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Research Bulletin

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Payment of Restitution and Recidivism

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Restitution is an offender's court-ordered obligation to compensate victims for their losses. This most often involves an offender making monthly payments to cover the costs of damaged or stolen property, although these monies may also be ordered to cover medical expenses and lost wages (Harland, 1980). Restitution is widely supported because it both addresses victims' needs for compensation and meets the criminal justice goals of punishment and rehabilitation. Every state has a law addressing restitution, and 29 states, including Pennsylvania, have some type of mandatory restitution statute (Office for Victims of Crime, 1998).

This issue of the *Research Bulletin* presents findings from a multi-method, multi-year study that examined the imposition, payment, and effect of restitution in Pennsylvania. This is a follow-up to the November 2001 edition of the *Research Bulletin* entitled *Restitution Orders in Pennsylvania*, which addressed: 1) the impact of the 1995 mandatory restitution law on restitution orders, and 2) factors related to the imposition of restitution before and after the implementation of the mandatory law. This current *Research Bulletin* addresses: 1) what factors predict the payment of restitution, and 2) the effectiveness of restitution in lowering recidivism.

Previous Research

Prior studies on restitution payment indicate that most restitution orders are not completely paid, with collection rates ranging from 34% to 54% (Smith, Davis, and Hillenbrand, 1989; Lurigio, 1984; Cohen, 1995). Research also suggests that restitution is more likely to be paid when the amount is reasonable in light of the offender's ability to pay, when enforcement efforts are high, and when the offender is given enough time to pay (Davis et al., 1991).

Prior studies on the impact of restitution payment on recidivism have found restitution to be an effective means of reducing recidivism and more effective than straight probation or incarceration (Rowley, 1990). These findings suggest that, by accepting responsibility and repairing the damage to the victim in a tangible way, offenders may reap benefits that remain long after the criminal sanction has ended, including taking responsibility in other aspects of their lives and avoiding criminal behavior in the future.

Most studies of adult restitution have involved residential restitution centers, although restitution is usually imposed as a condition of probation. Thus, this study advances the understanding of the effect of restitution payment on recidivism by examining restitution payment that takes place in the community.

Restitution Project

The research findings presented in this Research Bulletin are part of a larger study on restitution that is being conducted by **Dr. R. Barry Ruback**, who is a professor of Crime, Law, and Justice in the Department of Sociology at Penn State University and past director of the Center for Research on Crime and Justice [CRCJ] at the University. In 1998 the CRCJ and the Sentencing Commission received a grant from the National Institute of Justice to establish a research partnership. Dr. Ruback's project on restitution was one of the initial projects under the partnership umbrella. In 2000, Dr. Ruback received funding from the Pennsylvania Commission on Crime and Delinquency to extend his research in this area. This Research Bulletin is based on articles written by Dr. Ruback in conjunction with three of his graduate assistants on the project, **Jennifer Shaffer, Melissa Logue, and Maureen Outlaw**. If you are interested in obtaining a copy of the paper, please contact Dr. Ruback at (814) 865-1307 [voice] or bruback@psu.edu [email].

Current Study

The current study involved an in-depth analysis of restitution at the county level, which included examining the predictors of restitution payment and the effect of restitution on recidivism. Three county-level analyses of sentences involving restitution were conducted: Allegheny for the year 1994; Blair, Centre, Dauphin, and Erie for 1994 and 1996; and Philadelphia for the years 1994-2000. These counties were selected for their variation with respect to size, geography, and the manner in which they collected restitution (i.e., a special collections unit or the probation office's responsibility).

Allegheny County Study. This study utilized probation records, court records, and Integrated Court Information System files to examine restitution-eligible probation cases in Allegheny County during 1994. Probation cases were used, as these offenders were most likely to receive restitution orders prior to the 1995 mandatory restitution statute. Table 1 shows that offenders in the sample, which included 481 cases, were primarily young (mean age=31), black (54%), male (79%), and had no prior convictions (53%).

Table 1. Description of Sample for Allegheny County Study, Four County Study, and Philadelphia County Study

Variable	Allegheny County Study	Four County Study				Philadelphia County Study
	[1994]	Blair	Centre	Dauphin	Erie	[1994-2000]
Males	79%	80%	84%	79%	86%	86%
Whites	46%	90%	85%	49%	65%	29%
Mean Age	31	29.6	28.2	30.5	29.6	27.6
Employed	—	52%	45%	63%	44%	—
Substance Use	—	27%	36%	73%	67%	—
Violent Offense	—	35%	39%	33%	42%	—
Property Offense	—	56%	53%	54%	43%	59%
Prior Convictions	47%	36%	30%	62%	56%	—
History of Violence	—	12%	14%	20%	30%	—
Restitution Ordered	26%	63%	77%	43%	39%	17%
Number	481	547	340	450	448	79,555

Note: The symbol — indicates that the variable was not included in the analysis.

Payment of restitution. About 26% of the offenders in the sample received an order of restitution with a mean amount of \$1,642 and a median of \$315. Of these offenders, 48% paid their restitution in full, 35% paid some of their restitution, and 17% paid none of their restitution.

A multivariate analysis* was conducted to examine two issues relevant to restitution payment: factors predicting payment vs. non-payment (Table 2), and factors predicting percent of restitution paid (Table 3). Table 2 shows that three factors, gender, type of victim, and rearrest, emerged as significant predictors for payment of restitution. Specifically, males were more likely than females to pay their restitution, businesses were more likely than individual victims to receive restitution payment, and offenders who were not rearrested for a new crime were significantly more likely to pay restitution.

Table 3, which shows factors related to the percentage of restitution paid, indicates that lack of a rearrest remained

a significant predictor. Gender no longer was significant, which suggests that, when females pay, they do not differ from males in the proportion of the restitution that they pay. Approaching significance (p=.058) was the finding that business victims tended to receive more payment than individual victims. Race emerged as a significant predictor, in that white defendants paid a higher proportion of the restitution imposed than did black defendants.

Table 3. Significant Predictors of Percentage of Restitution Paid

Variable	Allegheny Study	Four County Study
Gender	no	no
Race	yes [white]	no
Age	no	no
Employment status	no	no
Type of crime	no	no
Type of victim	no	no
Time for payment	no	—
No rearrest	yes	—
Prior record	—	no
Substance use problem	—	no
Percent of		
fines/costs paid	—	yes
County population	—	yes [smaller]
No collection agency	—	yes

Notes:

'Yes' indicates that variable was significant at .05 or lower.

The symbol — indicates that the variable was not included in the analysis.

Table 2. Significant Predictors of Restitution Payment

Variable	Allegheny Study	Philadelphia Study
Gender	yes [males]	yes [females]
Race	no	yes [whites]
Age	no	no
Employed	no	—
Type of crime	no	yes [non-violent]
Type of victim	yes [business]	—
Time for payment	no	—
No rearrest	yes	—
Payment of		
fines/costs	—	yes

Notes:

'Yes' indicates that variable was significant at .05 or lower.

The symbol — indicates that the variable was not included in the analysis.

Restitution payment and recidivism. Table 4 shows which factors were found to be predictors of recidivism, with arrest for a new offense being used as the measure of recidivism. Consistent with other research, gender, race, and age were significant predictors of rearrest in that males, black offenders, and younger offenders were more likely to be rearrested than their counterparts. While the payment of restitution was unrelated to recidivism, the percentage of restitution paid was a significant predictor of an offender being rearrested for a new crime.

* Multivariate analysis allows for the examination of each individual variable while simultaneously controlling for the other variables included in the analysis.

Table 4. Significant Predictors of Rearrest for New Offense

Variable	Allegheny	Four County	Philadelphia
Younger	yes	yes	yes
Black	yes	no	yes
Substance use problem	—	yes	—
Male	yes	no	yes
Prior record	—	yes	—
Property crime	no	yes	—
Employed	no	no	—
History of violence	—	no	—
Time at risk	—	yes	—
Restitution not imposed	—	—	yes
Restitution paid	no	—	—
Lower percentage of restitution paid	yes	yes	—
Fine not imposed	—	—	yes
Costs imposed	—	—	yes
Fine paid	no	—	—
Percent fine paid	—	no	—
No collection unit	—	yes	—

Notes:
 'Yes' indicates that variable was significant at .05 or lower.
 The symbol — indicates that the variable was not included in the analysis.

Four County Study. This study expanded upon the Allegheny County study by examining how contextual factors influenced restitution payment. Of particular interest was the impact of county population and the presence or absence of a special unit devoted to the collection of restitution. The data came from 1994 and 1996 court, probation, and costs/fines records from two relatively large (Dauphin and Erie) and two relatively small (Blair and Centre) counties. Additionally, Blair and Erie Counties have specialized collection units.

Table 1 shows that, in general, the sample characteristics were similar across counties. Most offenders were male, and, in all but Dauphin, white. About half of the offenders were employed. Individuals in the two larger counties (Dauphin and Erie) were more likely to have substance abuse problems, prior convictions, and a history of violence. Restitution orders were significantly more likely in the two smaller counties (Blair and Centre).

Payment of restitution. Table 3 shows that there were three significant factors that predicted restitution payment in these four counties. The percentage of restitution paid was significantly higher for offenders who also paid higher proportions of their fines and costs, lived in counties without specialized collection units, and lived in the less populous counties.

Restitution payment and recidivism. Table 4 shows that recidivism was significantly more likely for offenders who were younger, had substance abuse problems, had a prior record, committed a property offense, and were at risk for a longer period of time. Consistent with the finding from the Allegheny County study, those offenders who paid a higher percentage of their restitution order were less likely to be rearrested for a new crime. Further, payment of fines did not have the same effect in lowering recidivism. Finally, those offenders who lived in counties with specialized collection units were less likely to be rearrested than those who lived in

counties in which probation officers had the restitution collection responsibility.

Philadelphia County Study. The data for this study were obtained from computer files maintained by Philadelphia and contained 79,555 cases from 1994-2000. Of these cases, 64% were processed in Common Pleas Court (which generally handles felonies) and 36% in Municipal Court (which generally handles misdemeanors). Most offenders were male (86%), non-white (71%), with a mean age of 28 years, and convicted of a property offense (59%). Restitution was ordered in 17% of the cases.

Payment of restitution. Table 2 shows that, in Philadelphia, payment of restitution was significantly more likely by females, whites, and offenders convicted of property crime. Further, offenders who made payment on fines or costs were also more likely to pay their restitution.

Restitution payment and recidivism. Overall, about 31% of the offenders in the Philadelphia sample were arrested for committing a new crime. Table 4 shows that, consistent with the findings in Allegheny County, males, blacks, and younger offenders were more likely to be arrested. In addition, offenders who had costs imposed were *more likely* to be rearrested while those who had restitution and fines imposed were *less likely* to be rearrested for a new crime. Additional analyses also revealed that offenders who did not have a private attorney, were sentenced in Municipal Court, and were sentenced during 1994-1995 rather than during the later years, were significantly more likely to have been arrested for a new crime.

Summary and Conclusion

This study examined: 1) predictors of restitution payment and 2) the effect of restitution payment on recidivism. Consistent with prior research in this area, the study found that about half of the restitution ordered was paid. In general, those offenders who were white and those with no rearrests were more likely to both pay restitution and pay a higher percentage of the restitution ordered. As the analyses controlled for 'time for payment' prior to the arrest, the effect of rearrest on payment is not simply a reflection of the offender being in jail, and unable to make payments of restitution.

There were inconsistent findings with respect to gender, with males being more likely to pay restitution in Allegheny County and females being more likely to pay restitution in Philadelphia County. Gender was not a significant predictor of the percentage of restitution paid in Blair, Centre, Dauphin, or Erie.

In Allegheny County, restitution was more likely to be paid if the victim was a business, rather than an individual. This may be the result of such offenses being white collar offenses, where perpetrators are more able to pay, or businesses may be more persistent in pursuing restitution payment.

The study also found that individuals in counties with specialized collection units had a lower likelihood of making full payment. One possible explanation for specialized collection units being less successful in collecting economic sanctions may be because, relative to probation offices, they have fewer resources to encourage offenders to pay, and less information about how well the offender is managing community supervision overall.

This study also examined the impact of restitution on offenders' subsequent offending behavior. Overall, the percentage of restitution paid was found to be a more significant factor than whether any restitution was paid. Individuals who paid a higher percentage of

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their ordered restitution were less likely to commit a new crime. Moreover, the payment of fines was not found to have the same effect of lowering recidivism. This suggests that it is the act of reparation that is important, not merely the act of payment itself.

The finding that offenders in counties with specialized collection units were less likely to be rearrested might be the result of the offenders being discharged from probation before paying all of their ordered restitution. If so, subsequent offenses may not be discovered. This, in tandem with the finding that collection units have a lower likelihood of collecting full restitution, suggests that probation officers may be in the best position to supervise all aspects of probationers' behavior, including the payment of economic sanctions.

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Major Findings

- ◆ While the majority of offenders pay some of their restitution order, only about half pay full restitution.
- ◆ Offenders in counties with specialized collection units were less likely to make full restitution.
- ◆ The percentage of restitution paid was significantly higher for offenders in less populous counties.
- ◆ Offenders who paid a higher proportion of their costs and fines were also more likely to pay a higher percentage of their restitution.
- ◆ Offenders who paid a higher percentage of their ordered restitution were less likely to commit a new crime.
- ◆ Offenders in counties with specialized collection units had a lower likelihood of being arrested for a new crime.