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*Part Two*  
**The Public Investment: The  
Social Cost of Drug Abuse**

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## Introduction

The following report estimates levels of public expenditures resulting from the use of illegal drugs in Cook County for 1997. The expenditures identified in this report were made by federal, state, and local agencies. These estimates are divided between expenditures on treatment and prevention programs, and expenditures in the criminal justice system. The latter are primarily on enforcement, prosecution, and corrections for crimes that are either the result of direct violations of state, federal, and local drug and drug trafficking laws or the committing of violent and property crimes that are caused or motivated by illegal drug use. Moreover, the distribution of criminal justice expenditures among government agencies varies widely between the enforcement, prosecution, and corrections functions. Nevertheless, what is altogether clear from the present study is that illegal drug use has significant direct and indirect financial consequences on how government agencies allocate their scarce resources.

In 1997, these expenditures amounted to just under \$1.2 billion. Just over \$976 million, representing over 80 percent of the total, were incurred by various criminal justice agencies of the federal, state, and local governments. \$200 million was spent on drug treatment and drug use prevention and awareness. Of this amount, \$160.5 million, or 13.7 percent of the total, went for drug treatment, mostly in the form of Medicaid and Medicare expenditures to hospitals for drug treatment and grants

from the federal government to community-based drug treatment agencies operating in Cook County. \$35.2 million, or 3 percent of the total, went to prevention and drug awareness programs, including grants from the Departments of Health and Human Services, Education, and Housing and Urban Development.

The distribution of these expenditures varied widely between federal, state, and local government agencies. Almost two-thirds of the estimated expenditures on treatment were incurred at the federal level, mostly in the form of grants from federal agencies to local drug treatment agencies. Most of the remaining expenditures were provided by the State of Illinois as matching funds to drug treatment agencies operating in Cook County. Virtually all of the expenditures on prevention and awareness were made at the federal level.

Turning to the estimated expenditures in the criminal justice system, over one-half of enforcement expenditures were made by local government agencies, mostly by the Chicago Police Department and other municipal police departments operating within Cook County. Over 90 percent of the expenditures on prosecution occurred at the local level, mostly by Cook County prosecution agencies. Nearly two-thirds of the estimated expenditures on corrections were made by the State of Illinois Department of Corrections. Expenditures by Cook County Corrections accounted for nearly one-third of total corrections expenditures.

## Summary of Direct Public Expenditures

Public expenditures resulting from illegal substance abuse in Cook County were just under \$1.2 billion in 1997.

- ▶ Just over \$976 million was incurred by various criminal justice agencies of the federal, state, and local governments.

Expenditures on drug enforcement were \$561 million, which was spent mostly by the Chicago Police Department and other municipal police departments operating within Cook County. Prosecution expenditures amounted to \$53.7 million, spent largely by Cook County prosecution agencies. An additional \$361.5 million was spent on corrections, mostly by the State of Illinois Department of Corrections and Cook County Corrections.

- ▶ \$200 million was spent on drug treat-

ment and drug use prevention and awareness. Of this amount, \$160.5 million or 13.7 percent went for drug treatment, mostly in the form of Medicaid and Medicare expenditures to hospitals for drug treatment and grants from the federal government to community-based drug treatment agencies operating in Cook County.

- ▶ \$35.2 million or 3 percent, went to prevention and drug awareness programs, including grants from the Departments of Health and Human Services, Education, and Housing and Urban Development.

Table 1 summarizes expenditures on these programs. These estimates are restricted to direct expenditures on the activities listed in Table 1. They do not include indirect costs resulting from illegal substance abuse.

**TABLE 1 DIRECT PUBLIC EXPENDITURES ON  
SUBSTANCE ABUSE IN COOK COUNTY, 1997**

Category	Expenditures	% of Total
Treatment	\$160,500,00	13.7
Prevention and Awareness	\$35,200,000	3.0
Criminal Justice	\$976,100,000	83.3
Enforcement	\$561,000,000	47.9
Prosecution	\$53,700,000	4.6
Corrections	\$361,500,000	30.8
<b>Total Expenditures</b>	<b>\$1,171,900,000</b>	<b>100.0</b>

## Distribution of Expenditures Across Levels of Government

Another perspective on substance abuse expenditures can be gained by considering how these expenditures are divided between federal, state, and local agencies and organizations.

As indicated in the first two columns of Table 2, most drug treatment expenditures were incurred at the federal and state levels, reflecting the matching of state Medicaid expenditures by the federal government. These expenditures differ by an additional \$1.2 million spent by the Illinois Department of Corrections on drug treatment programs for Cook County detainees. A substantial percentage of drug prevention expenditures is incurred by federal agencies, which accounted for \$33.9 million, mostly in the form of federal grants to state and local agencies.

Turning to criminal justice expenditures, most of the enforcement expenditures were incurred locally by the Chicago Police Department and other municipal police departments operating within Cook County. Together, these agencies spent over \$308 million, or

nearly 55 percent of all drug and drug-related enforcement expenditures in Cook County. Federal agencies spent an additional \$167 million, while state agencies spent nearly \$86 million on drug and drug-related enforcement activities. The Illinois State Police and the Illinois Criminal Justice Information Authority incurred most of the State of Illinois enforcement expenditures. U.S. Department of Justice agencies, including the Drug Enforcement Administration, the Federal Bureau of Investigation, and the U.S. Marshals Service incurred most federal enforcement expenditures. Corrections expenditures are borne largely by the State of Illinois Department of Corrections, and virtually all of these expenditures involve inmates detained in state penitentiaries convicted of drug and drug-related crimes that occurred in Cook County. The Cook County Sheriff and courts made up most of the expenditures on prosecuting drug and drug-related crimes. The remaining prosecution expenditures are incurred by federal and state agencies.

**TABLE 2 1997 DISTRIBUTION OF COOK COUNTY EXPENDITURES**

<b>Category</b>	<b>Federal</b>	<b>State</b>	<b>Local</b>	<b>Total</b>
Treatment (percent of total)	\$95,900,000 59.7%	\$63,500,000 39.5%	\$1,200,000 0.7%	\$160,500,000 100.0%
Prevention/Awareness (percent of total)	\$33,900,000 96.1%	\$800,000 2.3%	\$600,000 1.6%	\$35,200,000 100.0%
Enforcement (percent of total)	\$167,100,000 29.8%	\$85,500,000 15.2%	\$308,300,000 55.0%	\$561,000,000 100.0%
Prosecution (percent of total)	\$4,300,000 7.9%	\$500,000 1.0%	\$48,900,000 91.1%	\$53,700,000 100.0%
Corrections (percent of total)	\$44,300,000 12.3%	\$225,800,000 62.5%	\$91,400,000 25.3%	\$361,500,000 100.0%
<b>Total (percent of total)</b>	<b>\$345,400,000 29.5%</b>	<b>\$376,000,000 32.1%</b>	<b>\$450,400,000 38.4%</b>	<b>\$1,171,900,000 100.0%</b>

## Expenditures on Treatment

In 1997, drug treatment expenditures in Cook County amounted to \$160.5 million. These expenditures are summarized in Table 3.

- ▶ The largest portion of treatment expenditures occurred in the 63 general acute care hospitals operating in Chicago and Cook County. Medicaid and Medicare expenditures for drug treatment at these facilities amounted to \$71.7 million in 1997.
- ▶ Additional drug treatment is provided in Veterans Administration (VA) hospitals. It is estimated that \$16.3 million was spent at VA facilities located in Cook County in 1997.
- ▶ An additional \$69.7 million in drug treatment grants to community-based providers was funded primarily through the Department of Human Services (DHS) substance abuse treatment block grant fund, State of Illinois general revenue funds, and from the Health Care Finance Administrations (HCFA) Medicaid program.
- ▶ The drug treatment program at Cermak Health Services, which treats individuals awaiting sentencing in the

Cook County correctional system, cost \$1.2 million in 1997.

- ▶ Finally, it is estimated that expenditures on drug treatment programs administered in State Department of Corrections facilities for Cook County detainees totaled \$1.1 million in 1997.

### Treatment Expenditures in the Hospital and VA Systems

The publicly financed drug treatment expenditures in the hospital and VA systems represent a large portion of the total treatment dollars. The \$71.7 million of Medicaid and Medicare dollars to the general acute care hospitals in Cook County reflect inpatient care where drug use or abuse was the primary, secondary, or tertiary diagnosis. This data is based on charges. In an attempt to better quantify true costs, the charge data was adjusted by a state level cost-to-charge ratio representing all discharges (not only those related to drug abuse). No adjustment was made where drug abuse was the secondary or tertiary diagnosis. That is, 100 percent of charges were included regardless of diagnosis

**TABLE 3 PUBLIC TREATMENT EXPENDITURES ON SUBSTANCE ABUSE IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Medicaid to Cook County Hospitals	\$55,000,000	34.3%
Medicare to Cook County Hospitals	\$16,700,000	10.4%
Veterans Administration (VA)	\$16,300,000	10.1%
Drug Treatment Grants	\$69,700,000	43.4%
Community Development Block Grants	\$500,000	0.3%
Cermak Health Services	\$1,200,000	0.7%
Illinois Department of Corrections Programs	\$1,100,000	0.7%
<b>Total</b>	<b>\$160,500,000</b>	<b>100.0%</b>

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level. Expenditures at specialty psychiatric hospitals in Cook County are not included.

The VA expenditures of \$16.3 million reflect both inpatient and outpatient care with drug use or abuse as the primary or associated diagnosis. Obtaining local level VA expenditures proved to be difficult. This estimate is based on the national estimate reported by the Office of National Drug Control Policy (ONDCP) in their 1998 strategy report. The national figure was adjusted to reflect Cook County by applying the ratio of the Cook County civilian veterans population to the national civilian veterans population.

### **Treatment Expenditures in the Community-Based Treatment System**

A significant amount of drug treatment services in Cook County are provided by community-based treatment providers that are the recipients of substance abuse treatment block grant and Medicaid funds. Collectively, these providers offer treatment modalities that include detoxification, outpatient, inpatient, residential, and after-care. In many cases, available treatment modalities will depend on treatment options proscribed by the funding agency. For example, Medicaid-reimbursed treatments are limited to the following modalities: outpatient individual and group, intensive outpatient, residential youth, adult and youth day treatment, and psychiatric evaluations. State general revenue funds cover certain other expenses, including room and board, longer term treatment, case management services, and opioid maintenance therapy (methadone).

The treatment grants come from the U.S. Department of Health and Human Services Substance Abuse Prevention and Treatment Block Grant Program. The grant funds are dispersed to community-based treatment providers through the State of Illinois Department of Human Services, Office of Alcoholism and Substance Abuse (OASA). The substance abuse treatment block grant program, administered by the U.S. Department of Health and Human Services, Center for Substance Abuse Treatment (CSAT), is one of the primary tools the Federal Government uses to finance drug treatment programs through the United States and its territories. In 1997, treatment block grants and Medicaid-reimbursed outlays for substance abuse providers operating in Cook County totaled \$69.7 million. Of this total, \$57.7 million went to treatment providers operating in the City of Chicago.

### **Community-Based Treatment Expenditures by Modality**

It is estimated that the \$69.7 million was distributed across the various treatment modalities as shown in Table 4 below. Using information on statewide expenditures on drug treatment provided by the State of Illinois Department of Human Services Plan (State of Illinois, DHS, 1997 Oct.), it was estimated how the \$69.7 million in drug treatment expenditures were distributed across the different treatment modalities. According to this study's estimates, treatment expenditures were divided almost equally between residential and non-residential treatment in 1997. Twenty three million dollars were spent on residential

rehabilitation. An additional \$7 million was spent on detoxification, and \$3.2 million was spent on residential aftercare. A total of \$18.9 million, or just over 27 percent of estimated drug treat-

ment expenditures, was spent on outpatient care. The remaining non-residential treatment expenditures were divided among outpatient group, intensive outpatient, and case management.

**TABLE 4 COMMUNITY-BASED TREATMENT EXPENDITURES, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Residential Treatment</b>		
Residential Rehabilitation	\$23,000,00	33.1%
Detoxification	\$7,000,000	10.0%
Residential Aftercare	\$3,200,000	4.6%
<b>Total Residential Treatment</b>	<b>\$33,200,000</b>	<b>47.6%</b>
<b>Non-Residential Treatment</b>		
Outpatient	\$18,900,000	27.1%
Outpatient Group	\$8,300,000	11.9%
Intensive Outpatient	\$3,200,000	4.6%
Case Management	\$6,100,000	8.7%
<b>Total Non-Residential Treatment</b>	<b>\$36,500,000</b>	<b>52.4%</b>
<b>Total</b>	<b>\$69,700,000</b>	<b>100.0%</b>

## Expenditures on Prevention and Awareness

In 1997, drug prevention and awareness expenditures totaled \$35.2 million. Most of these expenditures came in the form of grants from federal agencies to local governments, organizations, and agencies. The largest single block of expenditures came in the form of prevention block grants from the Department of Health and Human Services administered through the State of Illinois Department of Human Services, Office of Alcoholism and Substance Abuse, Office of Community Health and Prevention. Additional drug prevention grants came from the Department of Education, Housing and Urban Development, the Department of Justice, and the Corporation for National Service.

Grant allocations to Cook County for 1997 are summarized in Table 5.

The largest portion of prevention grant funding comes from the same block grant program that funds treatment services, the U.S. Department of Health and Human Services Substance Abuse Prevention and Treatment Block Grant Program. In 1997, block grants to Cook County programs totaled \$17.4 million.

The Department of Housing and Urban Development offers the Public Housing Drug Elimination Grants Program. This program provides grants to public housing agencies for anti-drug and anti-crime efforts. In Cook County, the primary recipient of these funds is

**TABLE 5 PUBLIC PREVENTION EXPENDITURES ON SUBSTANCE ABUSE  
IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
OASA Prevention Block Grants	\$17,400,000	49.4%
HUD Drug Elimination Grant Program	\$9,100,000	25.7%
Chicago Housing Authority Straight Up Program	\$400,000	1.2%
Safe and Drug-Free Schools	\$7,000,000	19.8%
DARE Program	\$800,000	2.3%
City of Chicago Programs	\$600,000	1.6%
<b>Total</b>	<b>\$35,200,000</b>	<b>100.0%</b>

the Chicago Housing Authority. These funds are used in public housing to increase police coverage and security, and provide alternative crime prevention strategies for residents. Eligible activities include reimbursing local law enforcement for additional services; security contracts; investigators; training residents for volunteer resident patrols; physical improvements to enhance security; and drug prevention, intervention and treatment programs. In 1997, \$9.1 million was awarded to the Chicago Housing Authority through this program.

The Chicago Housing Authority also received \$406,237 to support the Straight Up Program. Of this total, \$304,675 was funded by the Anti-Drug Abuse Act (Byrne) grant and the remaining \$101,562 was matched by the Illinois Criminal Justice Information Authority.

The U.S. Department of Education provides prevention grant funds through the Safe and Drug Free Schools program. This program allocates funds to individual school districts in Cook County to be used for a combination of drug awareness and prevention programs, gang violence programs, and violent crime prevention programs. This program allocates funds to each school dis-

trict according to a per-pupil formula. The drug and violence prevention programs under this program include developing instructional material, providing counseling, and professional development programs for school personnel, students, law enforcement officials, judicial officials, or community leaders. It funds other activities including conflict resolution, peer mediation, and mentoring programs, implementing character education programs and community service projects, establishing safe zones of passage, and acquiring and installing metal detectors and hiring security personnel. In 1997, Cook County school districts received a total of \$7 million. Of this amount, the City of Chicago school district received \$4.5 million.

One of the more widely known drug prevention programs is the Drug Abuse Resistance Education (DARE) program which is a comprehensive drug and violence prevention educational program geared to students between kindergarten and twelfth grade. This program is coordinated at the national level by DARE America, but is administered at the local level through schools and local law enforcement agencies. In Illinois, the Illinois State Police play a leading role in conducting DARE programs. How-

ever, DARE courses are often taught by local law enforcement agencies. It is estimated that DARE programs in Cook County were funded at \$817,458. The Chicago office of the Drug Enforcement Administration has a Demand Reduction Coordinator who is involved in the DARE program. Funding for the Demand Reduction Coordinator activities are approximately \$40,000 annually. These funds are used primarily for three purposes: (1) in-service training to school

districts, including drug awareness and prevention and drug pharmacology; (2) work with DARE program instructors; and (3) work with community coalitions including the Illinois Drug Education Alliance.

Finally, the City of Chicago spent \$600,000 on drug prevention and awareness, including support for the Mayor's Office of Substance Abuse, which coordinates drug prevention and awareness activities for the city.

## Expenditures on Criminal Justice: Enforcement, Prosecution and Corrections

In 1997, expenditures in the criminal justice system for drug and drug-related crimes originating in Cook County totaled \$976.1 million. This includes enforcement expenditures of \$561 million by federal, state, and local law enforcement agencies. Prosecution expenditures incurred largely by the Cook County court system totaled \$53.7 million.

Corrections expenditures of \$361.5 million were incurred by the Cook County and State of Illinois Departments of Corrections. Taken together, these expenditures represent about 83 percent of total expenditures on illegal drug abuse in Cook County. These expenditures are summarized in Table 6.

**TABLE 6 CRIMINAL JUSTICE EXPENDITURES ON SUBSTANCE ABUSE IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Enforcement	\$561,000,00	57.5%
Prosecution	\$53,700,00	5.5%
Corrections	\$361,500,00	37.0%
<b>Total</b>	<b>\$976,100,00</b>	<b>100.0%</b>

## Enforcement

Enforcement expenditures by federal, state, and local agencies totaled \$561 million in 1997. These include expenditures from federal agencies in the Departments of Justice and Treasury, grants from the Department of Transportation and the Department of Justice administered through the Illinois Criminal Justice Information Authority, and enforcement activities by the Illinois State Police, the Chicago Police Department, and other municipal police departments operating in Cook County. The enforcement function includes monitoring, conducting investigations, making arrests, and processing suspects into the criminal justice system.

The largest enforcement agency in Cook County is the Chicago Police Department, whose 16,651 employees account for just under half of the sworn officers employed by municipalities in the State of Illinois. In addition to the Chicago

Police Department and the various municipal police departments operating in Cook County, enforcement activities are also carried out by the Cook County Sheriff's Police Department. The Illinois State Police operate in Cook County and interact with municipal and county police departments. Law enforcement activities in Cook County are also carried out by numerous federal agencies, including the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Customs Service, the Internal Revenue Service, and the U.S. Postal Service. Many of the enforcement activities that cross jurisdictions are coordinated by the Chicago High Intensity Drug Trafficking Area (HIDTA). The Cook County Metropolitan Enforcement Group and the Weed and Seed programs that operate in Cook County also conduct coordinating activities in Cook County. These expenditures are summarized in Table 7 below.

**TABLE 7 ENFORCEMENT EXPENDITURES ON SUBSTANCE ABUSE  
IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Chicago Police Department	\$226,000,000	40.3%
Other Municipal Police Departments	\$72,300,000	12.9%
State of Illinois	\$85,500,000	15.2%
Cook County	\$10,100,000	1.8%
Federal Agencies	\$162,900,000	29.0%
Chicago HIDTA	\$4,200,000	0.7%
<b>Total</b>	<b>\$561,000,000</b>	<b>100.0%</b>

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*Chicago Police Department and  
Other Cook County Municipal  
Police Departments*

Of the 64,519 drug arrests that were made in Cook County in 1997, the Chicago Police Department accounted for 54,534, or nearly 85 percent. These arrests were made by the Bureaus of Operational Services and Investigative Services, two of the five bureaus that make up the Chicago Police Department. The Bureau of Operational Services includes the Patrol Division, which represents the uniformed officers on the beat that make on-the-spot arrests, answer emergency calls and provide back-up to other divisions and bureaus. The Bureau of Investigative Services is divided into

outh, Detective, and Organized Crime Divisions. The Narcotics Section, which conducts drug investigations, is contained in the Organized Crime Division. It is estimated that enforcement expenditures attributable to illegal substance abuse totaled \$226 million, which includes the \$11.2 million budgeted for the narcotics division. In addition, municipal police department expenditures on drug enforcement amounted to \$72.3 million in 1997.

Included in the expenditure totals for the Chicago Police Department are various grants from the State of Illinois and the federal government. The Chicago Police Department received \$609,008 to support the Chicago Mid-level Drug Trafficking Task Force. Of this total, \$456,756 was funded by the Anti-Drug

Abuse Act (Byrne) grant and the remaining \$152,252 was matched by the Illinois Criminal Justice Information Authority. The Chicago Police Department also received \$333,333 to support the Chicago Police Department/CAPS Training. Of this total, \$250,000 was funded by the Anti-Drug Abuse Act (Byrne) grant and the remaining \$83,333 was matched by the Illinois Criminal Justice Information Authority. The Chicago Police Department received \$18.4 million of local Law Enforcement Block Grant money from the United States Department of Justice. Of this total, it is estimated that \$7.1 million was used for anti-drug activities. Finally, asset forfeiture grant monies totaling \$7 million was received by the State of Illinois and the United States Department of the Treasury. It is estimated that \$2.7 million was used for local anti-drug activities.

*State of Illinois Drug Enforcement  
Expenditures*

State of Illinois drug enforcement activities are carried out principally by the Illinois Criminal Justice Information Authority (ICJIA) and the Illinois State Police. The ICJIA was created in 1983 to improve the administration of criminal justice in the State of Illinois. The ICJIA works with federal, state, and local law enforcement agencies and administers many of the Department of Justice law enforcement block grants that are awarded to agencies in Illinois. The ICJIA

conducts other tasks including the maintenance of computerized information systems for police and correctional agencies, conducting quality assurance on state criminal history record information, conducting research on issues facing the criminal justice system, and developing and implementing strategies for drug and violent crime law enforcement. The ICJIA also serves in an advisory capacity to the governor and General Assembly on justice policies and legislation.

It is estimated that \$18.4 million was spent by the ICJIA in 1997 to enforce drug laws in Cook County. The ICJIA granted \$558,000 to the Cook County Metropolitan Enforcement Group (MEG), which is a cooperative effort between the different local law enforcement agencies to help coordinate law enforcement activities. ICJIA also provided \$1,028,000 to the Multijurisdictional Drug Prosecutor. In addition, the Illinois State Police runs the Drugfire system. Drugfire, which is part of the Illinois State Police's Forensic Science Center,

links spent cartridges to weapons used in the commission of crimes. In 1997, \$661,045 was spent statewide on this program of which \$495,784 came from the Department of Justice's Anti-Drug Abuse Act (Byrne Grant) with the remaining \$165,251 matched by the ICJIA. Of this amount, \$148,911 was allocated to Cook County drug and drug-related crimes. These expenditures are summarized in Table 8.

*Cook County Drug Enforcement Expenditures*

Enforcement expenditures by Cook County are summarized in Table 9. In 1997, it is estimated that Cook County spent \$10.1 million on drug enforcement. Nearly 75 percent, or \$7.6 million was spent by Cook County Sheriff's Police Department, Sheriff's Administrative and Support Services, and Sheriff's Custodian. An additional \$1.5 million was spent by various grant programs including the Chicago HIDTA and the COPS Ahead Program Grant.

**TABLE 8 STATE OF ILLINOIS DRUG ENFORCEMENT EXPENDITURE IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Illinois Criminal Justice Information Authority</b>	<b>\$18,400,000</b>	<b>21.6%</b>
Grants to Cook County MEG	\$600,000	0.7%
Multijurisdictional Drug Prosecutor	\$1,000,000	1.2%
<b>Illinois State Police</b>	<b>\$65,300,000</b>	<b>76.4%</b>
Drugfire	\$100,000	0.2%
<b>Total State of Illinois Enforcement Expenditures</b>	<b>\$85,500,000</b>	<b>100.0%</b>

**TABLE 9 COOK COUNTY DRUG ENFORCEMENT EXPENDITURES, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Office of the Sheriff</b>	<b>\$860,000</b>	<b>8.5%</b>
Sheriff s/COPS Ahead Program Grant	\$110,000	1.1%
Sheriff s/Chicago Empowerment HIDTA Grant	\$1,230,000	12.1%
Sheriff s/South Suburban Anti-Drug Initiative Grant	\$80,000	0.8%
Sheriff s/Substance Abuse Primary Prevention Grant	\$70,000	0.7%
Sheriff s Police Department	\$2,470,000	24.4%
Sheriff s Administrative and Support Services	\$2,020,000	20.1%
Sheriff s Custodian	\$3,080,000	30.5%
Sheriff s Merit Board	\$180,000	1.8%
<b>Total Cook County Enforcement Expenditures</b>	<b>\$10,100,000</b>	<b>100.0%</b>

*Federal Drug Enforcement*

Most federal drug enforcement activities are carried out by the United States Department of Justice. The Drug Enforcement Administration (DEA) is the lead agency for enforcing federal drug laws and regulations. The DEA investigates major narcotics violators who operate on interstate and international levels. It also seizes and forfeits assets associated with illicit drug trafficking, enforces regulations governing the legal manufacture and distribution of controlled substances, manages the national narcotics intelligence system, and conducts training and research. The Federal Bureau of Investigation (FBI) is charged with gathering evidence and locating witnesses in cases under federal jurisdiction. The FBI's priorities are organized crime (including drug trafficking), violent crime, terrorism, foreign counter-intelligence, and white-collar crime. The FBI also provides fingerprinting and other services to state and local crime enforcement agencies. The U.S. Marshals Service provides support and protection

to the federal courts, apprehends federal fugitives and maintains custody of and transports federal prisoners. It also seizes, manages, and sells property that is forfeited to the government by drug traffickers and other criminals. The U.S. Immigration and Naturalization Service (INS) controls entry into the United States by aliens, maintains information on alien status, and facilitates certification of citizenship. The INS also apprehends and departs those aliens who enter the country illegally, who commit certain serious crimes in this country or whose authorized stay in this country has expired.

Additional drug enforcement activities are carried out by agencies of the United States Department of the Treasury. The Bureau of Alcohol, Tobacco, and Firearms (ATF) enforces and administers federal firearms and explosives laws, as well as laws governing the production, taxation, and distribution of alcohol products. Agents of the AFT suppress the illegal trafficking, possession, and use of firearms and explosives, investi-

gate arson-for-profit schemes, and assist federal, state, and local agencies in reducing crime and violence. The U.S. Customs Service interdicts and seizes contraband, such as exports and imports of illegal drugs and high-technology weapons. Customs also cooperates with other federal agencies and foreign governments to suppress illegal narcotics and pornography. The Internal Revenue Service (IRS) administers and enforces matters of civil and criminal violations of tax laws.

Expenditures by these and other federal agencies in Cook County on drug enforcement are estimated to be \$162.9 million in 1997 and are summarized in Table 10.

*Chicago HIDTA*

The Chicago High Intensity Drug Trafficking Area (HIDTA) coordinates activities between all of these agencies. Designated in 1995, the Chicago HIDTA

addresses the disruption and dismantling of major illicit drug trafficking organizations as well as the accompanying violence, crime and socioeconomic decay associated with illegal drugs. The Chicago effort focuses on improving information and intelligence sharing, coordination, interdiction and disruption of the drug trade affecting Cook County. Cocaine, heroin, club drugs and marijuana are the primary illicit drug threats and are readily available throughout the area. The original mission of the Chicago HIDTA was to attack the upper echelon of the Gangster Disciples, the largest and most powerful street gang in the area controlling large amounts of cocaine, crack-cocaine, and heroin. The Chicago HIDTA includes the participation of many federal, state, and local law enforcement and other agencies. The budget for the Chicago HIDTA in 1997 was \$4,200,000.

**TABLE 10 ► FEDERAL AGENCY DRUG ENFORCEMENT EXPENDITURES  
IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Drug Enforcement Administration	\$22,700,000	13.9%
Federal Bureau of Investigation	\$17,200,000	10.6%
Office of Justice Programs	\$17,800,000	10.9%
Community Policing	\$8,900,000	5.5%
Immigration and Naturalization Service	\$7,000,000	4.3%
Assets Forfeiture Fund	\$8,500,000	5.2%
Interagency Crime and Drug Enforcement	\$7,700,000	4.7%
U.S. Marshals Service	\$5,700,000	3.5%
U.S. Customs Service	\$28,100,000	17.3%
Bureau of Alcohol, Tobacco, and Firearms	\$11,300,000	6.9%
Treasury Forfeiture Fund	\$6,900,000	4.2%
Other Federal Agencies and Programs	\$21,300,000	13.0%
<b>Total Federal Enforcement Expenditures</b>	<b>\$162,900,000</b>	<b>100.0%</b>

## Prosecution

In 1997, expenditures on prosecution totaled \$53.7 million. These expenditures were incurred mostly by the Cook County court system and included expenditures by the legal representation, judicial support, and administrative functions of the court (Table 11).

### *Cook County Prosecution Activities*

The legal representation function of the Cook County court system includes the activities of the State's Attorney and the Public Defender, which together spent \$12.4 million on prosecuting and defending drug abuse and drug-related cases. The State's Attorney receives all criminal case filings and must decide whether sufficient evidence exists to proceed with prosecution. Most drug cases in Chicago are prosecuted by the State's Attorney, but cases having state-wide jurisdiction are often handed over to the Illinois Attorney General for prosecution. In 1997, the Cook County State's Attorney spent \$5.7 million on drug prosecution. The Cook County State's Attorney Office also received \$1.4 million for multijurisdictional drug prosecution. Of this total, \$998,430 came from the Anti-Drug Abuse Act (Byrne) grant and an additional \$332,810 was matched by the Illinois Criminal Justice Information Authority.

The Cook County Public Defender provides legal services to individuals being tried in drug cases. In 1997, the Cook County Public Defender spent \$5.2 million, which includes an appropriation of \$741,224 for the Evening Narcotics Court.

Judicial Support in the Cook County Courts includes agencies responsible for providing services to complement the judiciary, including the Office of the Chief Judge, Adult and Juvenile Probation, Forensic Clinical Services, the Judiciary, and the Judicial Advisory Council. In 1997, Cook County agencies providing the judicial support function expended \$21.2 million on drug and drug-related cases. Drug and drug-related cases resulted in Adult Probation spending \$18.6 million in 1997. The remaining \$2.6 million was expended by the remaining judicial support agencies. The Clerk of the Circuit Court expended \$12.1 million on drug and drug-related cases. Finally, an additional \$3.2 million was spent by the Chief Coordinator, the Jury Commissioners, and the Sheriff Court Services Division (Table 12).

### *State and Federal Prosecution Expenditures*

State and federal agencies spent a combined \$4.8 million on prosecution activities for drug and drug-related crimes in 1997. Nearly three-fourths, or

**TABLE 11 PROSECUTION EXPENDITURES ON SUBSTANCE ABUSE IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Cook County	\$48,900,000	91.1%
State of Illinois	\$500,000	1.0%
Federal Agencies	\$4,300,000	7.9%
<b>Total Prosecution Expenditures</b>	<b>\$53,700,000</b>	<b>100.0%</b>

\$3.5 million, was spent by the U.S. Attorney's Office prosecuting federal drug

crimes originating in Cook County (Table 13).

**TABLE 12 COOK COUNTY DRUG ABUSE PROSECUTION EXPENDITURES, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Legal Representation</b>		
State's Attorney	\$5,770,000	11.8%
State's Attorney Multi-Jurisdictional Drug Prosecution Grant	\$1,430,000	2.9%
Public Defender	\$5,200,000	10.6%
<b>Judicial Support</b>		
Adult Probation	\$18,610,000	38.1%
Juvenile Probation	0	0.0%
Judiciary	\$630,000	1.3%
Forensic Clinical Services	\$870,000	1.8%
Chief Judge	\$290,000	0.6%
Chief Judge Juvenile Drug Treatment Program Grant	\$300,000	0.6%
Chief Judge/Gang Violence Reduction in Urban Areas Grant	\$10,000	0.0%
Judicial Advisory Council	\$460,000	0.9%
<b>Clerk of the Circuit Court</b>		
Office of the Clerk	\$40,000	0.1%
Accounting	\$50,000	0.1%
Human Resources	\$30,000	0.1%
Administrative Services	\$50,000	0.1%
Criminal Bureau		
Night Narcotics Court	\$480,000	1.0%
Other	\$370,000	0.8%
Municipal District Courts	\$11,070,000	22.6%
<b>Other</b>		
Chief Coordinator	\$30,000	0.1%
Jury Commissioners	\$3,170,000	6.5%
Sheriff Court Services Division	\$50,000	0.1%
<b>Total Cook County Prosecution Expenditures</b>	<b>\$48,900,000</b>	<b>100.0%</b>

**TABLE 13 STATE AND FEDERAL DRUG PROSECUTION EXPENDITURES, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Office of the State's Attorney Appellate Prosecutor</b>		
Narcotics Profit Forfeiture Fund	\$234,000	4.9
Federally Assisted Programs to Assist Local State Attorneys in Drug Related Cases	\$284,000	5.9
<b>Other</b>		
U.S. Attorneys	\$3,536,000	73.9
Criminal Division	\$556,000	11.6
INTERPO	\$17,000	0.4
Tax Division	\$6,000	0.1
Seed and Seed Program Fund	\$150,000	3.1
<b>Total State and Federal Prosecution Expenditures</b>	<b>\$4,783,000</b>	<b>100.0</b>

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## Corrections

In 1997, expenditures on correction totaled \$361.5 million. Over 87 percent of these expenditures were incurred by Cook County and State of Illinois correctional agencies. Table 14 summarizes the estimated drug and drug-related expenditures by these two correctional agencies and federal agencies.

### *Cook County Corrections*

In 1997, expenditures by Cook County corrections attributable to illegal

drugs are estimated to be \$91.4 million and are summarized in Table 15.

### *State and Federal Corrections Expenditures*

In 1997, expenditures by State of Illinois Department of Corrections attributable to illegal drugs in Cook County are estimated to be \$225.8 million. In 1997, expenditures by the U.S. Bureau of Prisons attributable to illegal drugs in Cook County are estimated to be \$44.3 million, divided between the Bureau of Prisons and Federal Prisoner Detention.

**TABLE 14 CORRECTIONS EXPENDITURES ON SUBSTANCE ABUSE  
IN COOK COUNTY, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
Cook County	\$91,400,000	25.3
State of Illinois	\$225,800,000	62.5
Federal Agencies	\$44,300,000	12.3
<b>Total Corrections Expenditures</b>	<b>\$361,500,000</b>	<b>100.0</b>

**TABLE 15 COOK COUNTY CORRECTIONAL EXPENDITURES  
ATTRIBUTABLE TO SUBSTANCE ABUSE, 1997**

<b>Category</b>	<b>Expenditures</b>	<b>% of Total</b>
<b>Office of the Sheriff</b>	<b>\$3,000,000</b>	<b>3.2%</b>
Impact Incarceration	\$12,500,000	13.7%
Community Services and Intervention	\$75,900,000	83.0%
<b>Total Cook County Corrections Expenditures</b>	<b>\$91,400,000</b>	<b>100.0%</b>

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## Additional Indirect Costs of Substance Abuse

This study focuses primarily on estimates of direct expenditures by federal, state, and local governments on substance abuse in Cook County. However, these expenditures tell only part of the story. Illegal drugs impose other costs on society that have not been estimated directly in this report. Such indirect costs include, but are not limited to, lost productivity resulting from substance abuse, costs to victims of drug and drug-related crimes, and costs from premature deaths attributable to substance abuse. Two recent studies estimate many of the indirect costs attributable to substance abuse.

*The Economic Costs of Alcohol and Drug Abuse in the United States 1992* published in 1998 by the National Institute on Drug Abuse (NIDA) and the National Institute on Alcohol Abuse and Addiction (NIAAA) estimates the costs of alcohol and illegal drug abuse for the nation as a whole. The NIDA estimates include many of the indirect costs not included in the present study. The NIDA estimates the total cost to the United States resulting from illegal drug use to be \$98 billion in 1992. Of this total, \$9.9 billion was spent on health care, including \$4.4 billion for drug treatment services. Additional costs for the treatment of health problems attributable to drug abuse (e.g., HIV infection) amounted to \$5.5 billion. The NIDA study attributed an additional \$14.6 billion in costs to 25,500 premature deaths from drug abuse. An additional \$14.2 billion was attributed to lost productivity and an ad-

ditional \$58.6 billion was attributed to crime.

The NIDA indirect estimates can be integrated with this study's estimates to develop a composite indirect costs estimate for Cook County. This can be done by taking the estimated federal, state, and local expenditures from the present study and adding them to those estimates reported in NIDA but not included in the present study.

To complete this comparison, two adjustments to the NIDA national estimates were made. The first was to translate United States total expenditure estimates to Cook County estimates. The second was to adjust the NIDA 1992 estimates to Cook County 1997 estimates. The first adjustment required two steps. First, the NIDA estimates for health care expenditures and productivity effects (lost earnings) were multiplied by the percentage of the U.S. population residing in Cook County in 1992. Second, the NIDA crime and social welfare administration expenditure estimates were multiplied by the percentage of U.S. drug arrests that occurred in Cook County in 1992. The second adjustment was to convert all estimates from 1992 to 1997 dollars to reflect the effects of inflation that occurred between these years. This yields total costs of \$4.75 billion, of which \$3.6 billion represent those factors estimated by NIDA but not estimated in the present study. Table 16 compares the estimates of the present study and those from the NIDA study.



**TABLE 16 A COMPARISON BETWEEN THE NIDA AND IMA  
ESTIMATED COSTS OF ILLEGAL SUBSTANCE ABUSE**

	<b>NIDA National 1992 \$</b>	<b>Cook County 1997 \$</b>	<b>IMA 1997 \$</b>
<b>Health Care Expenditures</b>			
Drug Abuse Services	\$4.4 billion	\$101,100,000	\$195,700,000
Medical Consequences	\$5.531 billion	\$127,100,000	\$127,100,000
<b>Total Health Care Expenditures</b>	<b>\$9.931 billion</b>	<b>\$228,200,000</b>	<b>\$322,800,000</b>
<b>Productivity Effects (lost Earnings)</b>			
Premature Death	\$14.575 billion	\$715,500,000	\$715,500,000
Impaired Productivity	\$14.205 billion	\$697,300,000	\$697,300,000
Institutionalized Populations	\$1.477 billion	\$72,500,000	\$72,500,000
Incarceration	\$17.907 billion	\$879,100,000	\$879,100,000
Crime Careers	\$19.198 billion	\$942,500,000	\$942,500,000
Victims of Crime	\$2.059 billion	\$101,100,000	\$101,100,000
<b>Total Productivity Effects</b>	<b>\$69.421 billion</b>	<b>\$3.408 billion</b>	<b>\$3.408 billion</b>
<b>Crime</b>			
Police Protection	\$4.644 billion	\$228,000,000	\$417,000,000
Legal and Adjudication	\$1.210 billion	\$59,400,000	\$53,700,000
State and Federal Correction	\$6.693 billion	\$328,600,000	\$270,100,000
Local Correction	\$1.191 billion	\$58,500,000	\$91,400,000
Property Damage	\$193,000,000	\$9,500,000	\$9,500,000
Federal Drug Traffic Control	\$3.691 billion	\$181,200,000	\$144,000,000
Private Legal Defense	\$348,000,000	\$17,100,000	\$17,100,000
<b>Total Direct Crime Costs</b>	<b>\$17.970 billion</b>	<b>\$882,200,000</b>	<b>1.003 billion</b>
<b>Other Effects on Society</b>			
Social Welfare Administration	\$337,000,000	\$16,500,000	\$16,500,000
<b>Total Other Effects</b>	<b>\$337,000,000</b>	<b>\$16,500,000</b>	<b>\$16,500,000</b>
<b>Grand Total</b>	<b>\$97.659 billion</b>	<b>\$4.535 billion</b>	<b>\$4.750 billion</b>
<b>IMA Estimate</b>			<b>\$1.172 billion</b>
<b>NIDA Additional</b>			<b>\$3.578 billion</b>

Estimate prepared by The Institute for Metropolitan Affairs (IMA).  
This number is rounded.

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The second column of Table 16 contains the NIDA national estimates adjusted according to the procedure discussed above. The third column of the table contains the IMA's estimates for those categories of expenditures estimated for this study. In those cases where no separate IMA estimate was made, the NIDA estimate adapted to Cook County was used. The IMA's estimate of expenditures on drug abuse services exceeds that of NIDA's by \$94.6 million. The criminal justice system estimates between the studies differ to varying degrees, and not always in the same direction. The IMA's estimate of expenditures on police protection is almost double that of the corresponding adapted NIDA estimate. The two estimates for legal and adjudication expenditures differ by \$5.7 million. The IMA's estimate of expenditures on state and federal correction is \$58.5 million lower than that of the corresponding adapted NIDA estimate. In contrast, the IMA's expenditures on local correction are \$32.9 million higher than the adapted NIDA estimates. Moreover, the IMA's estimates for federal drug traffic control are actually lower than the adapted NIDA estimates by \$37.2 million. It is beyond the scope of the current study to reconcile these estimates. The intent was more to demonstrate the magnitude of including indirect costs on the direct cost analysis conducted by the IMA.

Another study, *Substance Abuse and Urban America: Its Impact on an American City: New York* (The National Center on Addiction and Substance Abuse (CASA) at Columbia University, 1996), estimates the costs of substance abuse for New York City in 1994. In addition to illicit drugs, the CASA study includes estimates of the costs of alcohol and tobacco use on health care, criminal justice, and other federal, state, and local agencies.

For New York City alone, CASA estimates that substance abuse cost the city approximately \$20 billion in 1994. However, direct comparisons among the CASA study, the NIDA study, and the present study are difficult to make. Because they included estimates of the health care costs of tobacco use, their estimated health care expenditures and costs are not directly comparable to either of those presented in the NIDA study or the present study. In addition, the inclusion of alcohol makes their health care expenditures and their criminal justice expenditures higher than those developed for the present study. However, when the adapted NIDA estimate of \$4.75 billion is compared with the CASA estimate of \$20 billion, and the latter is adjusted for its inclusion of tobacco and alcohol as well as for population and drug arrest differences between New York City and Cook County, the two estimates appear to be comparable.

## Drug Crimes and Drug-Related Crimes

Any analysis of drugs and the criminal justice system must come to terms with the well-documented relationship between drugs and crime. Incorporating this link into this analysis, and hence into the estimates of the burden that drugs impose on the criminal justice system, requires that an allocation factor be adopted for criminal justice system expenditures that captures this relationship. Two approaches were considered in estimating criminal justice system expenditures attributable to illegal substance abuse. Both approaches

utilize published survey data, but each approach yields dramatically different estimates of drug-related crimes. The first method defines drug-related crimes as property and violent crimes committed in order to obtain money to purchase drugs. This method was used in the current study and in the NIDA study and is based on the *Survey of State Prison Inmates, 1991* (U.S. Department of Justice, Bureau of Justice Statistics, 1991). Table 17 presents the results of this survey.

**TABLE 17 RESULTS OF A SURVEY OF STATE PRISON INMATES REGARDING DRUG AND DRUG-RELATED CRIMES**

	Percentage of Inmates Who		
	Used Drugs in Month before Offense	Committed Offense under Influence of Drugs	Committed Offense to Get Money to Buy Drugs
<b>All Offenses</b>	<b>50%</b>	<b>31%</b>	<b>17%</b>
<b>Violent Offenses</b>	<b>46%</b>	<b>28%</b>	<b>12%</b>
Homicide	43	28	5
Sexual Assault	31	20	2
Robbery	59	38	27
Assault	42	23	6
<b>Property Offenses</b>	<b>54%</b>	<b>35%</b>	<b>26%</b>
Burglary	59	40	30
arceny	54	38	31
<b>Drug Offenses</b>	<b>60%</b>	<b>37%</b>	<b>22%</b>
Possession	61	38	16
Trafficking	59	36	25
<b>Public-Order Offenses</b>	<b>35%</b>	<b>18%</b>	<b>5%</b>

**Source** United States Department of Justice, Bureau of Justice Statistics, *Survey of State Prison Inmates, 1991*, Figure 48, page 22, 1991.

The second method is more encompassing and defines drug-related crimes as those property and violent crimes that were committed while the arrestee was under the influence of one or more illegal drugs. This second definition was used in the previously discussed CASA study. It is based on the more recent report of the National Institute of Justice Arrestee Drug Abuse Monitoring Program (ADAM), *1997 Drug Use Forecasting Annual Report on Adult and Juvenile Arrestees* (U.S. Department of Justice,

National Institute of Justice, 1998). This study reports drug use among arrestees in selected cities. For the city of Chicago, ADAM reports that 80.3 percent of all male arrestees tested positive for any drug. For violent offenses, 72.4 percent of male arrestees tested positive for any drug, while 83.3 percent of all males arrested for property offenses tested positive for any drug. Table 18 presents the details of the results of ADAM for the City of Chicago in 1997.

**TABLE 18 PERCENTAGE OF MALE ARRESTEES TESTING POSITIVE FOR DRUGS BY OFFENSE CATEGORY IN CHICAGO, 1997**

	<b>Cocaine</b>	<b>Marijuana</b>	<b>Meth</b>	<b>Any Drug</b>
<b>Violent Offense</b>	<b>36.2%</b>	<b>48.6%</b>	<b>0.0%</b>	<b>72.4%</b>
Robbery	46.0	46.0	0.0	85.7
Assault	39.6	47.9	0.0	69.8
eapons	24.0	50.7	0.0	64.0
Other Violence	33.3	55.6	0.0	77.8
<b>Property Offense</b>	<b>54.3</b>	<b>49.1</b>	<b>0.7</b>	<b>83.3</b>
arceny/Theft	55.3	51.2	0.8	84.6
Burglary	57.7	46.5	1.4	83.1
Stolen Vehicle	54.4	52.6	0.0	89.5
Other Property	33.3	33.3	0.0	55.6
<b>Drug Offense</b>	<b>64.4</b>	<b>46.6</b>	<b>0.0</b>	<b>90.7</b>
Sales	0..0	100.0	0.0	100.0
Possession	65.0	46.2	0.0	90.6
<b>Other Offense</b>	<b>42.9</b>	<b>47.6</b>	<b>0.0</b>	<b>76.2</b>
<b>Total</b>	<b>49.0</b>	<b>48.4</b>	<b>0.3</b>	<b>80.3</b>

**Source** United States Department of Justice, National Institute of Justice, *1997 Drug Forecasting Annual Report on Adult and Juvenile Arrestees*, July 1998.

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Use of either method poses certain methodological problems. For a number of reasons, using the first method runs the risk of understating the burden imposed by drugs on the criminal justice system. First, a survey of the nature administered for the study could under-report the true percentage of inmates who committed crimes to obtain money to purchase drugs. Second, the age of the survey (1991) does not allow incorporation of any recent crime trends, and there is considerable statistical and anecdotal evidence that suggests that drug crimes have increased between 1991 and the present. Third, the survey is national and ignores any possible regional differences in behavior, particularly in light of evidence that drug and other crimes are more prevalent in larger urban areas, such as Chicago. It is not clear that testing positive for drugs means that drugs were the single con-

tributing factor to the committing of the crime. Whether the crime would have occurred if the arrestee had not been under the influence of drugs is difficult to determine within the scope of this study. Clearly, using the first method runs the risk of understating the burden imposed by drugs on the criminal justice system while the latter approach runs the opposite risk, that is, overstating the burden imposed by drugs on the criminal justice system. In the interest of being conservative, the estimates presented in this report are based on the first method. This results in a smaller allocation factor and hence smaller estimates of expenditures by the criminal justice system on illegal substance abuse. However, the reader should recognize that the true burden imposed on the criminal justice system by illegal substance abuse is probably higher than the estimates presented here indicate.

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## Methodology

This appendix outlines the methods used to determine the expenditure estimates. Many of the expenditures reported here came directly from budget and other documents published by agencies. Other expenditures came from interviews with representatives of the agencies.

### Grants

Information on grants to health care and criminal justice agencies from the federal government were obtained from either the federal granting agency or the recipient agency at the state or local level. For drug treatment and prevention grants, expenditures were obtained from the State of Illinois, Department of Human Services, Office of Alcoholism and Substance Abuse, which administered the grants between the federal Department of Health and Human Services to the providing agency. The information on grants to the various criminal justice agencies came from individual agency budget documents and from the annual report of the Illinois Criminal Justice Information Authority.

### Other Expenditures

For other agencies and programs where direct line items in budget documents were not available, it was necessary to define allocation factors that capture the drug or drug-related activity conducted by the agency in question. For example, the allocation factor for an agency involved in drug enforcement would reflect that agency's drug enforcement activities relative to all other enforcement activities undertaken by

that agency. The allocation factor for an agency involved in prosecuting drug and drug-related cases would reflect that agency's prosecution activities relative to all other prosecution activities. Whenever possible, the allocation factor was determined using data from the health care or criminal justice system that most closely matched the purpose of the expenditures in question. Once the allocation factor was defined, it was applied to total expenditures or appropriations to obtain an estimate of expenditures on the particular activity in question. This approach is illustrated with three examples.

#### *The First Example*

To estimate expenditures by the Chicago Police Department on enforcement, three steps were taken. The first step was to identify those bureaus within the Chicago Police Department that were involved in drug enforcement and in enforcing property and violent crime laws that might be violated by individuals motivated to commit these crimes by the need to obtain money to purchase drugs. The Operational Services and Investigative Services bureaus were identified as those most involved in enforcement. The budgets for these bureaus were then obtained from the 1997 Chicago Police Department budget.

In the second step, the allocation factors applied to these expenditures were defined using the methods outlined in the Drug Crimes and Drug-Related Crimes appendix of this report. In particular, three allocation factors were defined that were based on three different



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definitions of drug-related crimes. The first definition assumes that there are no drug-related crimes and therefore defines the allocation factor as drug arrests as a percentage of citywide index crime arrests. For 1997, this allocation factor was 17.31 percent (54,534 drug arrests divided into 315,038 total index crime arrests). The second definition assumes that drug-related crimes are defined as those property and violent crimes committed to obtain money in order to purchase drugs. To obtain this version of the allocation factor, the results of the report of the United States Department of Justice, Bureau of Justice Statistics, *Survey of State Prison Inmates, 1991*, were used. These results indicated that an average of 12 percent of violent crimes and 26 percent of property crimes were committed in order to obtain money to purchase drugs. Applying these percentages to the number of violent and property crime arrests, and adding these to drug arrests as a percentage of total index crimes yields the second version of the allocation factor. For 1997, this allocation factor was 38.74 percent (122,050 as a percentage of 315,038 index crime arrests).

The third definition of the allocation factor assumes that drug-related crimes are defined as any crime committed while under the influence of drugs. To obtain this version of the allocation factor, the study used the results of the report of the United States Department of Justice, National Institute of Justice, *1997 Drug Use Forecasting Annual Report on Adult and Juvenile Arrestees*. According to survey results in this study,

an average of 80.3 percent of all violent and property crime arrestees committed their crime while under the influence of drugs. Applying this percentage to the number of violent and property crime arrests in Chicago and adding this percentage to the percentage of drug arrests in Chicago yields the third version of the allocation factor. For 1997, this allocation factor was 86.68 percent.

Finally, these allocations were applied to the budget line items to obtain three estimates of expenditures for the Chicago Police Department on drug enforcement. Naturally, the large range in these allocation factors suggests a wide difference between the low and high estimate for expenses. These three approaches resulted in estimated expenditures of \$111.1 million, \$215.1 million, and \$447.8 million. To these expenditures were added grant allocations of \$5.1 million, \$10.9 million, and \$23.3 million to obtain final Chicago Police Department estimated expenditures of \$116.2 million, \$226 million, and \$471.1 million. In the interest of being conservative in the estimates, the second version of the allocation factor was used, i.e., that obtained from the *Survey of Prison Inmates*, to determine which estimate was included in the main body of the report. As a result, it is estimated that the Chicago Police Department spent \$226 million on drug enforcement in 1997.

#### *The Second Example*

For the second example, the prosecution expenditures by Cook County are considered. The basic methodology for

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calculating the allocation factors is analogous to that described above for the Chicago Police Department. However, using the number of drug and drug-related arrests to estimate prosecution expenditures may not reflect actual prosecution activity in the County. Many arrests by police officers in Cook County will not make it to the prosecution stage. In some instances, charges are dropped for reasons including insufficient evidence. In other cases, arrests that are filed are plea-bargained to lower offenses or to dismissals. In still other instances, drug arrestees are diverted to other programs before the case reaches the trial stage. According to the report *Trends and Issues 1997*, published by the Illinois Criminal Justice Information Authority, only 55 percent of all arrests are carried forward to the trial stage, and most of these are disposed by guilty pleas.

To account for this fact, total felony case filings in Cook County were used to derive the allocation factor used in this analysis. Using an approach similar to that used to estimate expenditures by the Chicago Police Department, three allocation factors were derived based on how drug-related crimes were defined. The first method, which includes only felony drug case filings, resulted in an allocation factor of 41.5 percent. The second method, which defined drug and drug-related felony case filings in terms of the number of violent and property crimes committed in order to obtain money to purchase drugs, resulted in an allocation factor of 51.4 percent. The third method, which defined drug and

drug-related felony case filings in terms of the number of violent and property crimes committed by individuals while under the influence of drugs, resulted in an allocation factor of 88.3 percent.

### *The Third Example*

For the third example, the expenditures by the State of Illinois Department of Corrections to incarcerate drug and drug-related arrestees in state penitentiaries are considered. To determine the allocation factors, data on the number of inmates in state correctional facilities that were being held for crimes committed in Cook County was obtained. This data included information on the holding arrest crime and was divided between drug, violent, and property crime. To obtain the allocation factor the number of drug-holding detainees from Cook County was combined with the number of violent and property crime detainees from Cook County that were estimated to have committed their holding offenses in order to obtain money to purchase drugs. This sum was divided by the number of statewide detainees in the State correctional facilities to obtain the allocation factor used. This percentage was then applied to 1997 appropriations to the State of Illinois Department of Corrections to estimate expenditures by the Department of Corrections to incarcerate individuals detained in these facilities for drug and drug-related crimes.

The complete set of allocation factors and calculations is available from the Institute for Metropolitan Affairs, Roosevelt University.

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## HIDTA Coordinated Agencies

U.S. Bureau of Alcohol, Tobacco and Firearms  
Drug Enforcement Administration  
Federal, Bureau of Investigation  
Department of Housing and Urban Development  
Internal Revenue Service  
Joint Task Force Six  
U.S. Customs Service  
U.S. Marine Corps  
U.S. Navy  
Illinois Attorney General  
Illinois National Guard  
Illinois State Police  
Chicago Heights Police  
Chicago Housing Authority Police  
Chicago Police Department  
Cook County Forest Preserve Police  
Cook County Sheriff s Office  
Cook County States Attorney Office  
Evanston Police  
Lake County Sheriff s Office  
Montgomery Police Department  
Palos Heights Police Department  
South Chicago Heights Police Department  
Summit Police Department  
Will County Sheriff s Office