

# AGENDA

## ASSEMBLY BUDGET SUBCOMMITTEE NO. 5 ON PUBLIC SAFETY

ASSEMBLYMEMBER REGINALD BYRON JONES-SAWYER SR., CHAIR

WEDNESDAY, APRIL 10, 2013

1:30 P.M. - STATE CAPITOL ROOM 444

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## VOTE ONLY ITEMS

### 8940 CALIFORNIA MILITARY DEPARTMENT

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#### VOTE-ONLY ISSUE 1: STATE ACTIVE DUTY PAY

**Governor's Proposal.** The Governor's 2013-14 Budget includes a request for a \$1.2 million (\$526,000 General Fund) augmentation to cover the estimated State Active Duty (SAD) employee compensation increases to be granted effective January 1, 2013.

#### BACKGROUND

The California Military Department (CMD) is authorized to have 808 positions. The positions are both civil service (271) and State Active Duty (537) positions. The SAD employees are active members of the National Guard or State Military Reserve and carry out various administrative, training, security, and other functions within the CMD. Funding for the State Active Duty employees is provided by a mixture of both Federal and State funds.

In accordance with state law, the salary ranges for SAD employees are set equivalent to the federal pay ranges for active duty military personnel. The annual budgets for most state agencies assume that, on average, their employees receive salaries in the middle of their salary ranges, since agencies will generally have a mix of newer and more senior employees within each classification. According to the Legislative Analyst's Office (LAO), this is not how the CMD has calculated pay for State Active Duty. The LAO has found that SAD employees at CMD earn salaries at the top of the available salary range rather than the more typical midrange. According to the Administration, this is because most SAD employees are believed to be more senior with salaries at or near the upper limit for their ranks. However, based on research conducted by the LAO of actual CMD expenditures for SAD positions in 2011-12, SAD employees, on average, actually receive salaries somewhat below the middle step for their rank. Consequently, the proposed budget for CMD includes more than is necessary to fund its authorized SAD positions. The LAO estimates that the CMD has projected their budget to be about \$1.3 million higher in the budget year because of the discrepancy in their pay calculations.

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**Staff Recommendation: Deny without prejudice**

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## ITEMS TO BE HEARD

### **8940 CALIFORNIA MILITARY DEPARTMENT**

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The California Military Department is responsible for the command, leadership, and management of the California Army and Air National Guard and five other related programs. The purpose of the California National Guard is to provide military service supporting this state and the nation. The three missions of the California National Guard are to provide: 1) mission ready forces to the federal government as directed by the President; 2) emergency public safety to civilian authorities as directed by the Governor; and, 3) support to the community as approved by a proper authority. The California Military Department is organized in accordance with federal departments of the Army and the Air Force staffing procedures.

#### **ISSUE 1: WORK FOR WARRIORS PROGRAM**

The California Military Department will give a brief overview of the most recent legislative report on the Work for Warriors Program.

#### **PANELISTS**

- Major General David S. Baldwin, Adjutant General, California Military Department
- Department of Finance
- Legislative Analyst's Office

#### **BACKGROUND**

In February 2012, The California State Assembly provided the CMD with a \$500,000, multiyear grant to help establish the National Guard employment pilot program called "Work for Warriors." The program is intended to match up the skills of unemployed and underemployed National Guard members with the hiring needs of employers. The goal of the program is to reduce unemployment and underemployment among California National Guard members by 25 percent within a year and below five percent in the long-run.

Numerous employers have committed to supporting the Work for Warriors program including the California Chamber of Commerce, Comcast, Granite Construction, Dollar General, Lawrence Berkeley National Laboratory, JP Morgan Chase, Solar City, and the California Conservation Corps.

California is home to the largest and most frequently deployed National Guard force in the country, deploying more than 37,000 times to countries worldwide since September 11, 2001. In many cases, these deployments have resulted in unstable employment and underemployment for serving veterans. It is estimated that the unemployment rate among traditional Guardsmen in California is roughly twenty percent, with an additional fourteen percent of the force only working part time.

Pursuant to Provision four of Item 8940-001-0001, Budget Act of 2012, The California Military Department is required to report to the Legislature on programmatic outcomes for the Work for Warriors Program. This report was provided to the Legislature as required.

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**Staff Recommendation: Informational Item**

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**ISSUE 2: BEHAVIORAL HEALTH OUTREACH PROGRAM**

The California Military Department will give a brief overview of services provided under the Behavioral Health Outreach Program.

**Governor's Proposal.** The Governor's 2013-14 Budget includes an \$815,000 augmentation to support five permanent behavioral health officer positions.

**PANELISTS**

- Major General David S. Baldwin, Adjutant General, California Military Department
- Department of Finance
- Legislative Analyst's Office

**BACKGROUND**

Currently, the Military Department employs three permanent positions and two temporary positions to provide behavioral health services to the 21,262 members of the California National Guard. The Military Department is requesting to convert the two temporary positions to permanent status and hire an additional three licensed behavioral health staff. This will provide the Military Department with a total of seven licensed behavioral health staff and one support staff. The Military Department estimates that the additional licensed staff will allow for a 75 percent increase in the Military Department's behavioral health capabilities statewide.

**STAFF COMMENTS/QUESTIONS**

According to the Military Department, there were 20 suicides or suicide attempts during the 2012 calendar year. The proposed positions and associated funding will provide the Military Department with additional resources to better serve California's military personnel in times of crisis.

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**Staff Recommendation: Approve as Budgeted**

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**5225 CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION**

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Effective July 1, 2005, the California Department of Corrections and Rehabilitation (CDCR) was created pursuant to the Governor's Reorganization Plan No. 1 of 2005 and SB 737 (Romero), Chapter 10, Statutes of 2005. All departments that previously reported to the Youth and Adult Correctional Agency (YACA) were consolidated into CDCR and included the California Department of Corrections, Youth Authority (now the Division of Juvenile Justice), Board of Corrections (now the Corrections Standards Authority (CSA)), Board of Prison Terms, and the Commission on Correctional Peace Officers' Standards and Training (CPOST). Effective July 1, 2012, SB 92 (Committee on Budget and Fiscal Review), Chapter 36, Statutes of 2011 created the Board of State and Community Corrections ("BSCC"), which superseded the CSA.

The mission of the CDCR is to enhance public safety through safe and secure incarceration of offenders, effective parole supervision, and rehabilitative strategies to successfully reintegrate offenders into our communities.

The CDCR is organized into the following programs:

- Corrections and Rehabilitation Administration.
- Juvenile: Operations and Offender Programs; Academic and Vocational.
- Education; Health Care Services.
- Adult Corrections and Rehabilitation Operations: Security; Inmate Support.
- Contracted Facilities: Institution Administration.
- Parole Operations: Adult Supervision; Adult Community-Based Programs Administration.
- Board of Parole Hearings: Adult Hearings; Administration.
- Adult: Education, Vocation, and Offender Programs; Education; Substance.
- Abuse Programs; Inmate Activities; Administration.
- Adult Health Care Services.

The Governor's Budget proposes \$8.97 billion and 59,736.2 positions for the CDCR in 2013-14.

**ISSUE 1: THE FUTURE OF CALIFORNIA CORRECTIONS (BLUEPRINT) IMPLEMENTATION**

CDCR's Secretary, Jeffrey Beard, will open this issue with a brief overview of the CDCR's progress implementing the Future of California Corrections Blueprint.

The Office of the Inspector General will then walk through the Initial Report on CDCR's Progress implementation its Future of California Corrections Blueprint.

**PANELISTS**

- Jeffrey Beard, Secretary, California Department of Corrections and Rehabilitation
- Robert A. Barton, Office of the Inspector General
- Department of Finance
- Legislative Analyst's Office

**BACKGROUND**

The Future of California Corrections (Blueprint) was developed as CDCR's plan to: 1) allow the department to satisfy the Supreme Court's order; 2) end the class-action lawsuits as soon as possible; 3) maintain an effective prison system; and, 4) achieve significant savings, as assumed in public safety realignment.

The key components of the Blueprint include:

- **Improve the Inmate Classification System.** As a result of research produced by a panel of correctional experts and input from seasoned professionals, the department has modified its classification system. The modified system will enable the department to safely shift about 17,000 inmates to less costly housing where they can benefit from more access to rehabilitative programs.
- **Return Out-of-State Inmates.** The department began sending inmates out-of-state when overcrowding was at its worst in 2007. The department plans to bring these inmates back as they complete their sentences, the prison population drops, classification changes are made and additional housing units are constructed at existing facilities.
- **Improve Access to Rehabilitation.** This plan enables the department to improve access to rehabilitative programs and place at least 70 percent of the department's target population in programs consistent with their academic and rehabilitative needs. Increasing access to rehabilitative programs will reduce recidivism by better preparing inmates to be productive members of society. In doing so, it will help lower the long-term prison population and save the state money. The department will establish re-entry hubs at certain prisons to concentrate program resources and better prepare

inmates as they get closer to being released (within 48 months). It will also designate enhanced programming yards to incentivize positive behavior.

- **Standardize Staffing Levels.** The Blueprint establishes new and uniform staffing standards for each institution that will enable the department to operate more efficiently and safely.
- **Gang Management.** The Blueprint identified several measures, recommended as a result of a 2007 study, to commence new and targeted strategies to minimize the negative impacts of gangs in prisons. The department's policy for identifying prison-based gang members and associates and isolating them from the general population is being replaced with a new model that identifies, targets, and manages Security Threat Groups and utilizes a behavior-based Step Down Program for validated affiliates.
- **Comply with Court Imposed Health Care Requirements.** In recent years, numerous measures have been implemented that have significantly improved the quality of the department's health care system. The Inspector General regularly reviews and scores the department's medical care system, and these scores have been steadily rising. In addition, the capacity of the health care system will soon increase. Slated for completion during the summer of 2013, the California Health Care Facility in Stockton is designed to house inmates requiring long-term medical care and intensive mental health treatment. Its annex will open in the summer of 2014 to create a unified Stockton complex, allowing both facilities to efficiently transition inmate-patients between the two, while avoiding transportation and security costs as well as the need for expensive services in community hospitals and clinics. These projects, in addition to ongoing mental health, and dental projects and new plans to increase medical clinical capacity at existing prisons, will satisfy court-imposed requirements.

**Prior Subcommittee Action.** As part of the current year's budget, the Subcommittee approved the Governor's plan for the Blueprint in order to achieve \$1.5 billion in annual savings by 2015-16 related to the reduction in CDCR's population driven by realignment, advance efforts to end various class-action lawsuits, and maintain an effective and efficient prison system. The Blueprint included the following components that were approved by the Subcommittee:

- 1) A net reduction of \$1.9 million General Fund.
- 2) Added a new budget item (5225-007-0001) in the amount of \$13.8 million to reflect continuation of the Community Correctional Program.
- 3) \$810 million in lease-revenue bond authority to construct three level II dorm facilities.
- 4) \$700 million in AB 900 (Solorio), Chapter 7, Statutes of 2007 lease-revenue authority for court ordered medical upgrades.
- 5) \$167 million in AB 900 lease-revenue authority for the conversion of the Dewitt juvenile facility (1,133 beds, including 953 health care beds).



- 6) Reappropriated funding necessary to ensure completion of health care projects required to comply with court orders, as well as maintain the safe and efficient operation of existing prison facilities.
- 7) Added provisional language specifying \$2.8 million is available for expenditure on capital improvement projects at the Folsom Transitional Treatment Facility.
- 8) Eliminated duplicative provisional reporting language that will now be provided for in statute.
- 9) Amended provisional language to adjust contract dollars and average daily population figures for out-of-state facilities.

### **Blueprint Trailer Bill Language**

1. **Civil Addicts Program Sunset Date** – Ceased commitments of civil addicts to CDCR beginning January 1, 2013.
2. **Accountability Language** – Required CDCR to establish appropriate oversight, evaluation, and accountability measures as part of the Blueprint.
3. **Reporting Language** – Required CDCR to submit estimated expenditures, as specified, to the Department of Finance for inclusion in the annual Governor's Budget and May Revision.
4. **AB 900** – Amends various code sections related to AB 900 as follows:
  - a) Eliminated approximately \$4.1 billion in lease-revenue bond authority that was no longer needed for implementation of CDCR's facilities plan.
  - b) Deleted various sections of the Penal Code related to construction of re-entry facilities and the benchmarks associated with phase two of infill, re-entry, and health care facilities.
  - c) Allowed for use of specific AB 900 funds for medication distribution facilities improvement projects.
  - d) Revised reporting requirements so that the remaining projects are subject to an approval process that is the same as other state capital outlay projects.
  - e) Various clean-up amendments consistent with the changes outlined above.

In addition to the above components that were proposed by the Administration, the Legislature adopted the following revisions to the Blueprint:

- 1) Transferred \$645,000 to the Office of the Inspector General (OIG) to support 5 positions and adopted trailer bill language specifying the OIG's responsibility for oversight and review of various staffing and program aspects of the Blueprint.
- 2) Removed funding for inmate rehabilitative programs from CDCR's main item of appropriation and created a separate item of appropriation for inmate rehabilitative programs, including a provision specifying that any funds not spent for the appropriated purpose shall revert to the General Fund.
- 3) Revised the proposed trailer bill language for the Medical Upgrade Program, Dewitt conversion, and the Infill Projects to specify that authorized funding shall only be expended on these projects and that detail scope and cost information for the Medical Upgrade Program and the Infill Projects shall be provided to the Joint Legislative Budget Committee in conjunction with submittal to the Public Works Board.
- 4) Added trailer bill language that specified the intent of the infill projects to provide a flexible design to satisfy the needs of housing subpopulations of inmates, such as those with disabilities, or mental health needs, that the department has not had sufficient capacity for, as various court orders have identified.
- 5) Adopted trailer bill language that mandates that the California Rehabilitation Center (Norco) shall close upon completion of the infill projects.

**OIG Oversight.** As previously mentioned, to monitor implementation of the Blueprint, the Legislature passed and the Governor signed legislation adding language to the California Penal Code section 6126 mandating the OIG to periodically review delivery of the reforms identified in the Blueprint, including, but not limited to, the following specific goals and reforms:

- Whether the department has increased the percentage of inmates served in rehabilitative programs to 70 percent of the department's target population prior to their release;
- The establishment of, and adherence to, the standardized staffing model at each institution;
- The establishment of, and adherence to, the new inmate classification score system;
- The establishment of, and adherence to, the new prison gang management system, including changes to the department's current policies for identifying prison-based gang members and associates and the use and conditions associated with the department's secured housing units; and,
- The implementation of, and adherence to, the comprehensive housing plan described in the Blueprint.

The OIG released its initial report last week. In summary, the OIG found that the department has demonstrated much progress in implementing its Blueprint goals in most categories reviewed. Specifically:

- Various rehabilitation measures have been established or are in development.
- The department has established, and for the most part is adhering to, the standardized staffing model at each institution.
- The department has established, and for the most part is adhering to, the new inmate classification scoring system.
- The department has established the new prison gang management system and is undergoing a 24-month pilot to implement and assess the new procedures.
- The department has implemented, and for the most part is adhering to, the comprehensive housing plan described in the Blueprint.
- Overall, the OIG reports that the department has demonstrated good initial progress implementing its Blueprint goals. The initial report will serve as a baseline review of the department's initial efforts, and subsequent reports will assess its progress meeting specified future benchmarks and goals of the Blueprint.

#### **STAFF COMMENTS/QUESTIONS**

Considering that implementation of the Blueprint seems to be progressing well in most areas, the Subcommittee may wish to focus its attention on the areas where additional resources and guidance may be appropriate. One such area is rehabilitative programs. The OIG's report identifies several areas of the plan for in-prison rehabilitation programs that are yet to get underway. These areas include: Cognitive Behavioral Therapy; Pre-Employment Transition; the Long Term Offender pilot program; the Sex Offender Treatment pilot program; and Gang Prevention.

While the implementation of these programmatic changes is not currently behind schedule, the Subcommittee may wish to take a proactive approach to working with the CDCR to identify and address roadblocks to successful implementation.

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#### **STAFF RECOMMENDATION: INFORMATIONAL ITEM**

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## 0552 OFFICE OF THE INSPECTOR GENERAL

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The Office of the Inspector General (OIG) protects public safety by safeguarding the integrity of California's correctional system. The OIG is responsible for contemporaneous oversight of the California Department of Corrections and Rehabilitation's (CDCR) internal affairs investigations, use of force, and the employee disciplinary process. When requested by the Governor, the Senate Committee on Rules, or the Speaker of the Assembly, the Inspector General reviews the policies, practices, and procedures of the CDCR.

The Inspector General also reviews the Governor's candidates for appointment to serve as wardens for the state's adult correctional institutions and superintendents for the state's juvenile facilities. Conducts metric oriented inspection programs to periodically review the delivery of medical care at each of the state's prisons; and the delivery of reforms identified in the department's document, released in April 2012, entitled "*The Future of California Corrections: A blueprint to save billions of dollars, end federal court oversight, and improve the prison system.*" The OIG also receives communications from individuals alleging improper governmental activity and maintains a toll-free public telephone number to receive allegations of wrongdoing by employees of the CDCR; reviews of complaints of retaliation from CDCR employees against upper management where a legally cognizable cause of action is present; and reviews the handling of sexual abuse incidents within correctional institutions. The OIG provides critical public transparency for the state correctional system by publicly reporting its findings.

The Public Safety and Offender Rehabilitation Services Act of 2007, AB 900 (Solorio), Chapter 7, Statutes of 2007, created the California Rehabilitation Oversight Board (Board) within the OIG. The Board's mandate is to examine the CDCR's various mental health, substance abuse, educational, and employment programs for inmates and parolees. The Board meets quarterly to recommend modifications, additions, and eliminations of offender rehabilitation and treatment programs. The Board also submits biannual reports to the Governor, the Legislature, and the public to convey its findings on the effectiveness of treatment efforts, rehabilitation needs of offenders, gaps in offender rehabilitation services, and levels of offender participation and success.

### ISSUE 1: INSPECTOR GENERAL TRAILER BILL LANGUAGE

**Proposal.** The Office of the Inspector General has proposed trailer bill language to address concerns that are the result of significant budget and statutory restructurings of the OIG's office and to codify co-location of staff with the CDCR Office of Internal Affairs.

**PANELISTS**

- Robert A. Barton, Office of the Inspector General
- Department of Finance
- Legislative Analyst's Office

**BACKGROUND**

The 2011 Budget Act contained budget reductions and statutory changes to the OIG's mission. These changes resulted in the reorganization and downsizing of the office; removed the peace officer status of OIG employees; removed the mandate that the OIG conduct audits and investigations of the CDCR; and removed the requirement that the OIG conduct quadrennial facility operation reviews and one-year warden follow-up audits. These duties were replaced with the requirement that the OIG conduct reviews of the CDCR (at the request of the Governor, the Senate Rules Committee, or the Speaker of the Assembly).

To operationalize the budget reductions and statutory changes, the OIG abolished its bureaus and restructured its operations into regions to reduce travel and overtime costs. Deputy Inspectors General are cross-trained in the eight primary disciplines that are statutorily mandated; use of force monitoring, policy and performance reviews, warden and superintendent vetting, retaliation complaint investigations, Sexual Abuse in Detention Elimination Act reviews, independent intake complaint processing, medical inspections, and critical incident monitoring.

The proposed trailer bill language makes the following changes to address issues that resulted from previous statutory changes. Specifically, the proposed language:

- Deletes Penal Code (PC) Section 6131 because the section is no longer applicable considering that the OIG no longer initiates audits or investigations.
- Moves the only remaining relevant language, which requires the OIG to prepare a public report of its reviews, from PC 6131 to PC 6126.
- Makes a clarifying change to PC 6126.2 regarding a prohibition on hiring any person known to be involved in an open internal affairs investigation.
- Deletes a provision that refers to wardens who have been appointed but not yet confirmed as of July 1, 2005. There are no such wardens remaining at CDCR.
- Changes references in PC 6129 from "review" to "investigation." This section is the only section under which the OIG still conducts investigations (for retaliation complaints), and was inadvertently changed to "review" in 2011.

- Codifies that the OIG shall have staff physically collocated with the CDCR's Office of Internal Affairs. This practice was put in place as part of the Madrid lawsuit (pertaining to use of force remedy). According to the OIG, it is now necessary to codify the practice in order to ensure that collocation continues as leases expire and offices are relocated.

The Governor's Budget proposes \$15.5 million and 91.4 positions for the OIG in 2013-14.

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**Staff Recommendation: Approve Proposed Trailer Bill Language**

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