

# U.S. Department of Agriculture Investments in Local Jails

September 2020  
Fact Sheet

Rural communities are in the midst of a quiet jail boom financed in part by the U.S. Department of Agriculture (USDA). Between 1972 and 2019, the USDA has spent more than \$365 million on jail construction through the Community Facilities Direct Loan and Grant Program, which was designed to finance infrastructure like emergency services, hospitals, fire stations, and community centers in agricultural areas.

## USDA Community Facilities Direct Loan and Grant Program

The Community Facilities Direct Loan and Grant Program dates to the Nixon administration and the Rural Development Act of 1972. The program serves to improve economic development and quality of life. The program has historically been used to fund public infrastructure, and it was not until 1996 that the USDA decided to fund construction of a jail.

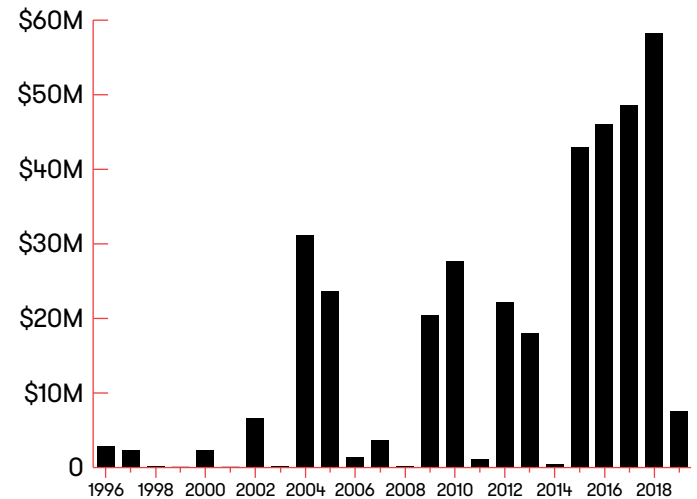
Since then, according to various records of the transactions, the USDA has funded more than \$365 million in jail construction in rural areas. (See Figures 1 to 3.)

That funding has rapidly increased since 2015. And although overall spending for the Community Facilities program has fallen by one-third since a peak in 2010, funding allocated for jails has more than doubled. In fiscal year 2018, the USDA spent \$58.1 million on jails.

The In Our Backyards initiative at the Vera Institute of Justice has been studying the causes of the rapid growth of rural incarceration. Our research pointed to the USDA grant program as one of the drivers. In fiscal years 2018 and 2019,

Figure 1

### USDA Community Facilities spending on jails FY1996–FY2019



USDA Community Facilities dollars supported jail expansion projects in at least three states.<sup>1</sup>

- > **Clay County, Tennessee: \$7.5 million loan.** Announced in November 2019, this \$7.5 million loan will fund the expansion of the Clay County jail from 14 beds to 100.
- > **Baker County, Florida: \$35.5 million loan.** In 2008, Baker County took on \$45 million in debt to build an oversized jail, with the aim of renting most of the

<sup>1</sup> The jail expansion projects listed in this report are based on information obtained from the USDA via a Freedom of Information Act request covering 1972 to 2017 and the publicly available Community Facilities investment announcements made by the USDA in 2018 and 2019.

#### For more information

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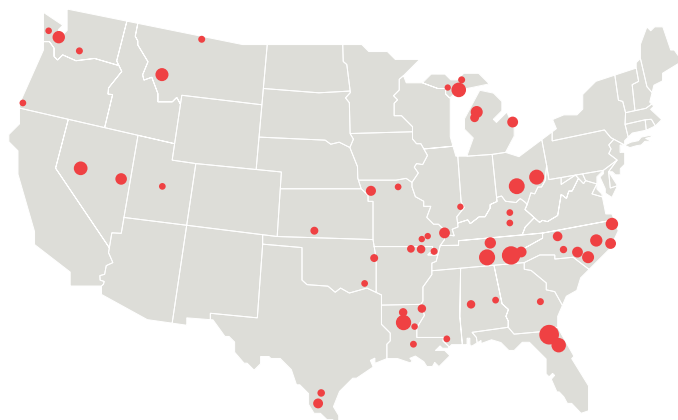
For more information, contact Jasmine Heiss, campaign director, In Our Backyards, at [jheiss@vera.org](mailto:jheiss@vera.org). The Vera Institute of Justice is a

justice reform change agent. Vera produces ideas, analysis, and research that inspire change in the systems people rely on 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](http://www.vera.org).

Figure 2

## Jails supported by USDA Community Facilities Grant and Loan Program



Note: Dot markers are scaled relative to the size of federal funding.

beds to U.S. Immigration and Customs Enforcement (ICE) for immigrant detention. Because fewer ICE detainees than expected were sent to the county, Baker County officials turned to the USDA for a \$35.5 million loan. The loan is meant to bail the jail out by quickly repaying the investors, while taxpayers will continue to bear the costs of long-term repayment.

- > **Fayette County, Ohio: \$20 million loan.** The county is building a new jail that will nearly triple its capacity to incarcerate from 55 beds to 130 beds. Over the next 40 years, Fayette County taxpayers will pay back the \$20 million USDA loan the county took on to replace the 1884 jail.
- > **Lincoln Parish, Louisiana: \$2.6 million loan.** Lincoln Parish is building an additional 96 bed facility so that the county can continue to house people for the Louisiana Department of Corrections and also incarcerate more people who are being detained before trial.

Figure 3

## Cumulative USDA spending on jails per state since 1996

State	Jails	Amount
Alabama	2	\$2,817,000
Arkansas	2	\$5,910,000
Florida	2	\$53,465,000
Georgia	1	\$915,000
Illinois	2	\$7,420,000
Kansas	1	\$1,905,000
Kentucky	2	\$1,130,000
Louisiana	4	\$26,631,000
Michigan	6	\$43,809,000
Mississippi	1	\$279,000
Missouri	5	\$7,569,000
Montana	2	\$12,125,000
Nevada	2	\$24,161,000
North Carolina	7	\$57,434,000
Ohio	2	\$37,500,000
Oklahoma	2	\$2,227,000
Oregon	1	\$77,000
Tennessee	3	\$60,417,000
Texas	2	\$7,430,000
Utah	1	\$298,000
Washington	3	\$11,577,000
<b>Total</b>	<b>53</b>	<b>\$365,096,000</b>