

Investing in Futures: Economic and Fiscal Benefits of Postsecondary Education in Prison

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Fact Sheet

Beginning in the mid-1990s as part of the era's "tough-on-crime" policies, lawmakers banned federal Pell Grants—the primary source of education aid to low-income students from the 1970s to the present—for people in prison. That public policy mistake continues to leave hundreds of thousands of people released from prison annually without a postsecondary degree or certificate at a profound disadvantage.

Postsecondary education in prison can help formerly incarcerated people overcome barriers and successfully rejoin their communities. Without it, they are less likely to have the skills to be competitive for good-paying jobs—making it harder to find stable housing, provide for their families, and prosper.

In 2016, more than 626,000 people were released from state and federal prisons; 78 percent of incarcerated men and 83 percent of women in the prime working-age population (25–54). Research shows that those who receive a postsecondary education in prison reenter their communities with competitive skills and qualifications, leading to higher rates of employment and increased earnings. By contrast, people who emerge ill-prepared to compete for a job often get stuck in a cycle of poverty and reinvolverment in the criminal justice system. The corrosive effects are more than individual: They extend into the larger economy, reducing the size of local skilled labor pools and swelling fiscal burdens for states' correctional, public safety, and social welfare systems. This report presents findings, projections, and recommendations by the Vera Institute of Justice (Vera) and the Georgetown Center on Poverty and Inequality on the benefits to formerly incarcerated people, employers, and states of restoring federal Pell Grant eligibility to people in prisons.

Findings and projections

1. Most people in prisons are eligible for but cannot gain access to the resources for a postsecondary education.

- > **The majority of people in prison are academically eligible for postsecondary education.** Among incarcerated people in federal and state prisons, 64 percent are academically eligible to enroll in a postsecondary education program, meaning that at the time of incarceration their highest level of educational attainment was a GED or high school diploma.
- > **Most people in prison are not receiving postsecondary education.** Access to postsecondary education in prison is limited; most existing programs are funded through the 2016 federal Second Chance Pell Experimental Sites Initiative, which serves a maximum of 12,000 incarcerated students annually; comparatively, this report estimates that if the ban were lifted about 463,000 incarcerated people would be eligible for Pell Grants. According to the latest data, from 2014, only 9 percent of incarcerated people received a certificate from a college or trade school while in prison.

2. Postsecondary education in prison increases employment and earnings for formerly incarcerated people.

- > Restoring access to Pell Grants for postsecondary education in prison would increase employment rates among formerly incarcerated people across the United States. Based on the authors' midpoint estimate (if 50 percent of the eligible prison population participated in a postsecondary education program), they estimate that

For more information

To read the full report, visit www.vera.org/investing-in-futures. For more information about this report, contact Margaret diZerega, project director, at mdizerega@vera.org. The Vera Institute of Justice is a justice reform change agent. Vera produces ideas, analysis, and research that inspire change in the systems people rely upon for safety and justice and works in close partnership with government and civic leaders to implement it. Vera is currently pursuing core priorities of ending the misuse of jails, transforming conditions of confinement, and ensuring that justice systems

more effectively serve America's increasingly diverse communities. For more information, visit www.vera.org.

The Georgetown Center on Poverty and Inequality's (GCPI) Economic Security & Opportunity Initiative's mission is to expand economic inclusion for all of the United States through rigorous research, analysis, and ambitious ideas to improve programs and policies. GCPI is a center at the Georgetown University Law Center.

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employment rates among people who return home after participating in a postsecondary education program in prison will, on average, increase by nearly 10 percent. They also estimate that employment rates among all formerly incarcerated workers will rise by roughly 2.1 percent during their first year of release as a result.

- > An increase in employment rates translates into an increase in earnings for formerly incarcerated people and their families. The authors expect that combined wages earned by all formerly incarcerated people would increase by about \$45.3 million during the first year of release (unless otherwise noted, all figures are in 2015 dollars).

3. Postsecondary education in prison provides workers with skills that employers seek.

- > Jobs that require applicants to have a minimum education level ranging from above a high school degree to a bachelor's degree make up a sizeable share of the overall economy. Projections by the Bureau of Labor Statistics indicate that over the next decade there will be nearly 5 million job openings annually for which the typical entry-level education requirement will range from some college to a bachelor's degree. The availability of Pell Grants for incarcerated people would allow them to receive the necessary education and training to be eligible to fill these jobs.

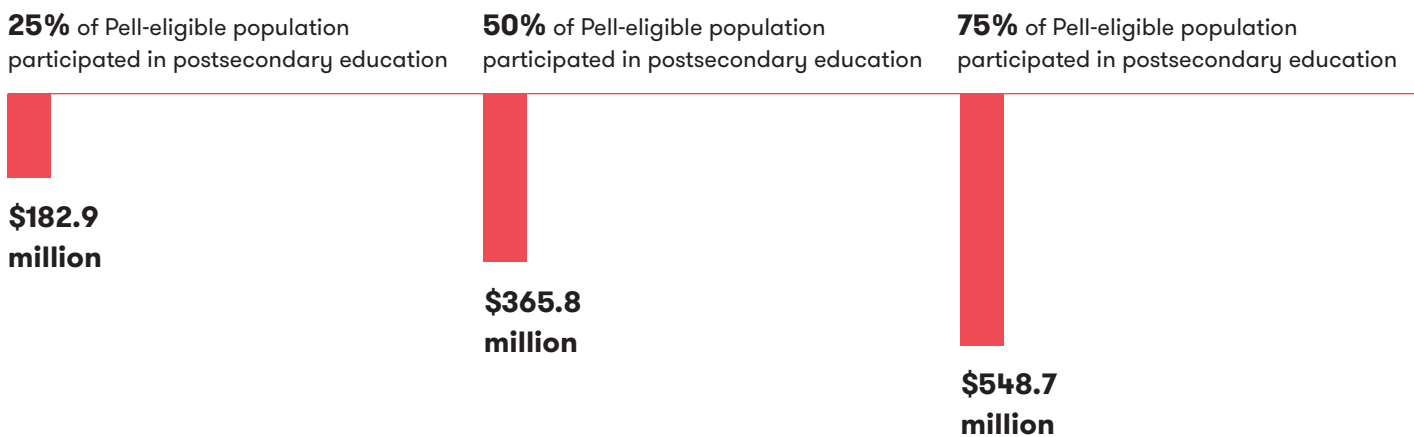
4. Greater access to postsecondary education in prison is expected to reduce state prison spending.

- > Expanding access to postsecondary education in prison is likely to reduce recidivism rates, resulting in a decrease in incarceration costs across states of \$365.8 million per year.

The ban on Pell Grants for people in prison has translated into fewer educational opportunities for incarcerated people, contributing to the challenges they face on reentry. This is a missed opportunity to help people gain the skills they need to support themselves and their families—and in many cases interrupt a cycle of poverty and recidivism. What's more, some employers are struggling to find workers with needed skills in their local communities, and high recidivism rates contribute significantly to states' prison costs. This vicious cycle has affected larger numbers of people as U.S. incarceration rates have ballooned: Consider that from 1972 to 2010, the prison population increased by 700 percent. As of this writing, there are more than 1.5 million people in state and federal prisons. Restoring Pell Grant eligibility to incarcerated people must be part of the next phase of criminal justice reform.

Impact of postsecondary education programs on the cost of state prisons

Combined decrease in states' annual expenditures on incarceration if...



Source: Authors' analysis. See Methodology section in Appendix B.