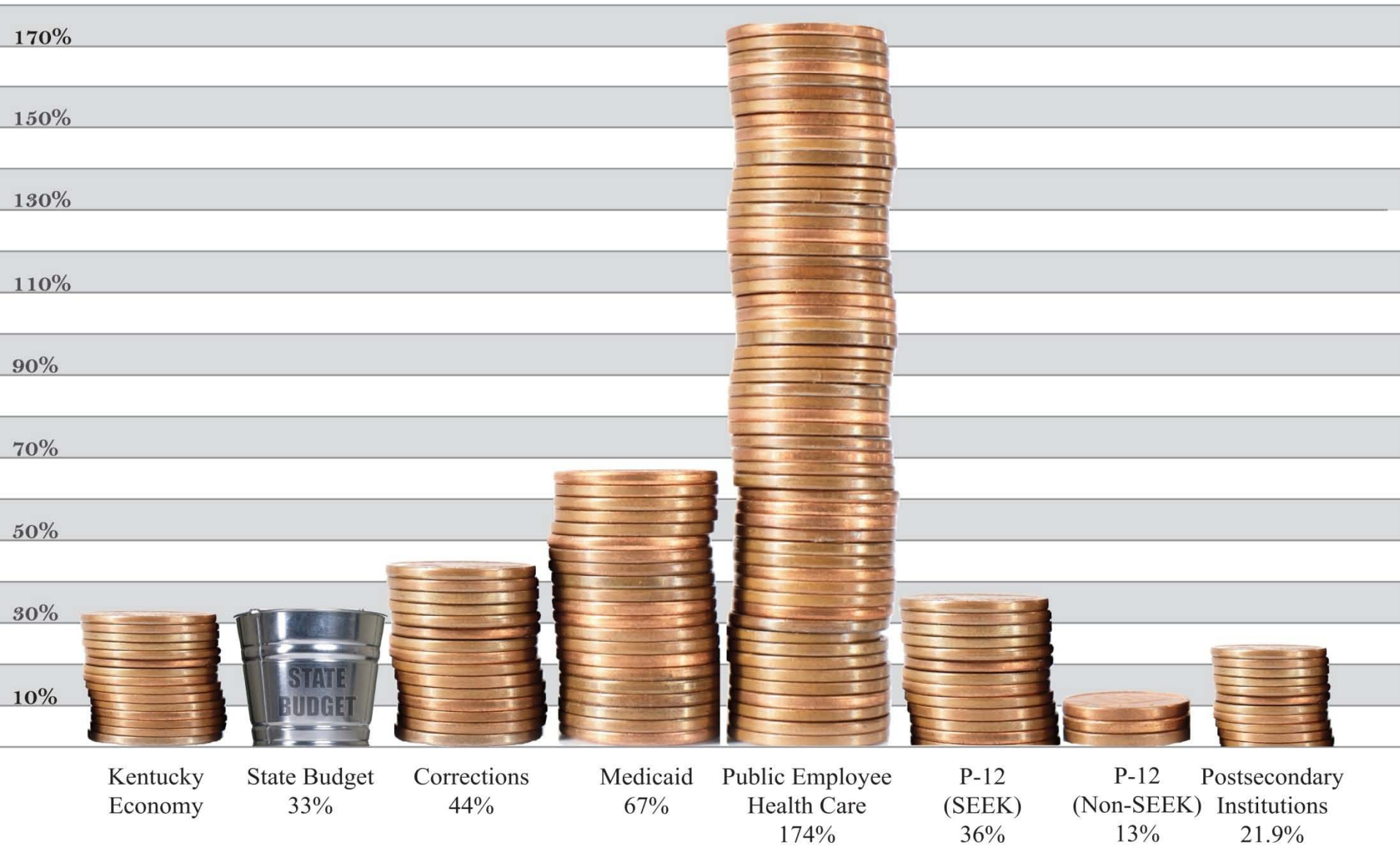
# The Leaky Bucket

Dave Adkisson, President & CEO  
Kentucky Chamber of Commerce



**Kentucky Chamber**  
*Uniting Business. Advancing Kentucky.*

# Changing Priorities



2000-2010 Spending Growth



# The Leaky Bucket

**Spending growing faster than state budget or economy**

**\$** Corrections

**\$** Medicaid

**\$** Public Employee Health Benefits



# If education had held its own...

**\$** \$309 million more for K-12 education

**\$** A 7.4% increase for education in 2008



# Corrections

\$ Persistent Felony Offender Law

\$ Classification of Offenses

\$ Underinvestment in Community Corrections

\$ Attacking Drug Abuse

\$ Increased Privatization





## Skyrocketing inmate costs hurt school funding

Kentucky's corrections budget is growing much faster than total state government spending. The Kentucky Chamber has offered to partner with the General Assembly to help find solutions to this growing problem.

### THE PROBLEM

**Corrections Costs Skyrocketing:** Recent research by the Chamber on state budget trends revealed that Kentucky's corrections budget is growing much faster than total state government spending. Since 2000, Kentucky's total General Fund spending has increased by 33%, compared to a 44% increase in corrections (from \$619 million in FY 2000-02 to \$894 million in FY 2008-10).<sup>1</sup>

**More Spending on Inmates than Students:** Kentucky is spending an average of \$52.14 a day to house an inmate in a state-operated facility. That means it costs taxpayers more than \$19,000 per year to keep one inmate locked up.<sup>2</sup> Compare that to how much tax money Kentucky spends on a student in elementary or secondary education – just over \$9,200 a year<sup>3</sup> – or on a full-time higher education student – just under \$7,000 a year.<sup>4</sup> The point makes itself – Kentucky is spending more to address the costs of failing to invest in education than it is on the students who represent its hopes for the future.

**Shift in Priorities:** The increased spending on corrections isn't entirely responsible for our shifting priorities. Growth in Medicaid and public employee benefits clearly outpace corrections spending. But the Chamber believes the redirection of tax money is cause for alarm. In terms of the state budget, education's share is getting smaller and smaller. K-12 education's share of General Fund appropriations has declined from a high of 48.2% in FY 1986-88 to 43.8% in the current fiscal year.<sup>5</sup> Postsecondary education's share declined from 16.9% 1986-88 to 13.7% in the current fiscal year.<sup>6</sup>

**Fastest Growth in Nation:** Meanwhile, Kentucky has the fastest growing prison population in the country, according to a 2008 re-

port by the Pew Center on the

States.<sup>7</sup> From 1987 to 2007, Kentucky's imprisonment rate grew nearly 250%, from well below the national average in 1987 to above the national average in 2007.<sup>8</sup> Kentucky's prison population has surged since 2000, increasing by 50% to 22,000 inmates.<sup>9</sup>

**Low Crime Rate:** Although Kentucky's rate of incarceration has increased dramatically, Kentucky has a relatively low crime rate compared to other states. In fact, while Kentucky's incarceration rate was growing at a faster rate than the nation's, both its violent and property crime rates fell, by 13 and 14% respectively.<sup>10</sup> According to FBI crime reports, Kentucky ranked 40<sup>th</sup> in the rate of violent crime in 2006, the most recent year data is available.<sup>11</sup>

**What is Wrong With This Picture?:** These statistics raise a very basic question: Why is Kentucky, with a relatively low violent crime rate, putting people in prison at a rate faster than any other state in America?

### POTENTIAL SOLUTIONS

Potential solutions to stemming these costs lie in some of the reasons identified in the Pew report for their rapid increase:

**Persistent Felony Offender Law:** The Pew report found Kentucky's prison growth has been fueled in part by a series of "tough-on-crime" measures such as the state's persistent felony offender law, under which offenders receive mandatory sentences for repeated offenses.<sup>12</sup> This law should be reviewed to determine if the number of offenses required to trigger the statute is too low, and whether it is too broad in terms of including offenses for non-violent crimes.

**Classification of Offenses:** Another factor identified by the Pew report is that in the 1990s a number of measures elevated some misdemeanors to felonies, reclassified some offenses as higher level





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## Stepping through the door to 2010

As surveys always present an opportunity to look back at the place you're about to leave before you move into the place to which you're about to arrive. The change of a decade is just that sort of doorway. It's like stepping into the waiting future, newly opened, without a lot of baggage from the decade just concluded, to hang on while I take stock, regroup and get a little privacy inside again.

I hope we can focus on what's truly important in this decade. However, I have witnessed about sharks and shark attacks in the current before '09? It seems easy to anticipate, given the real memories that were laid out among us. Our limited attention spans might be trained on what really matters, and we might be drawn back to the stuff that doesn't, but I know that as I move into the same time, I hope the media will help us reach that higher ground by providing more than glancing coverage of what's important.

While we're on that subject, thank the media for what it truly means to us. We're moved up before and we'll move up again. But don't blame the media for the "punch" journalism I see, a vice presidential candidate can't provide an answer when she's asked what newspapers and magazines she reads — "Oh yes, any of 'em that have been in front of me over all these years" — or when, in the middle of an economic meltdown, the current state tax regulation passed or sponsored by her sponsored running mate — "I try to find you write, and I'll bring them to you." Or I hope that thank Pella, who spread these answers in her first national coverage two years ago, ended up one of the most admired people of last year's *Prager* — "It's Mike Lee!" — one that's very.

I hope we're not cheap and easy with our daily, or when, our respect and admiration in the decade ahead. A lot of people made me the leader in the lane and for future generations in the 2000s, and a lot of us weren't among them. Just because you can deliver a great answer doesn't mean you're closer to God than one of us, especially if your behavior contradicts your public talk, nor Ted Haggard. The gun double for politicians. And just because you can own a golf club or a beachfront like there's no tomorrow, like Tiger and A-Rod, doesn't mean you can hold the job of a dedicated middle-school teacher. And just because you own perfume, perfume bottles and perfume jars doesn't mean you got a spending of \$10 million to get the Bush "100 Billion Man" Medal. Like the guy using instant karma to get to get you. As far as, we need to be stronger until we're not to get the old-fashioned way — by working it.

And I hope the athletes of our past failed policies will learn to stop to help they have something new and valuable to offer. That's you, Dick Cheney. George W. Bush, and the rest of them. If you want to be a real player again, look to your former boss, as an example of how to behave, and I never thought I'd live to see that.

And speaking more of politicians, I hope people realize that the future won't get 8400 hours while making pretty nice in their state helping points. And I hope those same candidates, who present pretty lovely pictures as campaign props, will try to cut down on the number of candidates while they're having extramarital affairs, making their marriages and, uh, needs more important than their party and their country. Johnny Edwards, we hardly knew you — until The National Enquirer blew past.

See PLATE 10, col. 4

# Forum

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## Veteran columnist 'lets herself go'

WHY the column, like Goodman and a distinguished career as a correspondent and editor of modern America on 10, for 33 years. Ms. Goodman's work has been featured on the op-ed pages of the *Courier-Journal*, which was one of the first newspapers in America to go to an as a syndicated columnist. In 1995, she received the Pulitzer Prize for columns. She, and in the years before and since she has consistently been one of the nation's most popular and influential commentators. Others may argue to her place is open to come, but her presence on these pages is irreplaceable. — Mike



Ellen Goodman

BYSTANDER — There is something about writing my last column on the first day of a new year. January, after all, is called for the Roman god of beginnings and endings. It's forward at the same time. So, this morning, I wish I could find the right language to describe this rise of a young Enlightenment, that means of a world, just won't do. The "young Enlightenment," I believe, is a lot over the top for my own kind of feelings.

The phrase that kept running through my head as I considered this new day was: "The young Enlightenment." Yes, I can imagine the response if a recent critic across the street announcing, "Ellen Goodman has let herself go!" can see the illustration out of shape, but slowly the very worst things you can imagine

about a woman of a certain age. But I know the idea of reclaiming the phrase. After all, when will you get up when you get yourself? I let this question fill the last space of the new year. I believe to my list has been gone. I believe it suggests the darkness that can find this new year.



Robert S. Weisbach

A portrait of Robert S. Weisbach, published in the *Prager* because of his role in the case of the Roman Catholic Church.

## Pius XII's elevation raises questions

By Robert S. Weisbach  
Special to the Courier-Journal

EXACTLY 50 years ago, on a cold winter morning in New York City, the Catholic-Jewish Civil Liberties Commission, established to investigate Pope Pius XII's response to the Holocaust, met for the first time to discuss its future work. I think that only Jewish historians among the six leaders (three Catholics and three Jews) designated by the Vatican and leading Jewish organizations to study this hotly contested issue. A little under two years later the project was abandoned as a result of the Holy See's unwillingness to receive materials from its archives that could help clarify issues that our state of scholars relied on our provisional report. Already at that time, in the last years of Pius XII's pontificate, there were rumors about his plans to step back to sainthood, but they were probably dismissed as Jewish and Jewish rumors and a desire by the Church's authorities to prevent a worse response to Catholic-Jewish relations.

At issue was the silence of Pius XII during the Holocaust and his refusal to sign his name as the main member of Jews. These allegations, which first emerged around 1964, had prompted the Vatican to publish a 12-volume study on the Holocaust, but it was treated as a mere footnote, most of the time in the 1970s. It was these documents in Britain, Germany, France, Italy and the U.S. that we were originally asked to review. The million or so unpublished documents from the pontificate of Pius XII (1959-1963) according to the Vatican's most recent estimate, will only be available in about four years' time.

It is in this context that we need to see the Vatican's move to the "heroic virtue" of Pius XII, just signed by Pope Benedict XVI. Many have interpreted this as an act of another signal that the Vatican is determined to deny the controversial wartime pope — a move that has been widely seen as a sign of the Vatican's desire to distance itself from the Holocaust. The sharp response of Jewish leaders to the Vatican's decision prompted the

## Kentucky's leaky bucket

By Dan Adelman  
Special to the Courier-Journal

WHEN the Kentucky General Assembly convened Tuesday, lawmakers will face the formidable challenge of creating a balanced budget for fiscal 2011 in the face of unprecedented revenue shortfalls and an economy whose performance offers little hope of immediate relief.



Dan Adelman

Administrators' estimates out of the state for the past few months have made it clear that the state's fiscal situation is dire — largely as a result of the impact that the international economic downturn has had on tax receipts and public services. Like many other states, Kentucky has witnessed a sharp

decline in state revenue as a result of dropping state income tax receipts, and it has a few hundred million more in federal funds to use for that purpose. But the state will need much more than that if projections of a shortfall exceeding \$1 billion are correct.

Without question, these are difficult times. But it is important to note that Kentucky's problems with revenue shortfalls existed long before the current downturn, and the situation probably will get even worse when the federal money is no longer available. More troubling is the fact that state spending is recent years shows Kentucky's budget priorities shifting from investing in education and toward providing more money to public employees here, there and elsewhere.



See CHAMBER, Back page, col. 1

# 'Not sustainable'

*Chamber knows prison costs are threatening other programs*

**A**t first glance, David Adkisson, president of the Kentucky Chamber of Commerce, would seem to be an odd advocate for reducing Kentucky's prison population.

After all, why should the organization that represents Kentucky's business community care about the number of peo-

school and \$7,000 a year to send him to a state university or technical and community college.

"The state is consciously or unconsciously shifting its priorities away from education toward some of these things that are driving the state budget," Adkisson said. "Kentucky is spending more to address the

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