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# THE COST OF CRIME IN ARIZONA

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## ABOUT THE AUTHOR



**Zachary Milne** is CSI Arizona's Senior Economist and Research Analyst. Prior to joining CSI, Zachary served as an economist and budget analyst for the Arizona Governor's Office of Strategic Planning & Budgeting. In this capacity he developed the state's revenue forecasts and advised a team of budget analysts on the creation of K-12 and Medicaid caseload figures for the State's annual budget. He also advised the Executive policy and leadership teams on fiscal policy, and regularly presented detailed analyses on each of the dozens of tax bills introduced in the Arizona Legislature each year. Originally from upstate New York, Zach's then-active-duty service with the United States Air Force brought him to Arizona, where he has remained. Zachary is currently also a member of the Arizona Air National Guard.

## ACKNOWLEDGEMENTS

We would like to give a special acknowledgment to Ted Miller, PhD, of the Pacific Institute for Research and Evaluation (PIRE) in Beltsville, Maryland. Dr. Miller is a Principal Research Scientist at PIRE. He has been studying the costs of crime and the savings from prevention for more than 35 years.

Dr. Miller and his co-authors' 2021 article in the Journal of Benefit-Cost Analysis, "Incidence and Costs of Personal and Property Crimes in the United States, 2017," served as the foundation for the estimates on the cost of crime outlined in this paper. Dr. Miller was gracious with his time and expertise to ensure we appropriately replicated his methodology while accounting for differing data constraints.

## ABOUT COMMON SENSE INSTITUTE

**Common Sense Institute** is a non-partisan research organization dedicated to the protection and promotion of Arizona's economy. CSI is at the forefront of important discussions concerning the future of free enterprise and aims to have an impact on the issues that matter most to Arizonans. CSI's mission is to examine the fiscal impacts of policies, initiatives, and proposed laws so that Arizonans are educated and informed on issues impacting their lives. CSI employs rigorous research techniques and dynamic modeling to evaluate the potential impact of these measures on the Arizona economy and individual opportunity.

## TEAMS & FELLOWS STATEMENT

CSI is committed to independent, in-depth research that examines the impacts of policies, initiatives, and proposed laws so that Arizonans are educated and informed on issues impacting their lives. CSI's commitment to institutional independence is rooted in the individual independence of our researchers, economists, and fellows. At the core of CSI's mission is a belief in the power of the free enterprise system. Our work explores ideas that protect and promote jobs and the economy, and the CSI team and fellows take part in this pursuit with academic freedom. Our team's work is informed by data-driven research and evidence. The views and opinions of fellows do not reflect the institutional views of CSI. CSI operates independently of any political party and does not take positions.

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## FORWARD

This report uses FBI crime data for 2022 which was current as of early 2024. Prior to the publishing of this report, new FBI crime statistics were released for 2023 which also included revisions to the originally published 2022 crime rates. According to these revisions, overall crime in Arizona in 2022 was 1% higher than previously assumed, and violent crime was 3.4% higher – suggesting that, if anything, this report understates the true cost of crime in 2022.

While, according to the newly released FBI data, crime rates fell in 2023, significant reporting issues cast doubt on the conclusions many are

drawing from such data.<sup>iii</sup> Additionally, data from the National Crime Victimization Survey (NCVS) – a measure of crime based on victim survey data – shows that violent crime is up significantly over 2019, 2020, and 2021.<sup>iii</sup> Future releases and updates to this work will require a more in-depth analysis of the FBI data given these reporting challenges. However, violent crime remains above long-run trends in Arizona, consistent with the analysis in this report. For example, the murder rate in Arizona for 2023 is still nearly 33% above where it was eight years ago.

## INTRODUCTION

The climate surrounding criminal justice in Arizona has shifted. Rising crime in the 1960s and 1970s led to serious criminal justice reforms, like mandatory sentencing, truth-in-sentencing, and an increased investment in Arizona's police forces – which we will discuss at length in the following report. However, the decline in crime brought about by these policies caused the pendulum to swing the other way, leading to more leniency towards crime and drug use, and a rolling back of sentencing practices beginning particularly in recent years.

Public polling shows 63% of Americans view the current crime situation as “extremely or very serious”<sup>iv</sup> – the highest such result in over twenty years – which is unsurprising given the recent surge in violent crime across the nation and particularly within America’s largest cities (like greater Phoenix).

The problem in Arizona is especially apparent. Murder rates have soared 47% above 2014 levels, breaking the near twenty-year decline in crime rates that preceded. On average, violent crime<sup>1</sup> rates in Arizona exceeded the nation’s by just over 6% between 1994 and 2014. Shortly afterwards, violent crime in the state accelerated, growing nearly 30% from 2014 to 2017. **Since 2014, the violent crime rate in Arizona has averaged nearly 18% higher than the national average**, and Arizona ranks worse than most states in all categories of violent and property crime.

The change in crime trends is not coincident; it is attributable to policy. The public and policy makers alike must not unlearn the lessons of the past and should be cautious of policies that take the previous crime declines for granted.

FIGURE 1

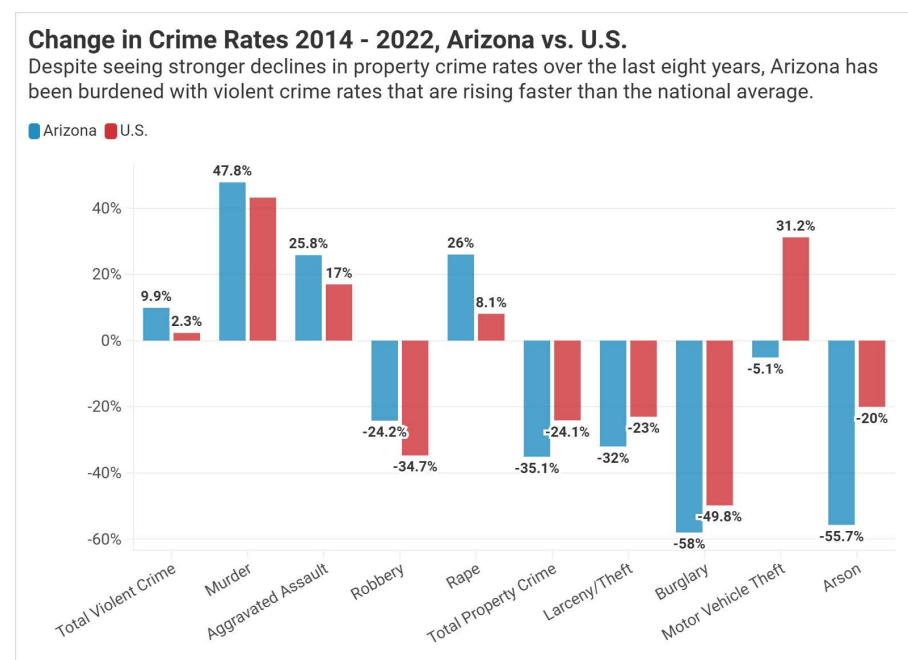


FIGURE 2

**Arizona Crime Rates and Relative Ranking, 2022**  
 As of 2022, Arizona ranks worse than the majority of states in all seven index crimes reported in the Summary Reporting Statistics from the FBI.

Category	AZ Crime Rate Per 100,000 Residents	Ranking Among All States and D.C. (Higher is Better)
Violent Crime	432	14
Murder	7	19
Aggravated Assault	311	17
Rape	44	21
Robbery	70	12
Property Crime	2,058	17
Larceny/Theft	1,542	14
Motor-Vehicle Theft	244	24
Burglary	271	19

Source: FBI Uniform Crime Reporting Statistics • Red denotes categories where Arizona ranks in the top 15 states for crime.

<sup>1</sup> The violent crime category includes murder, aggravated assault, rape, and robbery, while the property crime category includes larceny/theft, motor vehicle theft, burglary, and arson.

In this report, we examine the crime and criminal justice landscape in Arizona, and specifically what has changed over the last decade. Based on data from the Uniform Crime Reporting (UCR) program and methodology from Dr. Miller et al., we develop a cost estimate for crime committed in 2022, the most recent year of UCR data available via the FBI's Crime Data Explorer (CDE). This cost analysis is then extended to provide a glimpse into how the recent rise in crime – especially violent crime – has increased these costs. This context is critical since a purported justification for increased leniency towards criminals has been, ironically, cost savings.

The American criminal justice system can be thought of as having four distinct components and players – the police who investigate crimes and arrest perpetrators; prosecutors who bring criminal charges and determine the optimal punishment; courts and judges who weigh the evidence and pass judgment and who supervise probationers; and finally, the prison system that incarcerates offenders. Notably, this paper focuses on policing and incarceration trends in Arizona, or the beginning and end of this system. An in-depth analysis of the middle - prosecutions and the courts – is left for later research.

## Key Findings

- After falling for many years, crime – particularly violent crime – is on the rise in Arizona. **As of 2022, violent crime is up 9.9% over 2014 levels– the last year of the “Great Crime Decline” – with murder alone up 47.8% in that time.** Although property crimes have continued to fall, the pace of decline has slowed – property crimes today are 76% higher than they would be on prior trends. Increasingly, businesses – particularly retail businesses – are at the heart of the new crime epidemic.
- **CSI estimates that the murder rate would have fallen to 4.1 for every 100,000 residents in 2022 if crime had kept with prior trends, a rate 39% lower than the actual 6.8 murders per 100,000 experienced that year.** CSI estimates that the larceny rate would have been 41% lower than it was in 2022, representing 46,508 fewer thefts in that year alone.
- **The cost of crime in Arizona reached \$20.6 billion in 2022.** For perspective that is 3-times the combined market value of the Arizona Cardinals and Diamondbacks<sup>vi</sup>, and exceeds 4% of state's entire GDP.
- **This equals an average cost per Arizonan of \$2,796, or for the median household, roughly \$7,200 – nearly 10% of annual household income.** Most of these costs (87%) are due to the 167,853 violent crimes committed in 2022.
- **The cost of crime in 2022 was 25% higher than it otherwise would have been if pre-2015 crime trends had continued.** CSI estimates that this recent surge accounted for \$4.1 billion of the total \$20.6 billion cost of crime in 2022.
- **The rise in violent crime is coincident with a rise of illegal immigration in recent years and in the use and distribution of illegal drugs in the state.** Migrant encounters at the southern border have increased nearly 500% above 2014 levels, while drug seizures spiked over 350% before falling slightly. Overdose deaths as well show a concerning correlation with violent crime trends.



- **The increases in violent crime rates come at a time when criminal justice policies have shifted** away from the measures enacted in the 1970s and early 1990s which helped usher in the previous period of declining crime rates. Lawmakers across the country, including in Arizona, have shifted focus from crime prevention and the preservation of public safety to leniency and the preservation of local budgets through reduced sentencing and policing, as well as “cost saving” measures like the early release of some prisoners from Arizona’s prison system.
- **Five out of Fifteen counties in Arizona have concentrations of violent crime above the state average.** Out of those five counties, four are rural. Three counties had property crime concentrations above the state average.

## “Our hands are tied” A Story from Arizona’s Front Lines

*Once a growing and prosperous neighborhood in the heart of downtown Phoenix, the area around 15th avenue and W Jefferson St. had become a hotbed of drug use, crime, and violence. Previously home to antique stores, restaurants, and art buildings, the bustling commerce and common pedestrian foot traffic would be replaced by vandalism and wide-spread drug use, yielding more serious crimes like sexual assault and even murder.*

*“We couldn’t believe what was happening around our store. Once the police refused to remove the people camping on the sidewalk we started to see more and more drug use... and the violence and property damage was getting out of control” recalled Debbie and Joe Faillace, former owners of a small sandwich shop in the heart of the downtown area just blocks away from the state’s capitol building.*

*“We’d call the police and neighborhood services, and they’d just tell us ‘Our hands are tied.’”*

*Prior to 2020, surges in the homeless population in the area were not uncommon during the holidays, as residents on hard times would make their way to nearby Central Arizona Shelter Services (CAS) building for support. But law enforcement and city officials were both proactive and effective at preventing people from setting up camp on the sidewalk – which also kept crime in the area in check.*

*However, following a ninth circuit ruling that camping by homeless populations on public land was protected by the 8th Amendment, local law enforcement would no longer clear out the seasonal surge in the homeless population. As a result, more and more individuals flocked to the area around the Faillaces’ shop. The relative absence of law enforcement, and allowance of petty offenses like littering, open drug use, and the setting fire to furniture in public to cook – all punishable offenses – created a breeding ground for more serious crimes.*

*The Faillaces’ experience is a salient reminder of what can happen when poor policy allows crime to go unchecked; an unfortunate microcosm of the environment many cities like Chicago, New York, and St. Louis have fostered with well-intentioned policies that are permissive towards crime. Arizonans should be cautious not to follow suit.*

## CRIME IN ARIZONA – A SUMMARY

The 20<sup>th</sup> century featured drastic changes to the public safety landscape in Arizona: a significant crime wave; followed by policies that arrested the dramatic increases in crime, and the subsequent “great crime decline”; followed by a recent violent crime resurgence.

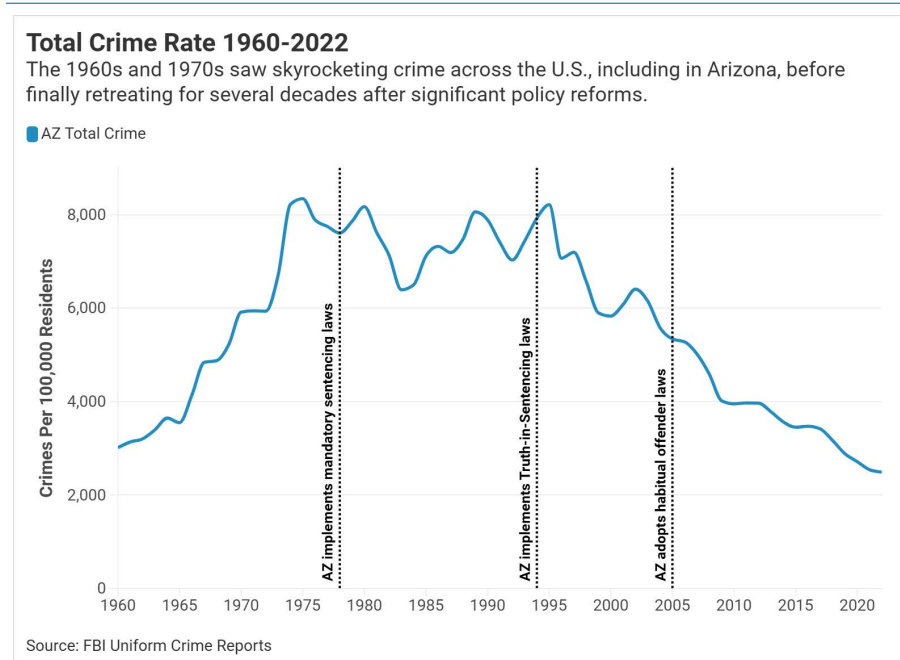
### The Crime Wave

The post- WWII period was characterized by relative peace, with stable crime rates, relatively low drug use, and a robust American family.

Arizona experienced rapid growth during this post-war period – its population ballooned from 594,000 to 1.3 million between 1945 and 1960,<sup>vii</sup> due in part to the availability of affordable air-conditioning and new sources of water. By 1960 half the state’s population resided in the Phoenix area as hundreds of manufacturing firms flocked to the city.<sup>viii</sup> Despite this growth and concentration in the state’s population, crime rates remained relatively low.

Beginning in the mid-1960s though, societal and political changes began to take root in the U.S. and Arizona which would contribute to a significant and persistent rise in crime. During this time overall crime rates would rise 177% in Arizona, peaking in 1975 before the passage of mandatory sentencing laws. The most violent offenses in Arizona adjusted for population size would rise 244% between 1960 and 1995, before finally reversing course and declining for nearly 20 years – a period referred to as the “Great Crime Decline”.

**FIGURE 3**



Rising drug use during the 1960s and 1970s led to the rise of organized criminal gangs – both within the United States but also in Mexico and South America. By the mid-1970s large drug organizations such as the Medellin cartel had taken root in South America and began flooding the U.S. with illicit heroin and cocaine. Their trafficking pipelines often utilize the border with Mexico, with an estimated 25% of the Mexican heroin smuggled into the U.S. passing through the city of Phoenix.<sup>ix</sup>

Arizona was particularly vulnerable to the violence that accompanied such enterprises.<sup>x</sup> **Near the peak of the illicit drug smuggling from Mexico between 1970 and 1980, the violent crime rate in Arizona would average 10% higher than the U.S. rate.**<sup>xi</sup> It is no coincidence the crime wave coincided with rising drug use and trafficking across the country, and that Arizona was hit particularly hard due to its proximity to the border.

Policy initially failed to keep pace with the rising crime problem. The law enforcement and criminal justice paradigms of the post-war period continued to dominate throughout the 1960's and early 1970's, and in fact, reformers successfully introduced measures that *relaxed* federal incarceration rules for some offenders (including drug offenders) during this period.<sup>xii</sup>

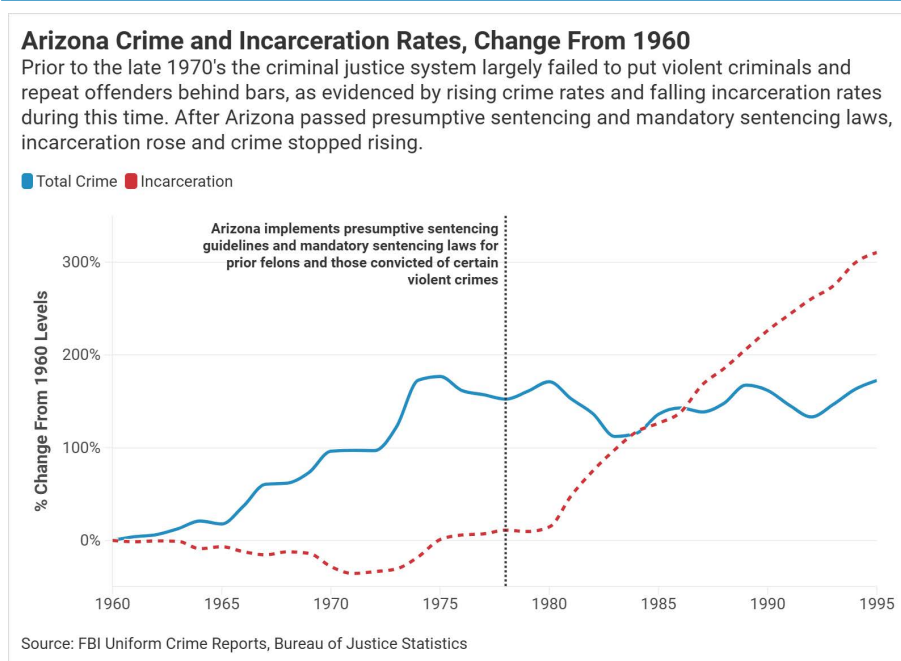
The “indeterminate sentencing” regime in practice in Arizona during this time illustrates the disconnect between policy and the reality of rising crime. With indeterminate sentencing, courts sentence convicted criminals within a wide range of possible years, often with few if any limitations or minimums while administrative agencies and corrections officials were largely free to determine how much of that sentence would be served behind bars, if any.<sup>xiii</sup> Put simply, there was little if any legislative direction determining the length of a convicted criminal's prison sentence – and more importantly, how much time they would serve of that sentence – other than the statutory maximums prescribed in state or federal law and the subjective evaluations of parole boards and corrections agencies.<sup>xiv</sup>

## The Great Crime Decline

The disconnect between rising crime and the policies of the 1960s and early 1970s can be seen in **figure 4**. Between 1960 and 1970 crime nearly doubled while the rate of incarceration actually *fell* by 28%, suggesting the policies of the time failed to put the criminals responsible for the rising crime rates behind bars.

Arizona's response to this disconnect culminated in the passage of presumptive

**FIGURE 4**



sentencing<sup>2</sup> and mandatory sentencing laws for prior convicted felons and first-time convicts of violent and sexual offenses.<sup>xv,xvi</sup> Once these reforms were in place and those responsible for the elevated crime rates were incarcerated, the prior trend of increasing crime through the late 1970s was halted.

While total crime increased 56% and violent crime more than doubled in the decade prior to the passage of mandatory sentencing laws, crime after the implementation of these laws remained largely flat, falling nearly 2% by 1988, with violent crime growing a more moderate 10.5%. Although violent crime would surge again in the mid-80s and through the early-1990s, corresponding with the rise of crack cocaine in the U.S. and more liberal use of early release laws by corrections officials, overall crime remained largely flat over this period, bucking the near twenty-year surge in crime that preceded the implementation of mandatory sentencing laws.

Arizona also expanded its police force during this time, due in part to increased funding through federal grants implemented during the period's various crime bills.<sup>xvii</sup> Between 1960 and 1995 – the last year prior to the great crime decline – Arizona had increased its per-capita police force by over 150% - a policy intervention that has been shown to reduce crime rates.<sup>xviii</sup>

Following the violence that plagued American cities during the crack cocaine epidemic in the 1980s, many states began to implement further reforms to their criminal sentencing structures beginning in the early 1990s – often referred to as “truth-in-sentencing” laws – including Arizona which passed its own version in 1993.

Although the implementation of presumptive sentencing including mandatory sentencing laws for the most serious offenders removed some of the subjective and often lenient features of state sentencing law, administrative entities such as parole boards and corrections agencies still maintained significant leeway in determining how much of each sentence would be served in detention versus within the community. Truth-in-sentencing laws attempted to remedy this problem by mandating that convicted persons serve a minimum of 85% of their sentence before becoming eligible for parole.<sup>xix</sup>

Following the passage of these sentencing changes, crime – and especially violent crime – abruptly reversed course in Arizona, with total crime plunging 57% between 1995 and 2014, and violent crime falling 45%.

## The Recent Crime Resurgence.

After falling nearly uninterrupted for over two decades, crime in Arizona reversed course beginning around 2015. Although total crime largely continued its descent, violent crime soared nearly 29% between 2014 and 2017, with number of homicides and aggravated assaults increasing 36% and 45%, respectively, effectively erasing over a decade of progress in reducing violent crime.

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<sup>2</sup> The Bureau of Justice Assistance describes presumptive sentencing as “sentencing that meets the following conditions: (1) the appropriate sentence for an offender in a specific case is presumed to fall within a range of sentences authorized by sentencing guidelines that are adopted by a legislatively created sentencing body, usually a sentencing commission; (2) sentencing judges are expected to sentence within the range or provide written justification for departure; (3) the guidelines provide for some review, usually appellate, of the departure. Presumptive guidelines may employ determinate or indeterminate sentencing structures.”

Though both rates and overall counts would decline through 2019, they spiked again in 2020 in line with a nationwide trend following the onset of the COVID-19 lock-down measures, as well as the social unrest that coincided with the death of George Floyd. Recent shifts in public policies regarding policing and incarceration also took place during this time.

Arrest and crime data available from the UCR shows a marked decline (-9.2%) in the number of arrests to the number of crimes since 2017 – roughly the same time that violent crime surged in the state – even though this measure had been steadily rising since 1992. Similarly, the ratio of the change in the incarcerated population in the state to the number of crimes committed declined during this time as well. Both metrics point to a decline in the apprehension and sentencing of criminals in the state beginning around the time that crime trends shifted, aligning with the reversal of many 1990s era policies like truth-in-sentencing,<sup>xx</sup> and recent bail reform efforts.

While property crimes continued to fall after 2015, they did so at a much slower pace. In line with reports of increased theft and looting and the rise of organized retail crime (ORC) across the country, CSI estimates that larceny and theft rates declined 32% slower than they did during the “Great Crime Decline”.

FIGURE 5

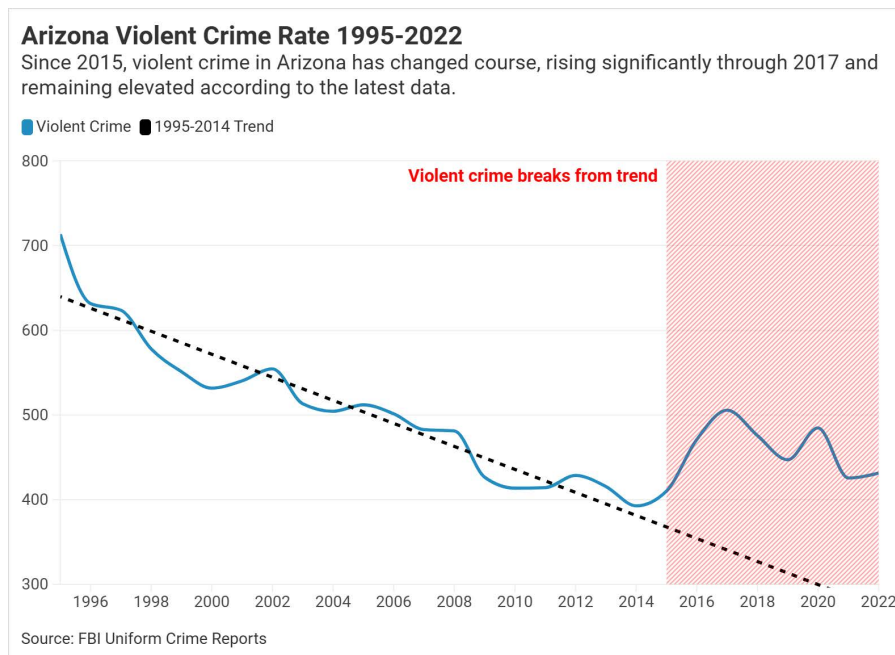
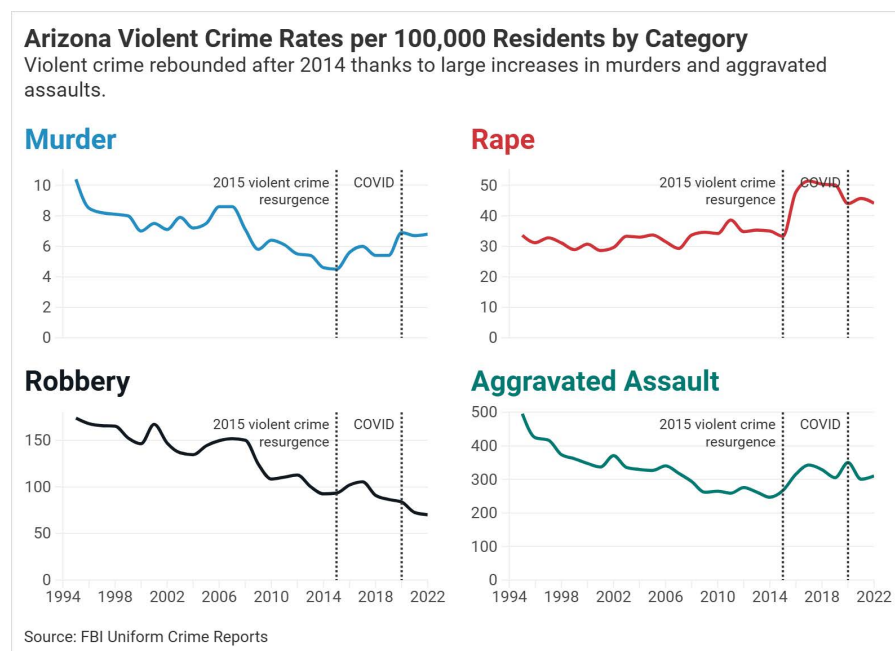


FIGURE 6



However, data shows that this persistent, albeit slower decline in property crimes across the state masks the reality of what happened in Arizona’s largest city and specifically at Retail establishments. According to data from the City of Phoenix, both theft and violent crimes committed at retail establishments grew much faster between 2016 and 2022. This fact is best illustrated by the divergence in burglary rates, with retail establishments experiencing a 40.8% rise in burglary rates by 2020 while burglary rates overall fell 45.4%.

Unfortunately, similar statewide data is unavailable making identical analysis at the state level impossible – and more importantly stressing the need for the public and policy makers to have access to complete and timely data.

## A New Drug Crisis and The Arizona-Mexico Border

A porous southern border has exacerbated the violent crime surge in Arizona, with the number of apprehensions and encounters skyrocketing in recent years.<sup>xxi</sup> Despite claims to the contrary, there is reason to suspect that criminality among undocumented migrants may be higher than either other immigrants or the population as a whole - a point we explore in more detail in the Appendix. According to data from the Arizona Department

FIGURE 7

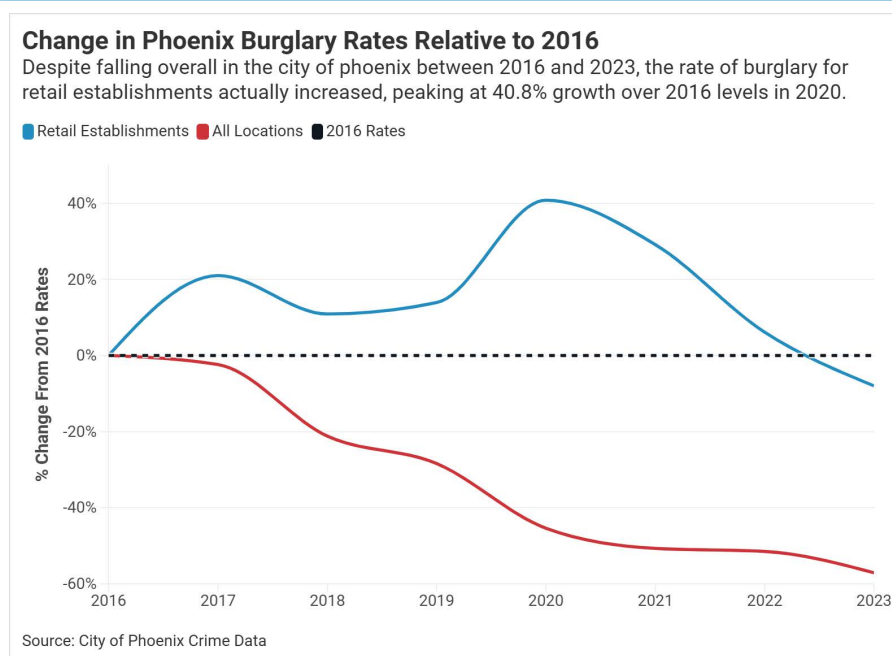
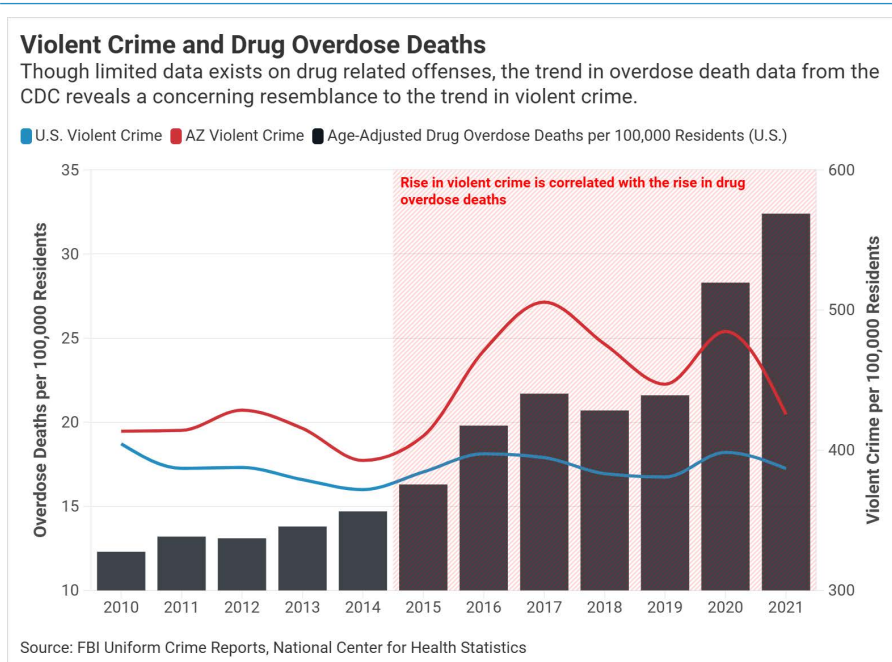


FIGURE 8



of Corrections, Rehabilitation & Reentry, 6.8% of Arizona's incarcerated population is made of non-citizens, despite the illegal immigrant population reaching only approximately 5% of the population.<sup>xxii</sup> Claims otherwise are probably attributable to issues in identifying and tracking undocumented immigrants in the criminal justice system and over time, and different treatment of this population compared to residents (see the Appendix), rather than lower overall criminality.

Not unlike crime patterns in the 1960s and 1970s, today's rise in crime goes hand-in-hand with a new drug crisis – fentanyl – and the rise in criminal organizations smuggling it through the unsecure southern border. The trend in CDC overdose deaths – a proxy for the prevalence and use of dangerous drugs like fentanyl – closely follows the recent patterns of violent crime in the state – and data from Arizona's largest city (Phoenix) shows that drug related offenses rose 28% between 2016 and 2022.

## THE COST OF CRIME

What does this shift in crime trends mean for Arizonans? Beyond safety concerns for residents, increases in crime – particularly violent crime – carry significant costs, particularly to the victims of crimes. These costs, both tangible and intangible (quality-of-life), place strain on individuals and businesses, and can sap public resources preventing governments from allocating spending towards other public services. Thus, understanding the economic cost of crime is necessary to make informed decisions about the allocation of public resources. Policy makers often discuss at length the additional costs of, for instance, hiring more police officers or incarcerating offenders, but less often consider the broader costs to society due to higher crime rates that can accompany the relaxation of criminal justice policies.

To estimate the tangible and intangible cost of crime in Arizona, CSI utilized a model by Miller, et al., published in the *Journal of Benefit-Cost Analysis* titled “Incidence and Costs of Personal and Property Crimes in the United States, 2017.”<sup>xxiii</sup> Using this framework we estimate the tangible and intangible costs imposed on victims of crime, as well as society’s response to that victimization. Tangible costs include medical bills, lost wages, property damage and loss, expenditures for public services, and costs associated with adjudication and sanctioning, while intangible costs represent losses to quality of life as the result of victimization.

Adjustments were made to account for arrest and clearance rates for each crime category. Additionally, quality-of-life, medical, and other victim costs are based on the present value of lifetime costs for the crimes committed in 2022.

The costs in this model are estimated on the basis of the incident and averaged over all crimes, regardless of whether the crime was reported, an arrest was made, or an offender was incarcerated. While this model incorporates all of the direct costs of crime, we leave for future research a detailed examination of the second and third-order costs, such as the expenditures made by individuals and businesses on crime prevention measures (locks, cameras, security, etc...), or higher insurance premiums due to the incidence of crime. As a result, the costs outlined in this paper, while substantial, likely underestimate the true, total economic cost of crime.

According to UCR data for 2022, there were a total of 294,537 reported crimes for which cost estimates can be developed according to the Miller, et al. framework. However, these represent only those crimes reported to authorities. As discussed in the appendix, not all crime is reported to the police. For example, in 2022 only 41.5% of violent crime was reported to the police, while an even smaller 31.8% of property crimes were reported.<sup>xxiv</sup> Therefore to create a more comprehensive



estimate of the cost of crime in Arizona, CSI estimates the number of unreported crimes where possible, based on the annual National Crime Victimization Survey (NCVS).

The NCVS is an annual survey including interviews from roughly 240,000 individuals, or 150,000 households, each year on the frequency and characteristics of non-fatal criminal victimization in the U.S. As part of this survey, respondents are asked whether they were the victim of a crime and whether they reported that crime to the authorities, allowing the Bureau of Justice Statistics to estimate the percentage of all crimes that are reported to the authorities each year.<sup>3</sup>

Based on the reporting percentages data from the NCVS for 2022, CSI estimates that an additional 537,685 unreported crimes were committed in Arizona, bringing the total estimated number of crimes committed in the state to 832,222 total.

With this crime count estimate and the methodology from Miller et. al., **CSI estimates that crime in Arizona in 2022 costs Arizonans \$20.6 billion, or nearly \$2,796 per Arizona resident. Put another way, crime in Arizona in 2022 cost the median household nearly 10% of their income (\$7,152) and was equivalent in size to roughly 4% of the entire state gross domestic product in the same year.**<sup>xxv xxvi</sup>

**Figure 10** outlines the total cost of crime by both crime and cost category, including for police reported and non-reported crimes. Overall, crimes reported to the authorities accounted for 60% of the total costs of crime.

**FIGURE 9**

**Arizona Crime Counts by County, 2022**

County	Reported Crimes	Estimated Unreported Crimes	Total
Apache	1,756	2,270	4,026
Cochise	5,092	8,682	13,774
Coconino	5,176	9,998	15,174
Gila	2,336	3,606	5,942
Graham	2,328	2,677	5,005
Greenlee	7	15	22
La Paz	841	1,138	1,979
Maricopa	197,803	371,325	569,128
Mohave	11,739	19,277	31,016
Navajo	3,509	5,396	8,905
Pima	24,215	49,181	73,396
Pinal	18,893	29,719	48,612
Santa Cruz	859	1,559	2,418
Yavapai	10,694	18,462	29,156
Yuma	9,289	14,380	23,669
Arizona Total	294,537	537,685	832,222

Source: FBI Uniform Crime Reports

<sup>3</sup> The NCVS does not provide data at the state level. Reporting rates for Arizona are assumed to match the national reporting rates.

FIGURE 10

Total Cost of Crime in Arizona, 2022 (Millions of Dollars)											
County	Number of Crimes	Medical	Mental Health	Productivity	Property Loss	Public Services	Quality of Life	Adjudication and Sanctioning	Perpetrator Work Loss	Total Tangible	Total Cost
Murder	500	\$6.8	\$6.6	\$1,084.4	\$0.1	\$88.8	\$2,844	\$285.4	\$105.5	\$1,577.5	\$4,421.5
Rape	31,181	\$59.8	\$141.1	\$169.2	\$6.6	\$7.3	\$7,934.1	\$91.1	\$44.3	\$519.3	\$8,453.4
Police Reported	6,673	\$26.3	\$47.8	\$56.8	\$1.4	\$7.3	\$2,530	\$91.1	\$44.3	\$275.1	\$2,805
Non-Reported	24,508	\$33.4	\$93.3	\$112.4	\$5.2		\$5,404.1			\$244.2	\$5,648.3
Other Sexual Assault	984	\$0.7	\$1.7	\$2.1	\$0.1	\$0.1	\$96.3	\$1.4	\$0.7	\$6.8	\$103.1
Police Reported	268	\$0.4	\$0.7	\$0.9	\$0	\$0.1	\$39.1	\$1.4	\$0.7	\$4.2	\$43.3
Non-Reported	716	\$0.3	\$1	\$1.2	\$0.1		\$57.2			\$2.5	\$59.7
Robbery	8,063	\$12.4	\$1.4	\$30.8	\$12.3	\$8.1	\$106.6	\$80.7	\$40.9	\$186.5	\$293.1
Police Reported	5,159	\$10.8	\$1.1	\$26.8	\$7.9	\$8.1	\$89.7	\$80.7	\$40.9	\$176.4	\$266
Non-Reported	2,904	\$1.6	\$0.3	\$3.9	\$4.4		\$16.9			\$10.2	\$27.1
Assault	128,109	\$232	\$25	\$177.3	\$6.7	\$274.4	\$3,127.4	\$565.2	\$246.7	\$1,527.2	\$4,654.6
Police Reported	53,142	\$111	\$23.6	\$136.7	\$5	\$274.4	\$1,333.1	\$565.2	\$246.7	\$1,362.5	\$2,695.6
Non-Reported	74,967	\$121	\$1.4	\$40.6	\$1.7		\$1,794.3			\$164.7	\$1,959
Arson	1,044	\$3	\$0.1	\$4.2	\$24.3	\$5	\$8	\$2.5	\$0.9	\$40.1	\$48
Police Reported	845	\$2.5	\$0	\$3.4	\$19.7	\$4	\$6.4	\$2.5	\$0.9	\$33.1	\$39.5
Non-Reported	199	\$0.6	\$0	\$0.8	\$4.6	\$1	\$1.5			\$7	\$8.5
Burglary	45,531			\$1.3	\$89.2	\$13.9		\$21.4	\$25.2	\$150.9	\$150.9
Police Reported	19,943			\$0.9	\$68.6	\$13.9		\$21.4	\$25.2	\$130	\$130
Non-Reported	25,588			\$0.3	\$20.6					\$20.9	\$20.9
Larceny/Theft	429,949			\$7.7	\$238.6	\$112.5		\$306	\$31.7	\$696.5	\$696.5
Police Reported	113,507			\$4.2	\$142.5	\$112.5		\$306	\$31.7	\$596.9	\$596.9
Non-Reported	316,442			\$3.5	\$96.1					\$99.6	\$99.6
Motor Vehicle Theft	22,209			\$2.7	\$164.7	\$15.3		\$27.4	\$12.6	\$222.8	\$222.8
Police Reported	17,967			\$2.5	\$154.8	\$15.3		\$27.4	\$12.6	\$212.7	\$212.7
Non-Reported	4,242			\$0.2	\$9.9					\$10.1	\$10.1
Fraud	102,464			\$8.1	\$254.9	\$1.2		\$6.4	\$305.8	\$576.5	\$576.5
Police Reported	14,345			\$1.1	\$35.7	\$1.2		\$6.4	\$305.8	\$350.3	\$350.3
Non-Reported	88,119			\$7	\$219.2					\$226.2	\$226.2
Buying Stolen Property	1,112					\$1.8		\$9.3	\$3.2	\$14.2	\$14.2
Vandalism	21,321				\$9.9	\$0.6		\$240.6	\$86	\$337.1	\$337.1
Prostitution/Pandering	1,207					\$0.1		\$0.2	\$0.1	\$0.5	\$0.5
Drug Possessions/Sales	34,870					\$210.1		\$235.2	\$115.7	\$560.9	\$560.9
Gambling Violations	1					\$0				\$0	\$0
Weapons Carrying	3,677					\$0.3		\$29.4	\$14.4	\$44.2	\$44.2
All Police Reported Crime	294,537	\$157.8	\$79.9	\$1,317.7	\$445.7	\$738.6	\$6,842.3	\$1,902.3	\$1,033.5	\$5,675.6	\$12,517.9
All Crime	832,222	\$314.7	\$175.8	\$1,487.6	\$807.5	\$739.6	\$14,116.3	\$1,902.3	\$1,033.5	\$6,460.9	\$20,577.2

Source: FBI Uniform Crime Reports, CSI calculations using Miller et. al. framework

Consistent with other research, the intangible quality of life costs (69.6%) exceed the tangible costs of crime (30.4%) (Figure 11).

As expected a minority of the crime in 2022 was violent in nature (167,853 offenses, or 20.2% of all crime). But despite being a relatively small share of all instances of crime, the majority of costs come from this category (17.8 billion, or 87% of total costs), due in large part to the significant quality of life costs that accompany violent crime.

In Arizona, most crime tends to be concentrated in the state’s largest county – Maricopa – but not just because this happens to be the most populated area. While Maricopa County contains roughly 62% of the state’s population, over 67% of all crime committed in the state happens in that county, as does 75% of the state’s violent crime. Additionally, Maricopa is disproportionately responsible for the total amount of property crime.

FIGURE 11

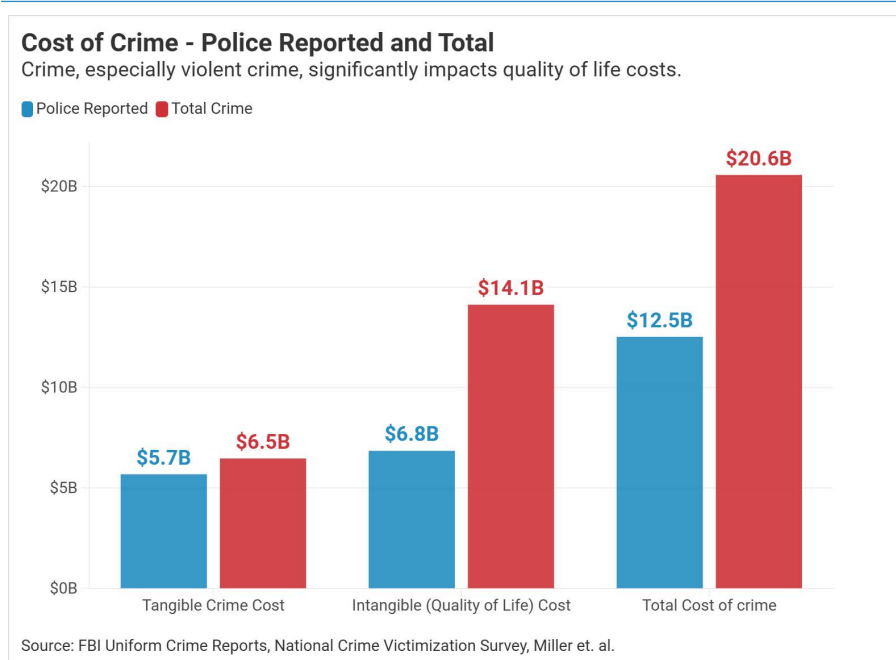


FIGURE 12

**2022 Cost of Crime by County (\$ in millions)**

County	Police Reported Crime	Non-Reported Crime	All Crime
Maricopa	\$8,290.4	\$5,299.8	\$13,573.3
Pinal	\$896.7	\$612.4	\$1,513.6
Pima	\$831.3	\$488.2	\$1,325.5
Yuma	\$556	\$262.9	\$819.6
Yavapai	\$436	\$376.5	\$815.4
Mohave	\$447.9	\$327.3	\$778.5
Coconino	\$242.6	\$208	\$450.6
Cochise	\$216.9	\$119	\$337.4
Navajo	\$182.8	\$134.2	\$317
Graham	\$183.5	\$83.4	\$266.4
Apache	\$93.4	\$72.8	\$166.8
Gila	\$72.8	\$50	\$120.9
La Paz	\$41.2	\$22.7	\$63.9
Santa Cruz	\$26.3	\$2.1	\$28.1
Greenlee	\$0.1	\$0	\$0.1

Source: FBI Uniform Crime Reports, CSI calculations using Miller et. al. framework

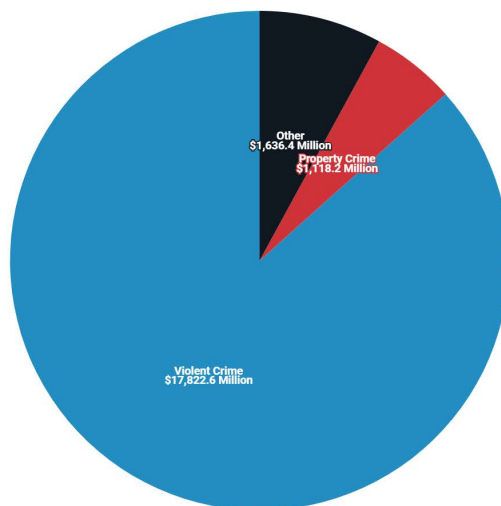
Overall, five of the fifteen counties in Arizona had violent crime concentrations higher than the state average (**Figure 15**), while three had concentrations of property crime higher than the state average (**Figure 17**). Crime concentrations are calculated by dividing an area's share of crime by its share of the state's population. Values higher than 100% signal a crime density higher than the state average.

Interestingly, the per-capita cost of crime in counties like Graham, La Paz, and Yuma far exceed the state average (**Figure 18**). This is due to the per-capita level of violent and very costly crimes, like murder and rape. For example, in 2022 Graham County had an estimated 27.9 murders for every 100,000 residents – a murder rate more than 300 times the state average of 6.8 – which elevates that county's average per-capita cost of crime to more than double the state average.

**FIGURE 13**

**Violent Crime Alone Cost Arizonans \$17.8 Billion in 2022**

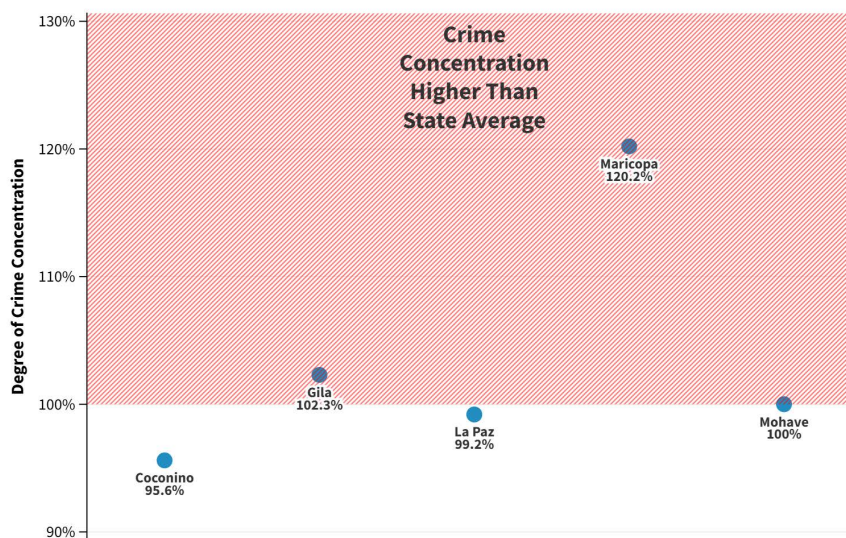
Despite only representing 20% of all crime committed in the state, violent crime accounts for the vast majority of the overall \$20.6 billion total cost to the state - 87%.



Source: FBI Uniform Crime Reports, National Crime Victimization Survey, CSI calculations using Miller et. al. framework

**FIGURE 14**

**Arizona Counties Exceeding State Crime Concentration - Property Crime**

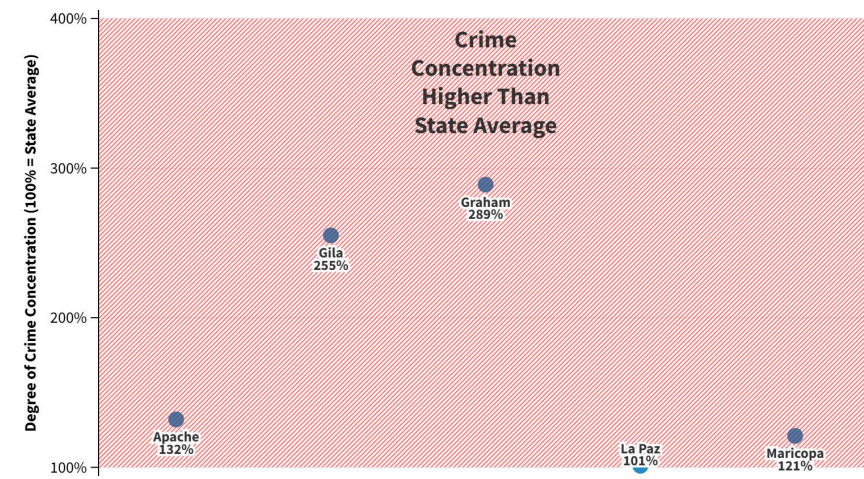


Source: FBI Uniform Crime Reports • Property crime includes arson, larceny/theft, burglary, and motor-vehicle theft.

FIGURE 15

**Arizona Counties Exceeding State Crime Concentration - Violent Crime**

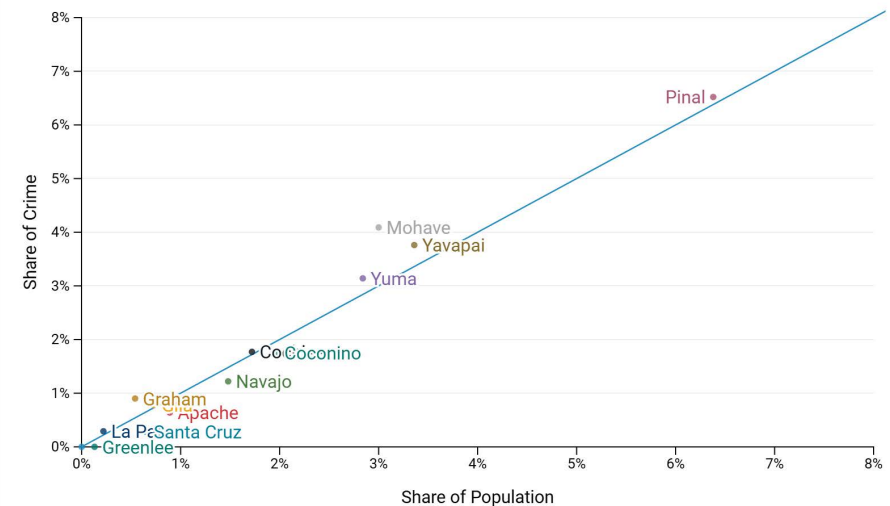
Five of the state's fifteen counties possess violent crime concentrations higher than that of the state average.



Source: FBI Uniform Crime Reports • Violent crime includes murder, aggravated assault, rape, and robbery.

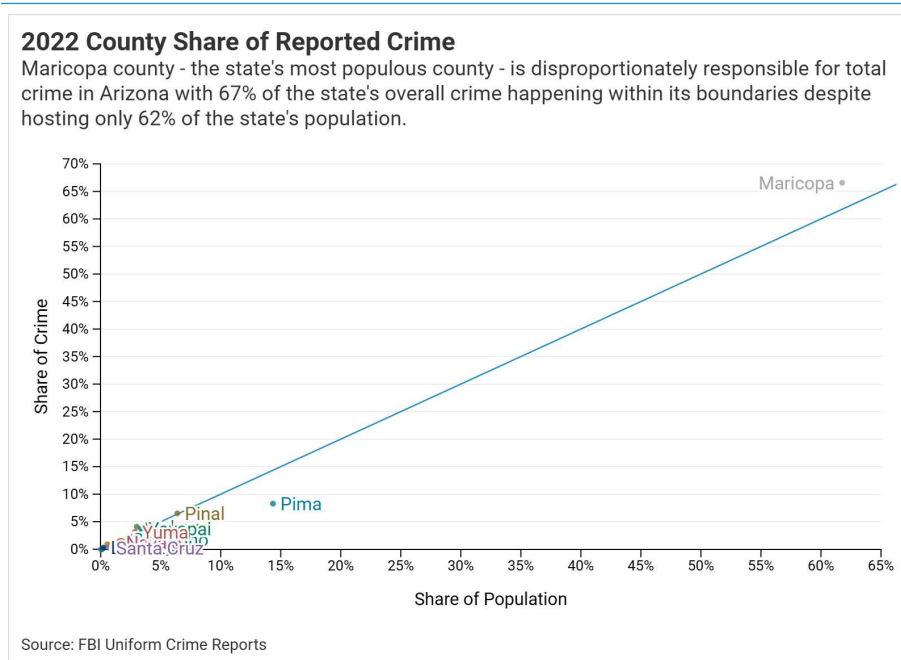
FIGURE 16

**2022 County Share of Reported Crime Excluding Maricopa and Pima Counties**



Source: FBI Uniform Crime Reports

**FIGURE 17**



**FIGURE 18**

### Per-Resident Cost of Crime by County

Elevated per-capita costs in some counties are due to the prevalence of costly violent crimes within those areas. For example, Graham county had an estimated murder rate of 27.9 murders per 100,000 residents, compared to the state average of 6.8 per 100,000.

County	Police Reported Crime	Non-Reported Crime	All Crime
Graham	\$4,659	\$2,116	\$6,761
La Paz	\$2,542	\$1,401	\$3,943
Yuma	\$2,659	\$1,257	\$3,920
Mohave	\$2,028	\$1,482	\$3,525
Yavapai	\$1,766	\$1,524	\$3,302
Pinal	\$1,910	\$1,305	\$3,225
Coconino	\$1,677	\$1,438	\$3,116
Maricopa	\$1,824	\$1,166	\$2,987
Navajo	\$1,673	\$1,229	\$2,902
Cochise	\$1,716	\$942	\$2,669
Apache	\$1,432	\$1,117	\$2,558
Gila	\$1,355	\$931	\$2,250
Pima	\$787	\$462	\$1,255
Santa Cruz	\$548	\$43	\$586
Greenlee	\$9	\$3	\$12
Arizona Total	\$1,699	\$1,094	\$2,794

Source: FBI Uniform Crime Reports, CSI calculations using Miller et. al. framework

# COST OF THE RECENT CRIME RESURGENCE

As discussed earlier, violent crime and some subcategories of property crime deviated significantly from the declining trends exhibited between 1995 and 2014, resulting in crime rates that were much higher than expected given those trends. **For example, CSI estimates that the murder rate would have fallen to 4.1 for every 100,000 residents in 2022 if crime had kept with prior trends, a rate 39% lower than the 6.8 murders per 100,000 residents actually experienced during that year.** Regarding property crime, CSI estimates that the larceny rate would have been 41% lower than it was in 2022, representing 46,508 less larcenies in that year alone.

It is important to understand how much the recent deviations in crime trends have cost Arizonans, as it provides context for the public and policy makers regarding the costs of incremental progress or regression in the effectiveness of the criminal justice system to deter crime. To the extent that recent shifts in the criminal justice paradigm in Arizona have a causal link to the recent crime resurgence, this section informs the reader of how much those shifts in policy have cost the state and its residents.

FIGURE 19

## Cost of Recent Crime Spike, 2022

CSI estimates that if crime rates continued on the downward trend prior to 2012 and 2015, the overall cost of crime in 2022 would be 20% (\$4.1 billion) less.

Crime Category	Actual Crimes (Reported and Unreported)	CSI Estimated Trend	Actual Costs	CSI Estimated Trend Costs	Delta
Murder	500	304	\$4,421,520,201	\$2,688,284,282	\$1,733,235,919
Assault	128,109	66,977	\$4,654,568,432	\$2,433,415,936	\$2,221,152,496
Burglary	45,531	81,733	\$150,904,358	\$263,991,310	(\$113,086,952)
Larceny	429,949	253,788	\$696,488,091	\$411,117,721	\$285,370,370
Total			\$9,923,481,081	\$5,796,809,249	\$4,126,671,832

Source: FBI Uniform Crime Reports, National Crime Victimization Survey, Miller et. al. • This analysis included only the 8 main violent and property crime classifications due to data availability. Only those crimes that deviated significantly from their prior trend were included in this calculation.

Examining the eight violent and property crime categories for which there was sufficient data through time, CSI forecasted crime rates beginning in 2015 and continuing through 2022 based on prior trends. Of the eight categories, only four deviated significantly from the estimated trend (murder, assault, burglary, and larceny), while arson, motor-vehicle theft, and robbery all remained largely in line with their prior trends. CSI chose to exclude rape from this analysis given the changing definition of this crime type over time, which led to erroneous shifts in crime counts for this category during the period of analysis.

The actual burglary rate showed a significant negative (lower) deviation from trend beginning around 2014, resulting in a lower cost of \$113 million in 2022 (**Figure 19**). CSI included this estimated reduction in costs to more accurately gauge the true cost of the post 2015 crime surge.

Based on these calculations, CSI estimates that the cost of the four crime categories would have reached \$5.8 billion in 2022 if they had continued along prior trends. Given that the actual cost of these categories in 2022 was \$9.9 billion, **CSI estimates that Arizonans faced \$4.1 billion more, or 25% higher costs associated with crime in 2022 than what they would have experienced according to prior trends.**

The majority of these additional costs (54%) can be attributed to the elevated number of assaults experienced in Arizona during the crime resurgence. Based on prior trends, CSI estimates that there would have been 66,977 assaults in Arizona in 2022, 48% less than the actual 128,109 crimes reported and estimated to be unreported using the NCVS data.

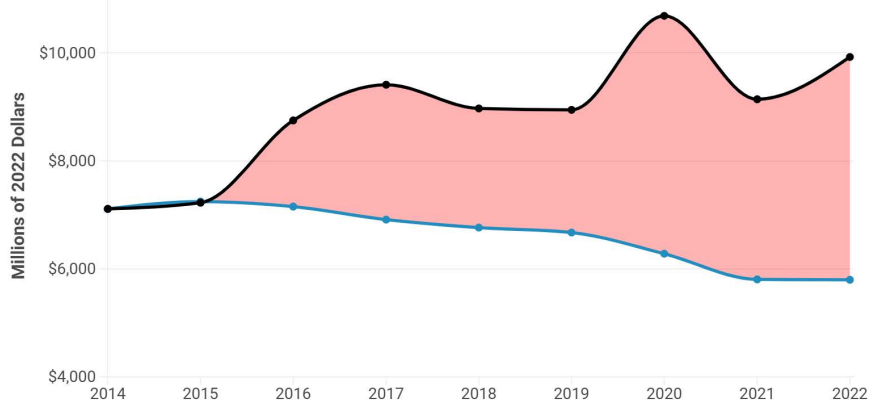
CSI also estimates that murder would have been 39% lower (304 murders versus 500) in 2022 if rates had kept with prior trends. The cost of this excess crime alone reached \$1.7 billion.

**FIGURE 20**

**Actual Crime Costs vs. Trend, 2014-2022**

The fact that violent crime has deviated from its recent, long-run declining trend means that Arizonans suffered an additional \$21.1 billion in costs over the eight year period.

■ Trend Costs ■ Actual Costs



Source: FBI Uniform Crime Reports, National Crime Victimization Surveys, Miller et. al. • This analysis included only the 8 main violent and property crime classifications due to data availability. Only those crimes that deviated significantly from their prior trend were included in this calculation.



## THE BOTTOM LINE

For nearly twenty years Arizona - like many other states - saw a persistent and dramatic decline in crime rates. Both property and violent crime fell year-after-year, leading to safer cities and growing public confidence that safety and security were a given and not difficult and uncertain policy goals.

The lessons of the past tell us that this decline was not random. Rather, specific policies were required to turn the tides in a three-decades long battle with crime and violence. More recently however, both policies and crime have reversed course. Where policy makers were once concerned with public safety and eliminating crime, they have shifted their focus to complaints of too much law enforcement and too much incarceration. At the same time, a new drug crisis grips the country, much like in the 60's and 70's.

Policies aimed at rolling back mandatory minimum sentencing, truth-in-sentencing, bail reforms, and a reliance on non-criminal interventions for drug users and sellers have reset our progress on crime. While we have only reviewed a few aspects of the criminal justice system in this report – namely, policing and sentencing policy – the evidence establishes that this reset has real costs to the tune of over \$4 billion per year.

### LESSONS LEARNED

1. The public and lawmakers should take caution in the pursuit of policies that are sold as cost saving measures in the criminal justice system. Rolling back laws aimed to curb the violent crime rates of the past may prove more costly to Arizonans in the end, and jeopardize their health, safety, and well-being.
2. Policymakers and public officials should keep their focus on oversight and enforcement. In some jurisdictions, taking too lenient a stance on crime has proven to generate more of it, and cost Arizonans in the process.
3. Lawmakers should take a two-pronged, supply AND demand reduction approach to drug crime and violence. Distribution and use should be treated as criminal offenses, while at the same time pursuing avenues to help alleviate addiction.
4. More complete and timely crime data is needed to evaluate the crime situation in Arizona, and to develop competent policy to combat it.

# APPENDIX A – DETAILED HISTORICAL OVERVIEW

## The 1960's, Rising Crime, and Drug Culture

Rapid social and demographic change during the post-war era (the “Baby Boom”) began to alter the conditions America’s cities – including the fast-growing Phoenix metro area – beginning early in the 1960’s. These changes would later accelerate, bringing about decades of rising crime rates across the nation.

Research generally links criminal behavior to the young, male population. Between 1960 and 1980, the share of the U.S. population between the ages of 18 and 24 increased dramatically, rising from a low of 8.9% in 1960 and peaking at an estimated 13.2% by 1980.

The now larger youth cohort of the population began to embrace a counterculture that rejected the bourgeois values of their parents in lieu of more “free” lifestyles marked by shifts in social norms - notably a rise in drug use. This is particularly relevant because research further establishes the clear link between the use of illegal drugs and other criminal behavior.<sup>xxvii xxviii xxix</sup>

The United States also experienced a rise in general social unrest during the 1960’s and 1970’s.<sup>xxx</sup> By the beginning of the 1980s, the U.S. had experienced 150 riots over the course of the prior two decades, tripling the 50 such incidents recorded between 1930 and 1959.<sup>xxxi</sup> Arizona was not immune to this phenomenon either.<sup>xxxii</sup>

Other demographic changes may also have contributed to the rise in crime. Research has shown that the prevalence of single-parent households significantly coincides with higher rates of crime, with one study showing that cities with high levels of single parent households exhibit 118% higher rates of violence, and 255% higher rates of homicide.<sup>xxxiii</sup> Married-couple households as a share of all family households began to plummet by the 1970s, dropping over six percentage points between 1970 and 1985. The decline in the American family continued through the crime wave, with married-couple households accounting for 78% of all family households by 1992 – the last of the crime wave – versus nearly 88% in 1950.

Rising drug use led to the rise of organized criminal gangs – both within the United States but also in Mexico and South America. By the mid-1970s large drug organizations such as the Medellin cartel had taken root in South America and began flooding the U.S. with illicit drugs. Their trafficking pipelines often utilize the border with Mexico; Arizona has the second longest southern international border in the country.<sup>xxxiv</sup>

With Mexico controlling an estimated three-fourths of the U.S. heroin market by 1974, Arizona was particularly vulnerable to the violence that accompanied such enterprises.<sup>xxxv</sup> Mexican drug smugglers took advantage of the porous southern border, importing drugs through border states including Arizona, which accompanied a significant rise in violent crime. Indeed, near the peak of the illicit drug smuggling from Mexico between 1970 and 1980, the violent crime rate in Arizona would average 10% higher than the U.S. rate.<sup>xxxvi</sup>

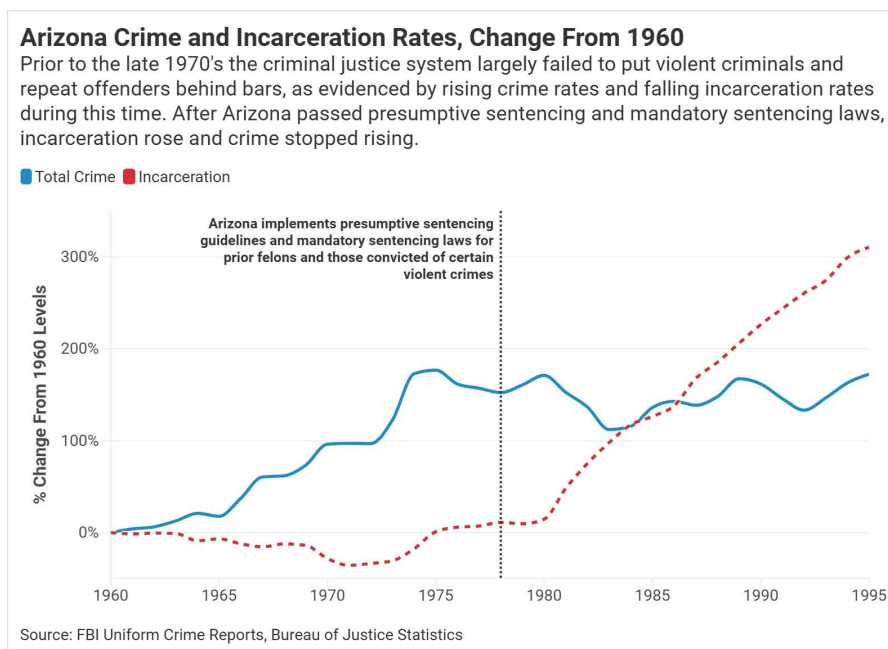
By the early 1980s the flood of cocaine across the southern border had drastically reduced prices. The coincident popularization of solid crack cocaine – a more marketable and profitable alternative to the powdered drug<sup>xxxvii</sup> – also contributed to the drugs rising popularity. By the early 1980s, it's estimated that the number of cocaine users in the U.S. rose by 1.6 million.<sup>xxxviii</sup>

Based on UCR reports from the era, overall crime increased an estimated 38.3% between 1949 and 1959, with violent crime only increasing 9.4% over this 10-year period. In stark contrast, overall crime skyrocketed 118.7% in the subsequent decade, with violent crime in particular growing 116%. This rise in violence continued largely unabated through the early 1990s, even while growth in property crimes began to stagnate.

Policy initially failed to keep pace. The law enforcement and criminal justice paradigms of the post-war period continued to dominate throughout the 1960's and 1970's, and in fact reformers successfully introduced measures that relaxed incarceration rules for some offenders (including drug offenders) during this period.<sup>xxxix</sup>

The “indeterminate sentencing” regime in practice across the U.S. and Arizona during this time serves as another disconnect between policy and the reality of rising crime. Indeterminate sentencing is a process where courts sentence convicted criminals to an indeterminate sentence length, while administrative agencies are free to determine how much of that sentence would actually be served behind bars, if any.<sup>xl</sup> Put simply, there was little if any legal structure determining the length of a convicted criminal's prison sentence – and more importantly, how much time they would actually serve of that sentence – other than the statutory maximums prescribed in state or federal law and the subjective evaluations of parole boards and similar agencies.<sup>xli</sup>

**FIGURE 21**



This system drew criticism from both ends of the political spectrum. Liberals pointed to the broad discretion granted to parole boards which “worked against minorities and the poor,” and conservatives to the notion that violent criminals were often released by excessively lenient parole boards after serving little to no time, even for violent offenses.<sup>xlii</sup>

Evidence suggests these criticisms have merit. For example, historical corrections statistics show that the average time served in federal facilities for assault in 1955 was 31.9 months, which declined to only 14.9 months by 1970. These offenders served only 51% of their sentence on average in 1970, down from 64% in 1955.<sup>xliii</sup><sup>5</sup>

Although we could not find similar data at the state level, we can draw inferences from aggregate state incarceration statistics. For instance, despite total crime rates nearly doubling between 1960 and 1970 – including a 78% rise in violent crime – the incarceration rate within the state actually fell 28.2%. From this it’s clear that either sentences or time-served for criminal offenses during this time fell, stressing the ineffectiveness of these post-war policies in addressing crime.

This subjective sentencing opened the door for a circular pipeline whereby many repeat offenders during this era were able to secure relatively little prison time whereafter they could go on to re-offend.

## America’s War on Drugs

Throughout the period of rising crime, policymakers – particularly nationally – increasingly linked the nations crime and drug problems. This persisted as a central focus of the American political system through the next several decades, although the specific approaches to addressing the drug problem differed throughout.

The passage of the Boggs Act in 1951 brought about the first mandatory minimum sentences in federal law for drug related convictions, including a minimum sentence of 2-10 years for first-time marijuana possession.<sup>xliv</sup>

The 1960s saw, primarily, the consolidation of federal drug enforcement agencies, along with the creation of federal anti-crime grant programs at the end of the decade.<sup>xlv</sup> But despite common misperceptions, the often cited “war on drugs” and subsequent tough-on-crime policies had yet to materialize.

The Nixon administration largely focused on addressing addiction as opposed to punishing drug users. The president would go on to negotiate and sign the Comprehensive Drug Abuse Prevention<sup>xlvi</sup> and Control Act of 1970 which, other than establishing a drug classification schedule, rolled back mandatory minimums for drug offenses and allocated funding towards addressing addiction and rehabilitation. Two years later, he would sign a second bill, the Drug Abuse Office and Treatment Act, which would further efforts to limit and treat addiction.<sup>xlvii</sup> This “demand reduction” approach meant that the U.S. dedicated nearly 70% of its drug control budget to addiction programs and social services, with the remaining, minority portion going to bolster law enforcement efforts – or “supply reduction.”<sup>xlviii</sup> <sup>xlix</sup>

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<sup>5</sup> It’s important to note that while states have significant power to determine their own sentencing laws, and that the vast majority of prisoners in America are in the custody of state facilities and thus subject to these state laws, neither state nor federal policy exists in a vacuum. State policies are often informed by federal policy, while the converse is often true as well. So, while federal incarceration and criminal policy does not encompass the extent of the policy decisions made across all of the states, it serves as a useful proxy for the current policy milieu in which each state operates.

At the same time that federal lawmakers were taking a treatment and rehabilitation focus to the drug problem, some states began to take a harsher stance towards drug use. New York, Michigan, and Florida all enacted some form mandatory minimum sentences for drug violations.

The rest of the 1970s would feature similar policies aimed at curtailing demand for illegal drugs through social services. Both the Ford and Carter presidencies expanded the 1972 law by creating drug education programs within the Department of Education. But despite the continued allocation of resources towards treatment and rehabilitation, both drug use and violent crime continued to skyrocket along with a continued souring of public sentiments.<sup>i</sup>

Violent crime adjusted for population would surge 63.9% in the U.S. in the decade following the enactment of the Comprehensive Drug Abuse Prevention and Control Act of 1970, with murder alone rising nearly 30%. Arizona instead would see violent offenses skyrocket by 76% in the decade. By the 1980s the crack-cocaine epidemic and concurrent violent crime wave would approach their peak, with the nation experiencing over 10 murders and nearly 300 aggravated assaults for every 100,000 residents.

That decade, though, marked a stark change in America's strategy towards fighting violent and drug crime. Riding the public fervor and desires to clean up American cities, the Reagan administration signed into law the Comprehensive Crime Control Act in 1984 which, among other things, established the U.S. Sentencing Commission and standardized federal sentencing guidelines, which scaled punishments according to the severity of the offense and the offender's criminal background.<sup>ii</sup> This new system of mandatory sentencing replaced the previous doctrine of indeterminate sentencing, removing some of the broad discretion historically granted to trial courts.

Arizona's response to the rising epidemic of crime came much more timely, with the state implementing presumptive sentencing six years earlier in 1978 through bipartisan support, and creating mandatory sentences for repeat felons and first time violent and sexual offenders.<sup>iii</sup>

While correlation is not causation, evidence suggests these policy changes had a positive effect on crime in the state. For example, overall crime increased 56% in the decade prior to the passage of mandatory sentencing laws, while violent crime more than doubled. However, in the decade following the passage of the new sentencing guidelines overall crime remained largely flat, falling nearly 2% by 1988, with violent crime growing a more moderate 10.5%. Although violent crime would surge again in the mid-80s and through the early-1990s, corresponding with the rise of crack cocaine in the U.S., overall crime remained largely flat over this period, bucking the near twenty-year surge in crime that preceded the implementation of these reforms.

In response to the crack cocaine epidemic and the violent crime that accompanied it, the federal movement towards enhancing punitive measures for drug and violent offenders continued through the 1980s with the passage of the Anti-Drug Abuse Act in 1986, which built upon the 1984 bill and enacted new federal mandatory minimums for drug and violent offences.

A Bureau of Justice Statistics special report explains that the measures implemented in the series of 1980s crime bills led to a 22 percentage-point increase in violent drug offenders who faced an actual prison sentence.<sup>iiii</sup> Additionally, while the average length of federal sentences to incarceration decreased by 1990,

offenders sentenced under the provisions of the 1984 and 1986 acts were more likely to be incarcerated longer due to changes in the parole system requiring prisoners to serve their entire sentence, less time earned for good behavior. By 1990, prisoners being released on average served 29% longer sentences than similar offenders before the implementation of the two acts.<sup>liv</sup>

## The Great Crime Decline

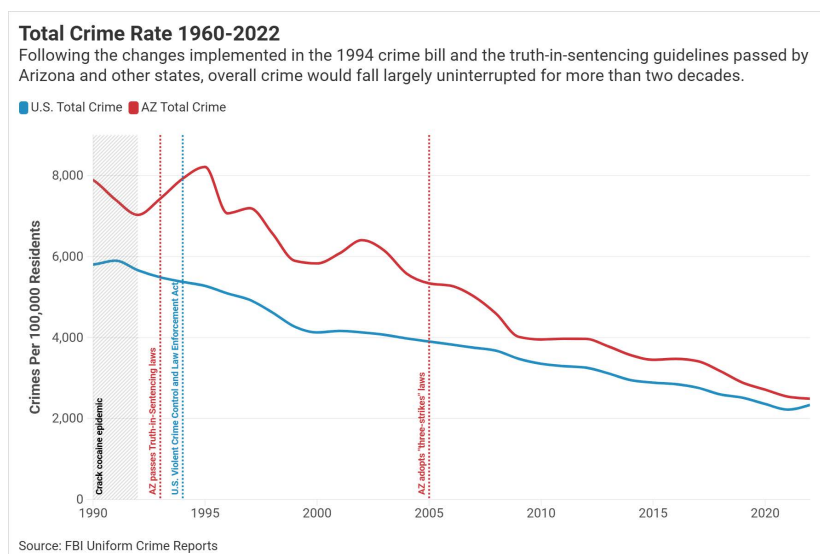
The change in American criminal justice policy towards harsher penalties for drug and violent crime culminated in the passage of the 1994 Violent Crime Control and Law Enforcement Act – the largest crime bill in the country’s history – allocating billions more in funding for law enforcement agencies, including \$9.7 billion for prisons and \$6.1 billion for prevention programs.<sup>lv</sup> The bill also provided \$12.5 billion in grants to fund incarceration, with nearly half set aside for states that adopted tough “truth-in-sentencing” laws.<sup>lvi</sup>

As discussed earlier, sentencing practices at the federal level – and indeed in many states – had already shifted toward mandatory sentencing for repeat and violent offenders, which held trial courts to sentence lengths explicitly laid out in state and federal law. By 1994, 20 states would implement some form of this determinate sentencing structure, with incarceration rates increasing 282% in the 20 years between 1974 and 1994.

These changes enhanced the sentences issued to convicted criminals, but in many cases parole agencies still maintained significant leeway in determining how much of each sentence would be served in detention, versus within community. Truth-in-sentencing laws however set new requirements that persons convicted after the passage of the law serve a minimum of 85% of their sentence for qualifying crimes before becoming eligible for parole, with the primary argument for this change being the relatively little time served by violent offenders before these changes.<sup>lvii</sup> **According to the Bureau of Justice Statistics, prisoners released in 1996 served an average of 30 months in prison and jail - only 44% of their sentence.**<sup>lviii</sup>

Although individual state adoption of truth-in-sentencing varied, with Arizona implementing its own truth-in-sentencing laws in 1993,<sup>lix</sup> an increasing number of states began to follow suit thanks to grants and other incentives provided for in the crime bills of the 1980s and 1990s. Critically, it is important to recall why Arizona and other states and the federal government went down this path around this time – there

FIGURE 22



was a perception that the justice system was a revolving door, whereby repeat offenders were arrested, processed, and often promptly released – with an alarming number going on to reoffend.<sup>lx</sup>

Despite the rising attention to drug related offenses during this time, violent offenders continued to make up the largest share of the population in federal and state prisons and continued to represent the largest nominal growth each year – a fact contrary to the claims that America’s prisons were and/or are dominated by non-violent drug offenders.<sup>lxi</sup>

Other than being the nation’s largest ever crime bill, the 1994 Violent Crime Control and Law Enforcement Act signaled the beginning of what would be a near two-decade decline in U.S. crime rates. Between 1994 and 2014

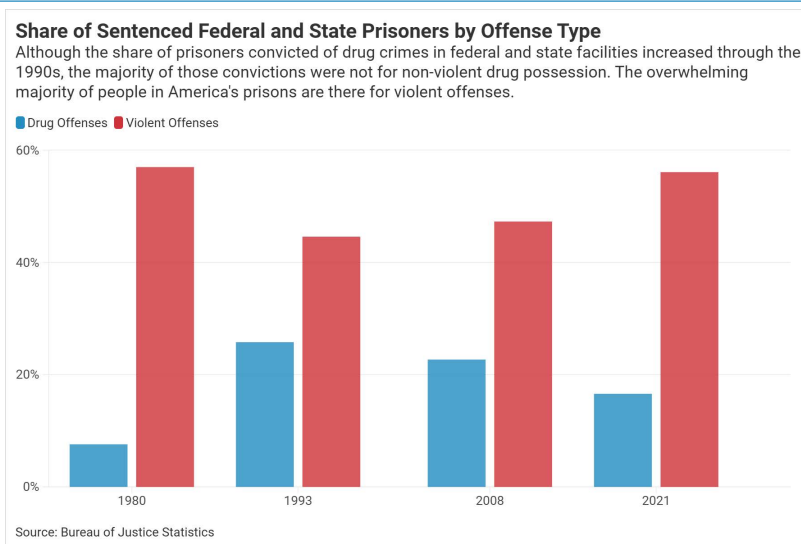
overall crime in the U.S. would decline over 45%, with violent crime falling nearly 48%. Murder alone declined 51% and other violent acts such as robbery and aggravated assault fell 57% and 46%, respectively.

Arizona’s experience was similar. After peaking in 1995, overall crime would fall 57% by 2014, with violent offences falling 45% during this same time.

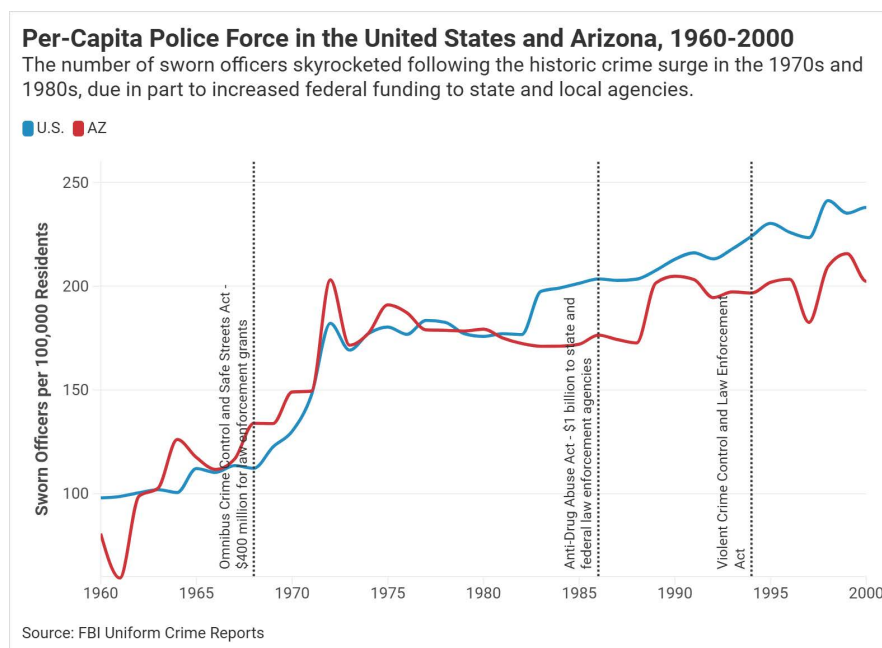
Unsurprisingly, the number of police officers in both the U.S. and Arizona soared in both nominal and per-capita terms as a result of the influx of federal funding during the crime wave. In 1960 – predating the marked rise in violent crime – the U.S. had an average of 98 sworn officers for every 100,000 residents. Arizona possessed only 81 officers per 100,000 residents.

As crime and drug use permeated America’s cities, the per-capita police force in

**FIGURE 23**



**FIGURE 24**



the U.S. rose 146% to 241 officers per 100,000 residents by 1998. Similarly, Arizona’s police force jumped 167%, peaking at 216 officers per 100,000 residents.<sup>lxii</sup> In the four years following passage of the 1968 Omnibus Crime Control and Safe Streets Act alone the per-capita number of sworn police officers rose 62% in the U.S. - a result of \$1.5 billion in federal grants issued to federal, state, and local law enforcement agencies.<sup>lxiii</sup> The number of police per-capita would continue to rise through the mid-2000s as crime continued to plummet.

## The Recent Crime Resurgence

After falling nearly uninterrupted for over two decades, violent crime in the U.S. and Arizona reversed course beginning in 2015, rising 9.9% in the U.S. between 2014 and 2017 alone, according to FBI Uniform Crime Reports. The increase in Arizona was even more pronounced; Violent crime soared nearly 29% between 2014 and 2017, with number of homicides and aggravated assaults increasing 36% and 45%, respectively, effectively erasing over a decade of progress in the fight against violent crime.

Though both rates and overall counts would decline through 2019, they spiked again in 2020 in line with a nationwide trend following the onset of the COVID-19 lock-down measures, as well as the social unrest that coincided with the death of George Floyd.

Most concerning has been the continued rise in the murder rate in Arizona. After growing

FIGURE 25

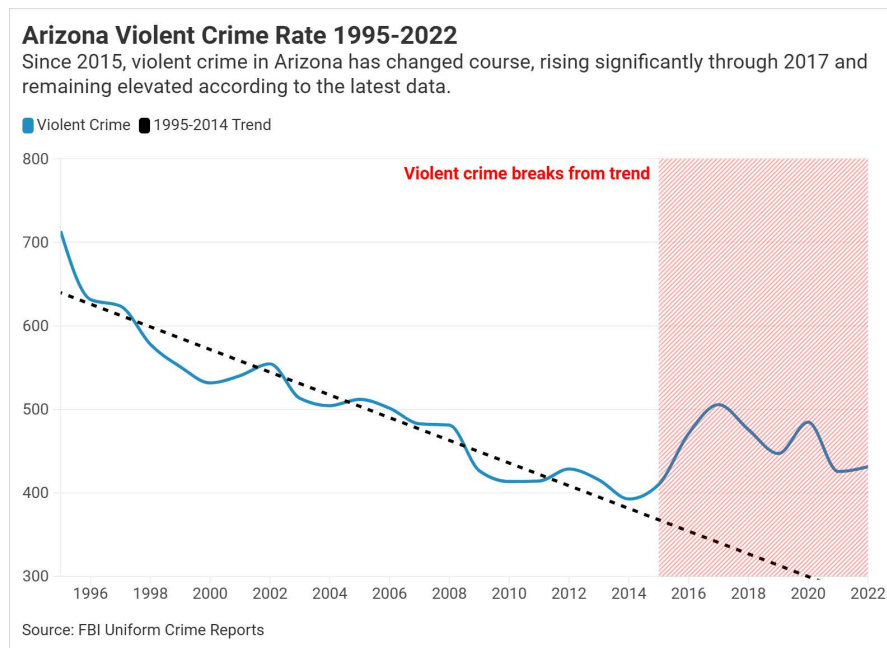
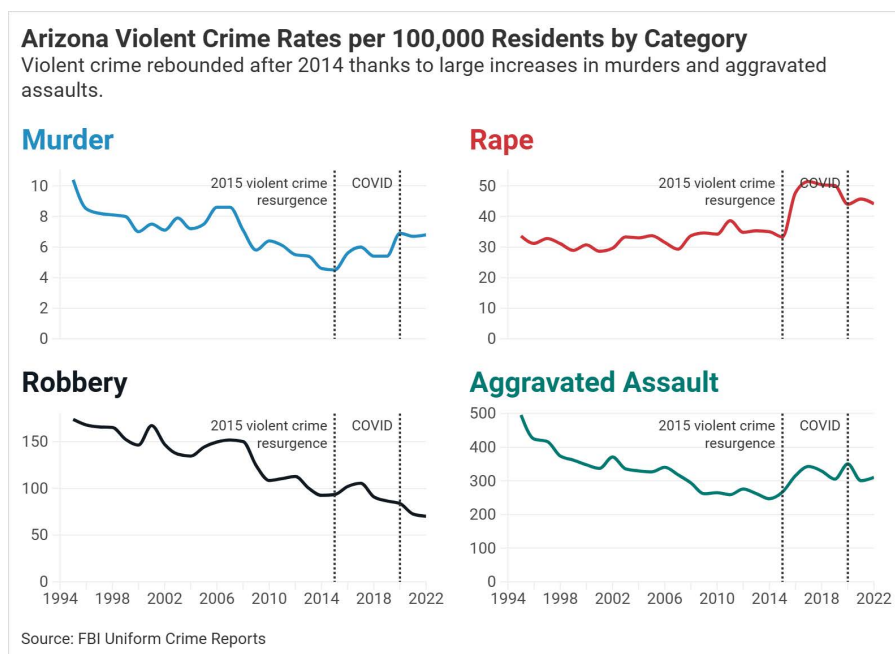


FIGURE 26





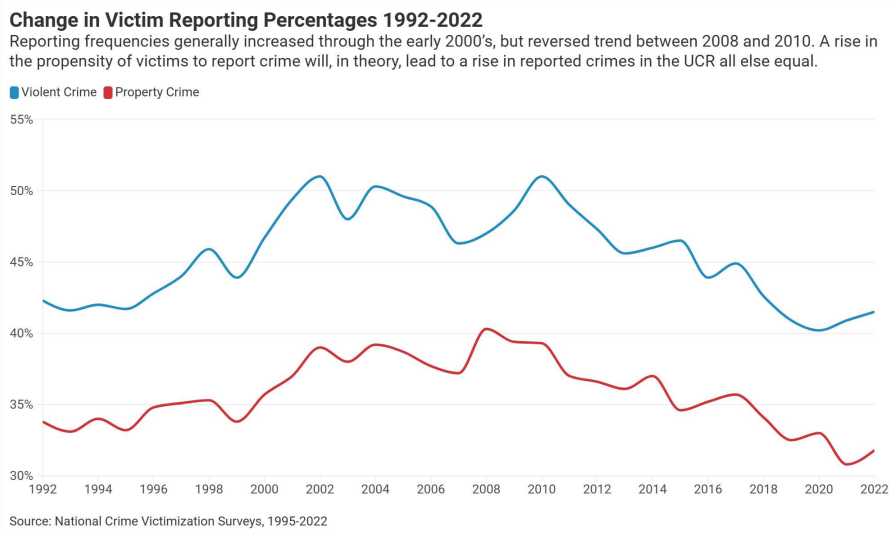
30% between 2014 and 2017, the murder rate continued to climb another 13% through 2022 despite all other categories largely declining (notwithstanding the secondary spikes experienced in the wake of the 2020 chaos).<sup>6</sup>

Given that the crime data cited here comes from the UCR, it necessarily reflects crimes known to police; in other words, crimes that victims chose to report to the authorities<sup>7</sup>. If the reporting propensity of victims changes over time, then the UCR data could theoretically exhibit changes in crime trends despite there being no significant difference in the actual occurrence of crime.

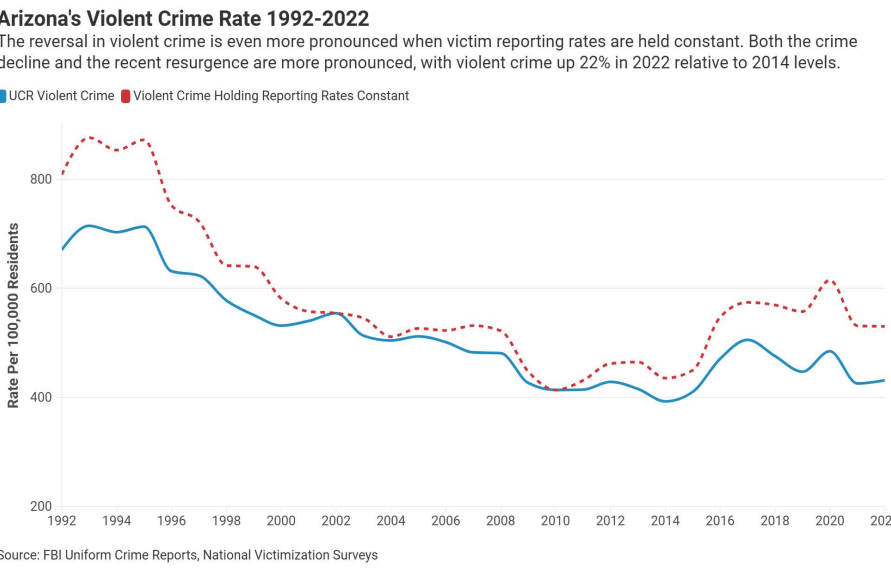
The National Crime Victimization Survey (NCVS) includes interviews from roughly 240,000 individuals, or 150,000 households each year on the frequency and characteristics of non-fatal criminal victimization in the U.S. As part of this survey, respondents are asked whether they were the victim of a crime and whether they reported that crime to the authorities, allowing the Bureau of Justice Statistics to estimate the percentage of all crimes that are reported to the authorities each year. While victim crime reporting propensities have changed over time (Figure 27), this unfortunately does not account for the recent upticks in violent crime.

Reporting frequencies generally increased through the early 2000's, but reversed trend between 2008 and 2010. A rise in the propensity of victims to report crime will, in theory, lead to a rise in

**FIGURE 27**



**FIGURE 28**



<sup>6</sup>Rapes also experienced a large uptick around 2015 and remained elevated through the 2022. However, changes in the UCR definition of rape for the purposes of crime reporting in 2013 means that comparisons of this category through time, especially around 2015, are unreliable.

<sup>7</sup>The violent crime category in the NCVS does not include murder.

reported crimes in the UCR all else equal. Put another way, even if crime rates remained flat from year to year, we would expect to see rising (falling) crime rates in an environment where victims tended to report more (less) frequently. This means that reporting propensities would have put *upward* pressure on UCR crime rates from the early 1990s to the early to mid 2000s, precisely the time that reported crime was decreasing the fastest. Conversely, reporting propensities later would have put *downward* pressure on crime rates, most notably during the time that the UCR data showed an increase in the violent crime rate.

Under the simplifying assumption that Arizona reporting propensities closely mirror those at the national level<sup>8</sup>, then not only does victim reporting not explain the change in recent crime trends, but it actually exacerbates it. **Based on the raw UCR data provided by the FBI, violent crime in Arizona was 9.9% higher in 2022 compared to 2014 – the last year of the “Great Crime Decline”. However, in reality violent crime is up nearly 22% after accounting for changing reporting propensities.**

## Border Security and the Rising Drug Problem

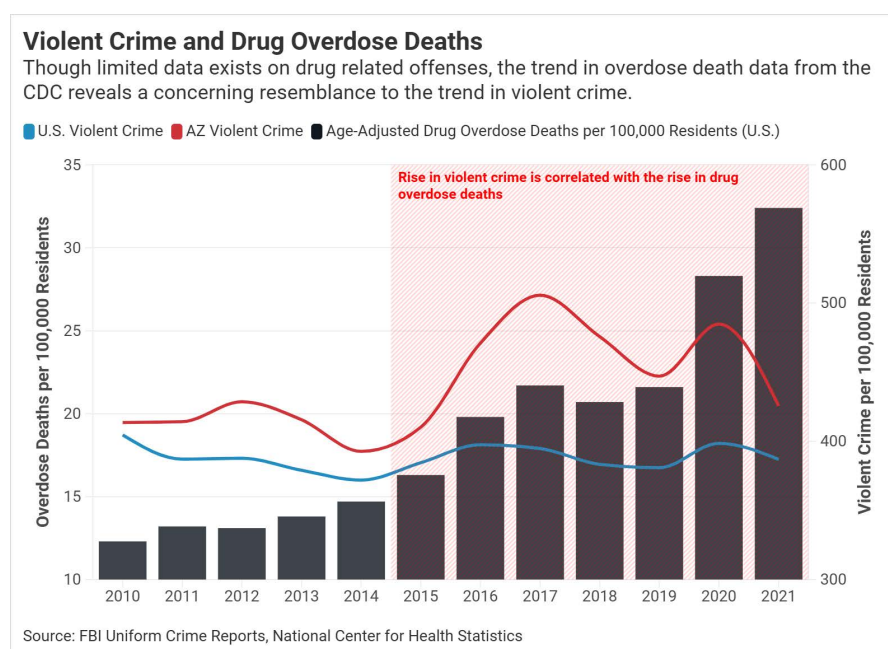
The most recent crime wave is not unique, as it shares many of the same correlates with the crime wave decades ago. As it was during the 1970s and 1980s, the rise in violent crime has been accompanied by a rise in the distribution and use of illicit drugs.

Unfortunately, complete data on drug related crimes is sparse for both the nation and the state. In 2021, the FBI implemented changes to the process through which law enforcement agencies report crime data to the FBI, which includes more detailed crime data such as for possession and distribution offenses. However, a full 56% of agencies in the U.S. either failed to report for the entire year or did not participate at all in 2022<sup>9</sup>.<sup>lxiv</sup> Luckily, limited data does exist for the city of Phoenix which can provide insight into Arizona overall. According to this data, drug related offenses rose 28% between 2016 and 2022, closely resembling the rise in violent crime for the state over this same period.

Additionally, overdose data – a proxy for the prevalence of illicit drugs and drug related crimes – reveals a concerning correlation between the recent spike in violent crime and drugs, particularly fentanyl (**Figure 29**)

In a [recently released report](#), CSI Arizona outlined the rise in drug seizures at the southern border, which unsurprisingly also follows the rise in violent crime (**Figure 30**).

**FIGURE 29**

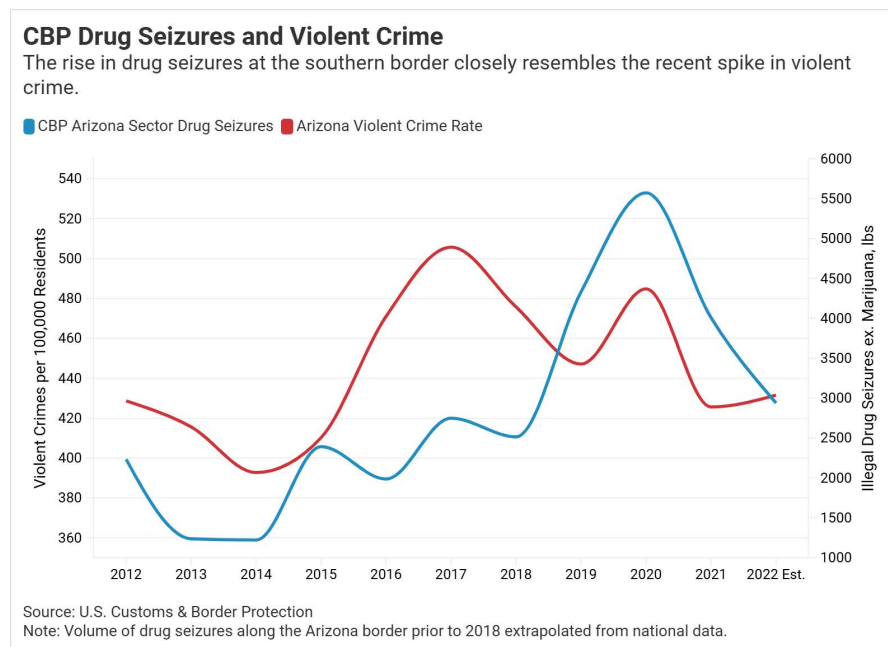


<sup>8</sup> The NCVS does not provide data at the state level. Reporting rates for Arizona are assumed to match the national reporting rates.

<sup>9</sup> For the eight primary violent and property crimes, this is less of a problem as the FBI collects this data through the Summary Reporting System (SRS) and creates estimates for crime rates when agencies fail to report.

Undoubtedly the rise of the drug problem can be attributed to a combination of factors which have acted to bolster both the supply of, and demand for, illegal drugs in the U.S. As with decades ago, most of the illicit substances in the U.S. are first smuggled into the country via the southern border<sup>lxv</sup> – a reality that has been compounded by the recent collapse in border security. Even as the nation's opioid epidemic has continued getting worse, CSI's research shows that seizures of hard drugs by CBP at the southern border have collapsed after 2020.

FIGURE 30



A porous Arizona border contributes to the crime problem indirectly – through the drug epidemic – and more directly through criminality of the population of people crossing the southern border illegally.

The Arizona Department of Corrections Rehabilitation and Reentry (ADCRR) publishes data on the citizen status of those under their supervision. This data shows that non-citizens comprised 6.82% of the incarcerated population as of June 2024. Moreover, the non-citizen population made up 9.9% of those incarcerated for murder, 18.3% for child molestation, 10.6% for sex offenses, 12.3% for rape, and 13.2% of those incarcerated for the trafficking of illegal drugs. Notably, as far as we can tell the ADCRR data does not attempt to distinguish between non-citizens who are legally versus illegally present in the United States. However, data from the U.S. Department of Homeland Security shows that unauthorized immigrants – a subset of the non-citizen population present without legal authorization – averaged only about 5% of the state's population between 2012 and 2022.<sup>lxvi</sup> This data suggests disproportionate over-representation by undocumented migrants in Arizona's state prison system.

However, it's often difficult to make conclusive claims about the criminality of the illegal immigrant population relative to legal citizens because of data issues. Specifically, for the data to be both strong and comparable, a state would have to define legal versus illegal presence; ascertain whether the criminal was legally or illegally present; and finally process or handle that person's case similarly to how they would a native's case. There's no reason to assume any of this occurs.

First, as highlighted above with Arizona, more granular data concerning illegal immigrants specifically is often unavailable, making it difficult or near impossible to make accurate comparisons. Second, as the Center for Immigration Studies (CIS) points out, the immigration status of illegal alien offenders is often unknown to authorities at the time of arrest and may not be known until later into the incarceration period, if the individual even serves any prison time.

These data gaps would tend to have states under-estimate the presence of undocumented migrants in their criminal justice systems. This fact may contribute to many claims<sup>lxvii</sup> that illegal aliens exhibit lower crime rates than the legal population. Other studies suggest the opposite, and that after attempts to control for under-counting errors, the conviction rate of the illegal population far exceeds that for the overall population.<sup>lxviii</sup>

Lastly, the way illegal alien offenders are often handled by the criminal justice system in different states throws yet another wrench into researchers' ability to determine criminality, even if using incarceration data. For instance, undocumented migrant drug traffickers in San Francisco are given more lenient plea deals that involve little to no prison time, and instead are turned over to Immigrations and Customs Enforcement for deportation.<sup>lxix</sup> It's unclear how these individuals show up in the federal or state crime data, if at all, but they almost certainly are not captured by incarceration data. According to the San Francisco Chronicle, 88% of the offenders offered such a plea deal in a single month were in the country illegally.<sup>lxx</sup> This would lead to significant underestimation of criminal propensity among undocumented migrants in state and federal incarceration data.

As recently as 2016, Arizona, too, contributed to this issue. Prior to its repeal, by law, certain undocumented migrants in the custody of ADCRR were released to federal custody for deportation after serving just 50% of their criminal sentences. Clearly, given this standard (and the at-the-time 85% standard for native convicts), any attempt to draw conclusions about relative rates of criminality based on incarceration data alone would be inconclusive.

## The Changing Response to Crime

Changing sentiments towards drug use and crime in general have led many states and cities to implement policies effectively, or even explicitly, decriminalizing drug use and possession – not just for marijuana – and the results have been devastating.

Oregon largely decriminalized drug possession in 2021, funneling \$260 million to naloxone distribution, employment, housing services, and voluntary treatment.<sup>lxxi</sup> But in the twelve months following the decriminalization efforts the state faced a 23% increase in fatal overdoses – the third-highest increase in the nation – and a 25% reduction in addiction treatment enrollment.<sup>lxxii</sup> According to FBI Uniform Crime Reports, Oregon experienced a 17% increase in violent crime in 2021.

Similarly, beginning in March of 2020 Colorado “defelonized” possession of four grams or less of schedule I and II drugs, including methamphetamine, heroin, cocaine, and fentanyl.<sup>lxxiii</sup> While this measure was sold as a “much-needed” solution to the crowded prison system in Colorado – despite the fact that only 1 in 11 prisoners are there for drug related charges, and likely an even smaller share for possession alone<sup>lxxiv</sup> – violent crime would surge 25% over the next two years while the incarceration rate in the state increased 4%.<sup>lxxv</sup>

Public outrage over the nation's incarceration rates has fueled similar sentiments across the country, resulting in significant federal sentencing reforms in the early to mid-2000's, and a more recent movement to reform cash bail.<sup>lxxvi</sup> Such movements have gained momentum in Arizona, with the Arizona Supreme Court ordering bail reform changes in 2016.<sup>lxxvii</sup>

Despite the shift in views towards America’s prison system, data from the U.S. Sentencing Commission shows that of all drug related cases reported to the commission during fiscal year 2023, only 0.7% were for drug charges other than trafficking. The other 99.3% were for the explicit trafficking of illicit substances, the vast majority of which involved dangerous drugs such as methamphetamine (47.5%), powder cocaine (18.9%), fentanyl and analogues (17.7%), heroin (5.3%), and crack cocaine (4.6%).<sup>lxxviii</sup>

In Arizona, data as of June of 2024 shows that a small minority (5.6%) of the state’s incarcerated population is there for drug possession, with nearly all for possession of drugs other than marijuana. Similarly, only 12.4% of the incarcerated population is there for trafficking related offenses, meaning 82% of Arizona’s prison population is there for offenses other than drug related.<sup>lxxix</sup> Given the pervasiveness of plea bargaining in the U.S., there’s reason to believe that at least some of those in prison for a drug related crime were actually apprehended for a more serious offense.

The push for further sentencing reform turns a blind eye to America’s experience during the 1990s near the peak of the crime wave. While prison populations were skyrocketing, so too were the number of convicted criminals serving time among the general population through probation and parole. In 1991 alone, 45% of state prisoners were out on probation or parole at the point they committed their latest crime. According to a Bureau of Justice Statistics Special Report:

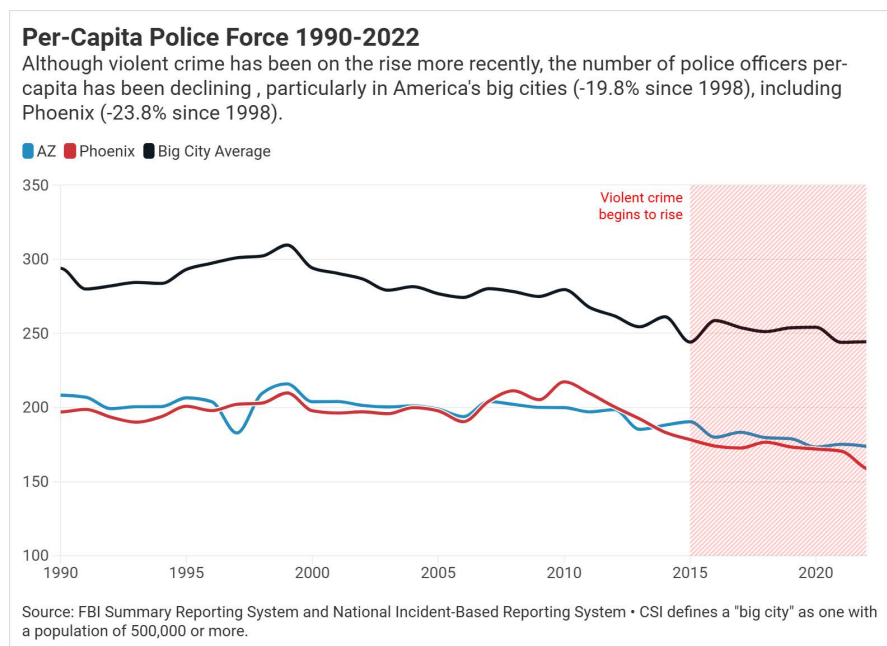
*“Based on the offense that brought them to prison, the 162,000 probation violators committed at least 6,400 murders, 7,400 rapes, 10,400 assaults, and 17,000 robberies, while under the supervision in the community an average of 17 months.”<sup>lxxx</sup>*

According to the same report, 35% of state prison inmates in 1991 were convicted of a new offense committed while on probation or parole, with such violators comprising 30% of all offenders in state prison for a violent crime.

Additionally, 55% of violators reported that in the month before their current offense they were using drugs, with an estimated 41% using daily.<sup>lxxxi</sup> These findings concur with other Bureau of Justice reports that arrestees frequently test positive for recent drug use, and that drug trafficking often generates violent crime.<sup>lxxxii</sup>

Compounding the potential problems associated with over-zealous sentencing reform has been the recent decline in police per-capita figures in the U.S., and in particular, its most populated cities.

**FIGURE 31**



According to law enforcement employee data available from the FBI, the number of police officers adjusted for population in the U.S. has declined roughly 4% since its peak in 1998. However, this decline hasn't been uniform across the country. According to the same data, the decline in America's big cities has been orders of magnitude larger, falling 19.8% during the twenty-four-year period. **This phenomenon was even more pronounced Arizona's largest city, Phoenix, which saw a decline of 24%.**

This trend is concerning given that police presence has been shown to be a significant deterrent to crime. In 2002, economist Steven Levitt summarized the findings of four economic studies, citing estimates of the elasticity of crime to per-capita police numbers of -0.30 to -0.70 – **meaning that a 10% rise in the size of an area's per-capita police force decreases crime between 3% and 7%.**<sup>lxxxiii</sup>

Data suggests that this decline may be having an effect on the efficacy of America's police forces. According to Pew Research, police in the U.S. cleared 52.3% of reported murders and nonnegligent homicides in 2022 – down nearly 12 percentage points from the 64.1% clearance rate in 2013.<sup>lxxxiv</sup> The picture was the same for other violent crime categories like aggravated assault (-16.3 percentage points), rape (-14.5 percentage points), and robbery (-6.2 percentage points).<sup>lxxxv</sup> While data on Arizona specific clearance rates is limited and subject to significant reporting issues, the data that is available shows a 2.5% decline in the clearance rate for all crimes between 2017 and 2022.<sup>lxxxvi</sup>

Beyond the decline in the size of police forces in America's big cities, the social unrest that swept the nation following high-profile police killings of young black men between 2014 and 2020 may also be contributing to the fall in clearance rates.

The "Ferguson Effect" – a term coined by the Manhattan Institute's Heather Mac Donald – alleges that after high-profile police killings and the widespread public scrutiny that follows, officers are less likely to engage in the activities that lead to arrest due to fears of falling under public scrutiny themselves – and evidence exists to support this hypothesis.<sup>lxxxvii</sup>

One study found that self-initiated arrests in St. Louis fell 62% following the death of Michael Brown in 2014, a young African American resident of Ferguson Missouri who was killed during an altercation with a police officer.<sup>lxxxviii</sup> Declines were also experienced for most other categories of self-initiated activities, such as foot patrol and pedestrian checks..<sup>lxxxix</sup>

This phenomenon extends beyond the most high-profile cases as well. In an analysis of arrest patterns and policing in 52 cities that experienced high-profile shooting incidents by the police, researchers found a statistically significant decline in arrests for minor offenses, but no significant decline in arrest for major offenses.<sup>xc</sup> Perhaps even more startling, the decline in policing of minor offenses appears to have contributed to a rise in violent crime. The study notes:

*"Despite reductions primarily occurring in less serious arrests, the national analysis reveals substantial increases in serious offending. Most notably, there is a significant rise of 11-18% in murders and robberies."<sup>xci</sup>*

Although the policy shift in Arizona has been less pronounced than many other states, policy makers have moved towards the explicit loosening policies that set the state up for nearly 20 years of declining crime rates. As previously mentioned, bail reform gained traction in Arizona in recent years, and although the changes implemented by the Arizona courts were much less extreme than those implemented in places like New York and Illinois, the incremental elimination of the cash bail system threatens to distort the current incentive structure that helps to ensure those released on bail refrain from engaging in further criminal behavior while in the community.

Policy makers have also moved to provide early release for individuals incarcerated for drug related offenses, reversing some of the provisions enacted in the 1993 truth-in-sentencing laws.<sup>xcii</sup>

As is often the case, there is room for prosecutors and other facets of the criminal justice system to make significant changes within the gray areas of policy, which do not require the explicit rewriting of state law. County attorneys, for example, possess a large amount of discretion in determining who and what crimes will be prosecuted in Arizona, and stories from areas like San Fransico and St. Louis illustrate that this discretion is often used to enact soft-on-crime policies to the detriment of public safety.

Anecdotal evidence suggests similar practices are being used in Arizona’s second largest county, Pima county, where claims of a reluctance to prosecute drug offenders is threatening the safety of residents. According to anonymous interviews, Tucson police officers are required to drop arrestees off at a local hospital if they are found to have drugs in their system upon arrest, leaving those individuals free to walk back onto the street and re-offend.<sup>xciii</sup>

Broader data at the state level seemingly confirms this unfortunate reality. Although the rate of arrests per crime had been rising since 1992 (figure 32), this pattern diverged sharply beginning around 2017, right around the time that violent crime began increasing in the state. Although this metric declined sharply due to COVID-19, it has yet to make a rebound in line with prior trends.

When examining the ratio of the change in the incarcerated population to crime in each year a similar story emerges. From about 1992 through 2014,

FIGURE 32

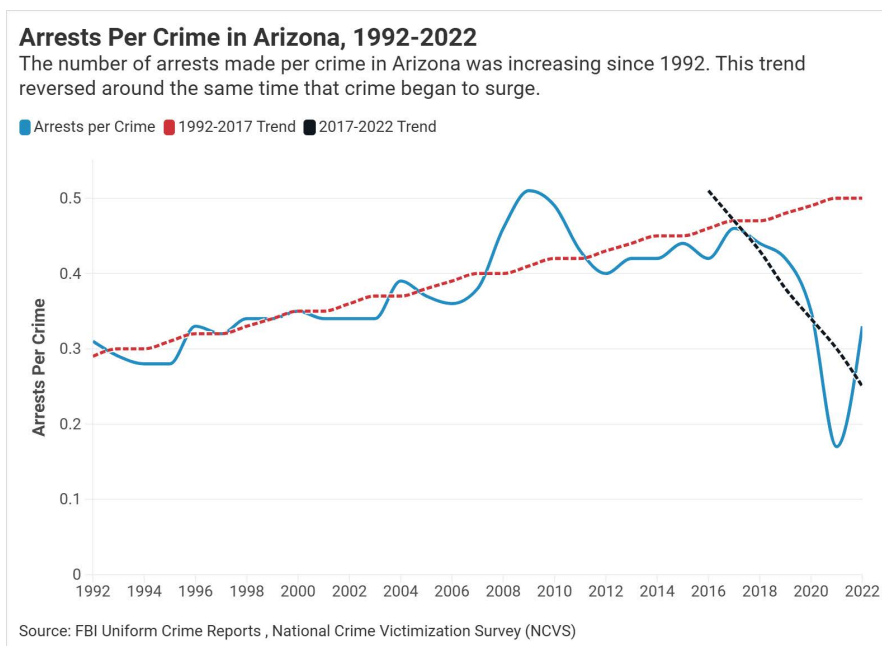
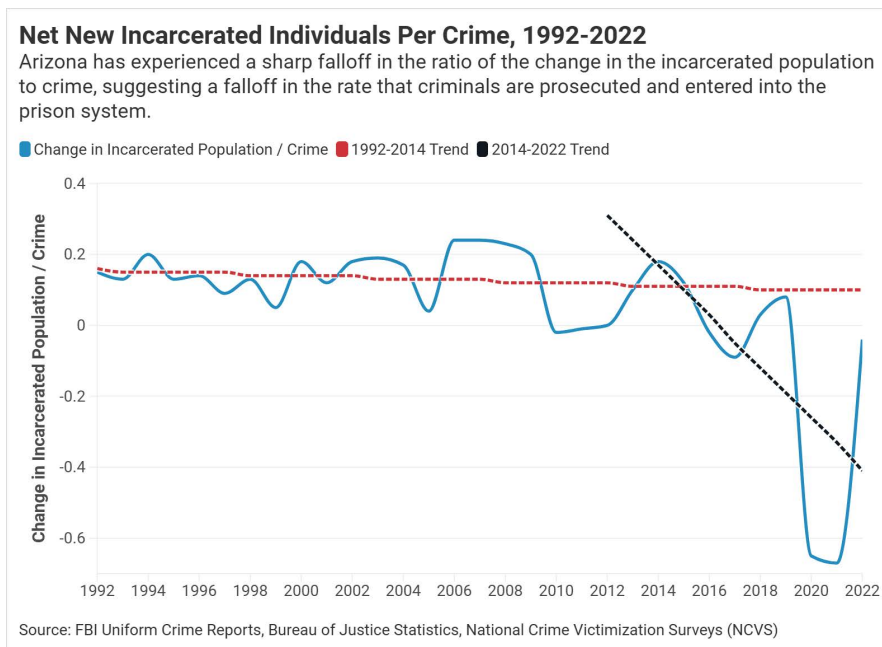


FIGURE 33



the state experienced a net change in the incarcerated population of just under 0.2 individuals for every violent and property crime committed in the state each year. Beginning around 2014–2016 however, this ratio drastically declined, bottoming out during 2020, but failing to return to the prior trend.

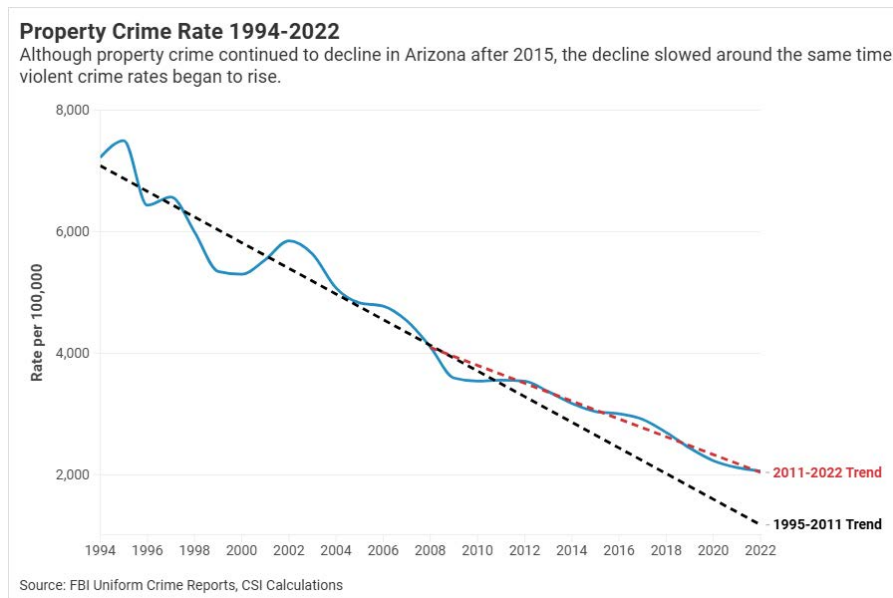
Both of these metrics point to a decline in the apprehension and sentencing of criminals in the state beginning around the time that crime trends reversed. This notion is further supported by the recent decisions of some counties to set criminals free early in an attempt to save money on corrections costs.<sup>xciiv</sup>

## Property Crime

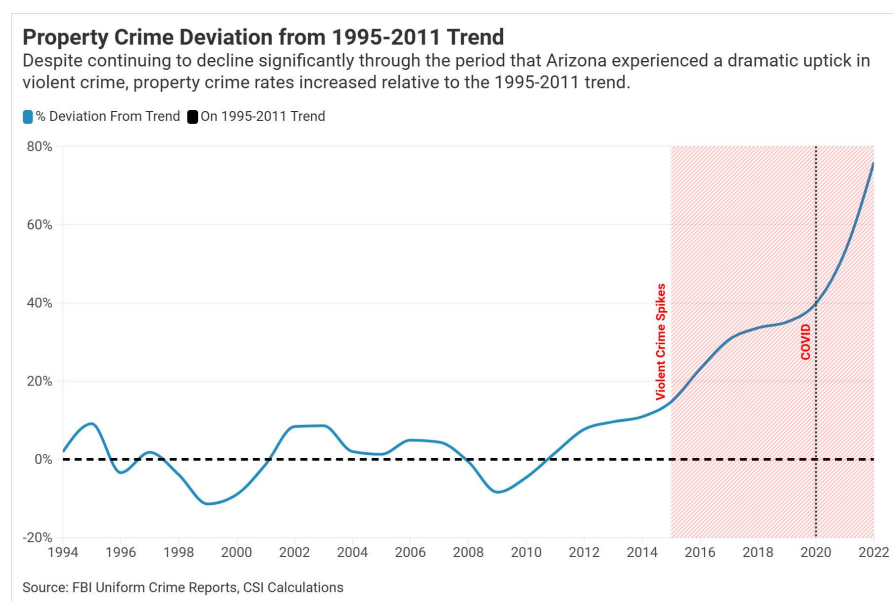
Interestingly, property crimes did not experience the same level of resurgence in 2015 as violent crime. Instead, this category continued a downward trend but whose trajectory in Arizona shifted beginning in 2012 (predating the end of the national crime decline). These declines were generally shared among the four sub-categories of property crimes (burglary, larceny, vehicle theft, and arson), although the patterns differed slightly.

**Figure 34** shows property crime rates in Arizona since 1994 plotted against the trend from 1995-2011 and the trend from 2011-2022. Both trends closely resemble the movement in the crime rate during their respective periods, with the latter exhibiting a much shallower rate of decline. Based on the trends for these two time periods, CSI estimates that the annual decline in property crime rates was 31% slower between 2015 and 2022 than during the 1995 to 2014 period, leading to a property crime rate that was over 70% higher in 2022 than what would have been expected given prior trends (**Figure 35**).

**FIGURE 34**



**FIGURE 35**





## Organized Retail Theft and Looting

*"12 arrests, 'millions' in damage after Scottsdale Fashion Square looted and vandalized"<sup>xcv</sup>*

*"Thief accused of stealing \$1M in merchandise from retail stores sentenced to prison"<sup>xcvi</sup>*

*"PHX PD: 'Operation Makeup Breakup' leads to 3 indictments, \$560,000 of recovered merchandise"<sup>xcvii</sup>*

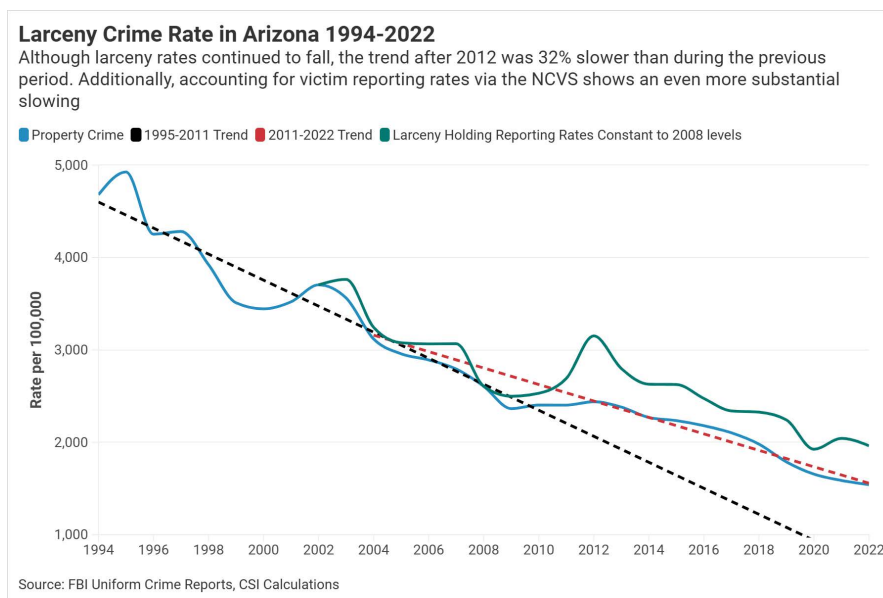
Headlines like these have become common place across America's cities in recent years. Stories of high-profile smash-and-grabs and increasing theft among retailers are often the result of a phenomenon referred to as "organized retail theft" (ORC). ORC typically involves the theft of high-value items for the purpose of resale on the black market, and even through well-known online marketplaces like Amazon and Ebay.<sup>xcviii</sup>

According to the Retail Industry Leaders Association, ORC costs American retailers over \$69 billion annually – costs which are often passed down to consumers in the form of higher prices.<sup>xcix ci</sup> Other sources put the losses as high as \$121.6 billion, with shoplifting losses growing 19.4% year-over-year in 2022 alone.<sup>ci</sup> Even with such high estimates, these figures still fail to account for the rising cost of cargo theft in the U.S.<sup>cii</sup>

The problem goes beyond being a domestic issue among U.S. citizens, as the rise in ORC has been linked to the flow of illegal migration across America's southern border. According to the U.S. Immigration and Customs Enforcement (ICE), "recent investigations have also identified organized retail crime schemes exploiting undocumented migrants forced to steal goods to pay back "coyotes" who smuggle them across international borders."<sup>ciii</sup> The problem has become bad enough that ICE has set aside resources to specifically deal with the threat in the form of Operation Boiling Point, explaining that "organized retail crime is leading to more brazen and more violent attacks in retail stores throughout the country and many of the criminal rings orchestrating these thefts are also involved in other serious criminal activity."

While retailers and other sources cite the increase in retail theft activity and its resulting costs, it's more difficult to identify this phenomenon within crime data itself. Figure 36 shows the larceny crime rate in Arizona between 1994 and 2022, which shows a continual decline in the rate of larceny and theft in the state. Using a methodology identical to our analysis of property crime more broadly, we can see that although larceny continued to decline, it did so at a slower pace. Based on this analysis, CSI estimates that larceny rates declined 32% slower beginning in 2012.

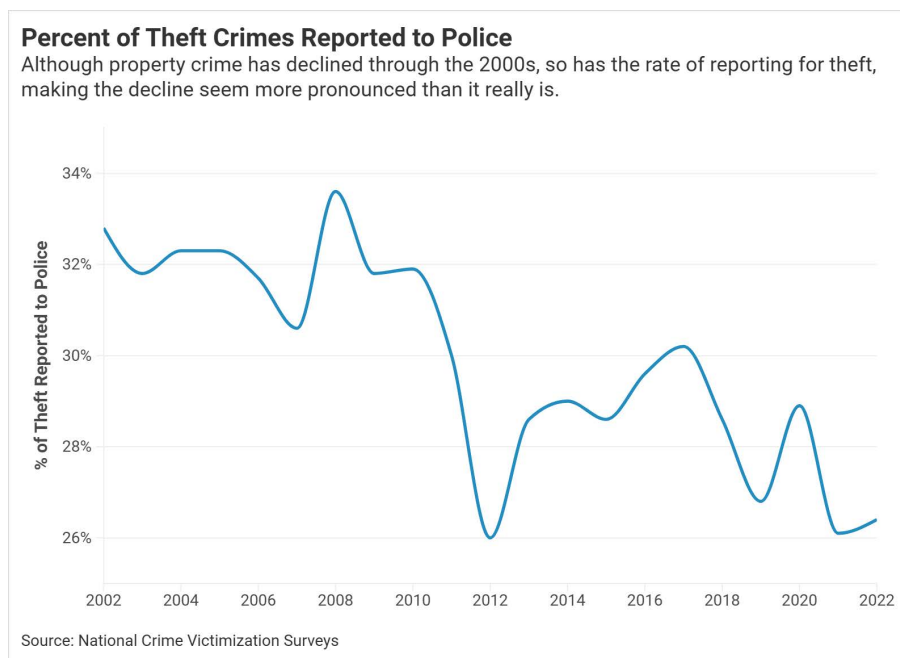
**FIGURE 36**



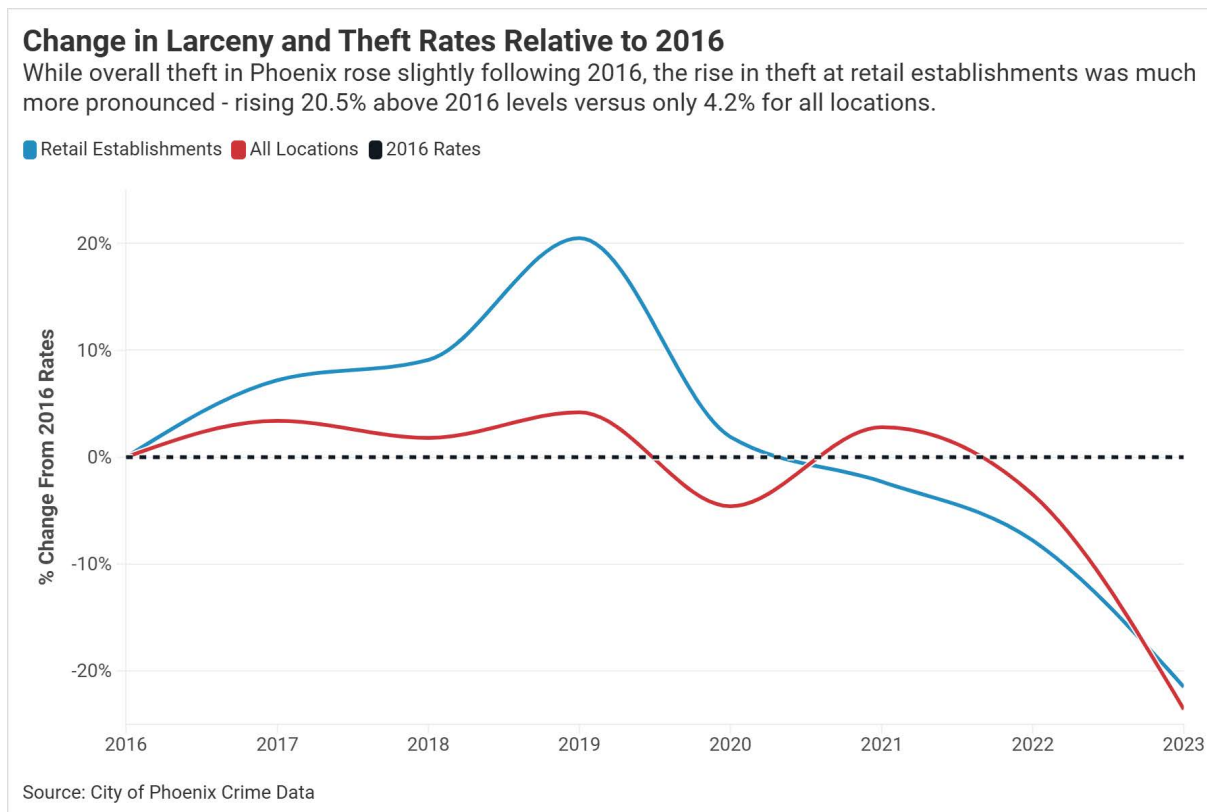
As with violent crime, reporting rates have likely also dampened the true crime trends, rendering the reported crime rates from the UCR data an increasingly less accurate depiction of actual crime within the state. Between 2002 and 2022, the percentage of theft crimes reported to authorities declined nearly 20%, or 6.4 percentage points. Holding constant larceny reporting rates to 2008 levels – the highest reporting level recorded in the last 20 years – the break in trend appears even more pronounced.

While interesting in its own right, analysis of broad categories of crime such as theft and larceny fails to provide a sufficient evaluation of the ORC problem, especially since larceny and theft rates have continued to decline despite the rise of ORC. As is often the case, sufficient data is lacking or not easily obtained in order to conduct an analysis.

**FIGURE 37**



**FIGURE 38**

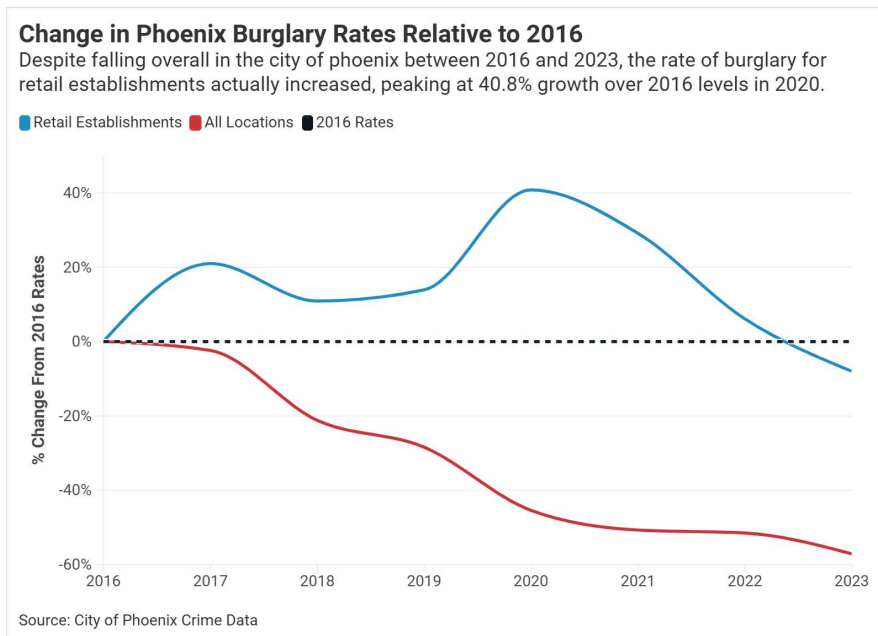


However, using publicly available data from the city of phoenix we are able to look deeper into the problem specifically within Arizona’s largest city. When looking at larceny and theft committed only at retail establishments versus those committed at all location types, we see a divergence in the crime rate commensurate with reports of rising ORC – especially prior to the onset of COVID. According to this data, larceny and theft rates at retail establishments were 20.5% higher in 2019 relative to 2016 levels, while the rate at all location types was only 4.2% higher.

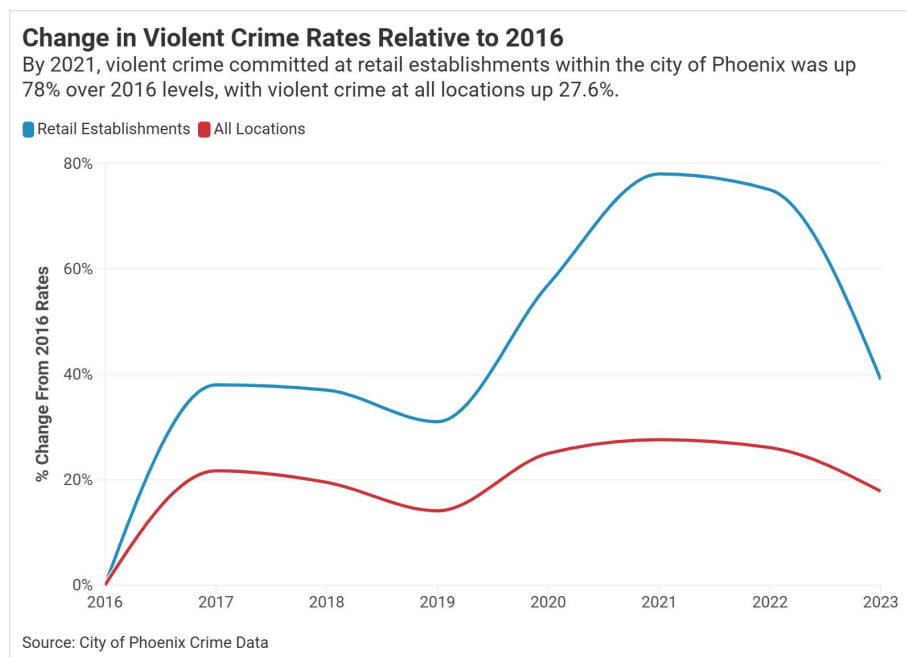
The story becomes even more pronounced when the same analysis is performed for burglary and violent crime, including aggravated assault, robbery, and Murder, revealing a concerning trend that – in line with claims from government agencies and retail leaders – corroborates the notion that retail establishments have increasingly become the victim of violent, criminal behavior.<sup>civ cv</sup>

By 2020, the burglary crime rate for retail establishments in the city of Phoenix was an astounding 40.8% higher than it was in 2016, while at the same time burglaries committed at all location types combined were actually down 45.4%. Perhaps even more shocking is that by 2021, violent crime committed at retail establishments in 2021 was 78% higher than it was in 2016, compared to 27.6% higher for all locations.

**FIGURE 39**



**FIGURE 40**



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