Performance Incentives for Reducing Revocations

5-year impact in Texas

If Texas decreased its technical and new crime revocation rate from probation and parole by 20%, the state could avoid $75.2M in cumulative marginal cost, reduce the prison population by 6,652, and give 15,301 life years back over the next five years.

Marginal cost avoidance (cumulative)

- $24.0M from reducing parole revocation rate by 20%
- $51.2M from reducing probation revocation rate by 20%

The opportunity

Approximately 23,000 people are admitted to Texas state prisons for violations of probation or parole each year, accounting for nearly 47% of prison admissions. Taxpayers in Texas spend nearly $519 million per year on incarcerating people who are sent to prison for probation or parole violations. Half of those revocations are for technical violations, such as missing a meeting with a probation officer.

A performance incentive model in Texas would reward parole and probation field offices for improving client outcomes making communities safer. Here’s how it would work: If a probation and parole district reduces the number of people returned to prison for technical violations and new crimes compared to a historical baseline, then that district is entitled to half of what it would have cost the state to incarcerate those individuals. The state of Texas gets the rest of the savings. Funds awarded to parole/probation districts can be used for rehabilitation programs, contracting part-time social workers or job coaches, or for performance bonuses divided equally among the officers in that district (to boost retention of the best officers).

Research shows that performance incentive funding encourages parole and probation officers to improve outcomes and lower revocation rates. With the right incentives, officers use better discretion when determining which people actually pose a threat to public safety and should be revoked for technical violations. At the same time, performance-based incentives reward field offices for effectively rehabilitating people on supervision and reducing the number of actual crimes committed while on supervision.

Texas has a successful track record with incentive-based reforms. In 2005, Texas pledged $55 million in incentive-based funding to probation departments that used graduated sanctions to try to reduce technical revocations by 10%. Departments that participated reduced technical violations revocations by 13.4%, while those who did not opt-in increased such revocations by 5.9%.

Impact of other states using performance incentive funding

- California

California offers a shared-savings incentive reward of up to 45% to county probation departments that reduce re-incarceration rates for felony probationers. As a result, in 2010, 23% fewer probationers had their supervision revoked, 53 out of 58 counties reduced their revocation rates, and statewide violent crime dropped more quickly than in any year in the previous decade.