Most funding formulas are too sophisticated to be fooled by the prison miscount.

It is important that the Census counts everyone. Census population determines how legislative districts are drawn and plays a major role in how federal funds are distributed. But where incarcerated people are counted has very little effect on those funding distributions for two reasons:

First, the majority of federal funding is in the form of block grants to states, so it does not matter where in any given state an incarcerated person is counted.

Second, most other funding programs are quite sophisticated and the funding distributions are calculated in ways that directly or indirectly ignore prison populations. For example, federal funds intended for low-income schools are based not on the total population counted for the area but rather on the number of low-income children counted in the Census or the number of students in a school’s discounted lunch program. Therefore, a large prison near a school would not increase funding to the school district.

In fact, based on a Counting for Dollars 2020 analysis by the GW Institute of Public Policy, only 7% of federal aid is in any way tied to a headcount. And they concluded that they “cannot draw a straight line between the number of people counted in the census and the dollars a state receives for all census-guided program”.

The rare funding programs that are skewed by prison populations tend to be very small, and focused solely on distributions within particular regions. For example, total population plays a minor part in the grants distributed by the Appalachian Regional Commission in a way that gives communities with a prison a slightly larger share of the available funds, and similarly situated rural communities without prisons receive less. Communities that are outside the eligible Appalachian counties are entirely unaffected.

Further, state legislation ending prison gerrymandering could never affect funding distributions because no federal or state funding formula is distributed on the basis of state or local redistricting data. This analysis has been confirmed by decades of experience of hundreds of local governments that have excluded prison populations when drawing local districts without any effect on the funding they receive.

To recap, the prison miscount has a severe impact on representation, but the impact on funding in rural prison-hosting areas is rare and minor, and altogether nonexistent in urban high-incarceration communities.

That said, when prison gerrymandering distorts representation in state legislatures, it distorts legislative priorities. Counting incarcerated people at home will help ensure that every community has fair representation and therefore a fair claim to the state’s resources.

Surprised? It’s understandable.

News articles often spread the common misconception that there is a direct connection between the prison miscount and the formula grants received, but none of these claims have ever withstood scrutiny.

These stories about an impact which does not exist threaten the longstanding rural-urban coalition for Census reform.