

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 5 PUBLIC SAFETY

ASSEMBLYMEMBER REGINALD B. JONES-SAWYER SR., CHAIR

**WEDNESDAY, APRIL 2, 2014
1:30 P.M. - STATE CAPITOL ROOM 437**

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VOTE ONLY ISSUES

8940 CALIFORNIA MILITARY DEPARTMENT

VOTE-ONLY ISSUE 1: STATE ACTIVE DUTY PAY

Governor's Proposal. The Governor's 2014-15 Budget proposal includes \$615,000 (\$256,000 General Fund and \$359,000 Federal Funds) to support the estimated State Active Duty (SAD) employee compensation increases to be granted effective January 1, 2014.

BACKGROUND

The California Military Department provides military support to the State of California. In accordance with Sections 320 and 321 of the Military and Veterans Code, pay for State Active Duty employees is based on federal military pay scales granted by Congress. Additional compensation adjustments are also mandated due to Congressionally-approved increases in the allowance for housing and subsistence. Compensation is based on each military member's pay grade, duty location, and years of military service.

Recommendation: Approve as budgeted

ITEMS TO BE HEARD

RECIDIVISM REDUCTION EFFORTS

ISSUE 1: LOS ANGELES CITY ATTORNEY COMMUNITY JUSTICE INITIATIVE

The issue before the subcommittee is the Los Angeles City Attorney Community Justice Initiative.

PANELISTS

- Current Los Angeles City Attorney and Former Assembly Member Mike Feuer
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The Los Angeles City Attorney Community Justice Initiative (CJI) offers innovation through an integrated model focused on prevention, intervention and neighborhood engagement to make communities safer and foster responsibility and accountability at both the individual and the community levels. CJI integrates new initiatives with programs that have proven successful in the past, but have fallen victim to budget realities and are in need of rejuvenation. This more robust, comprehensive approach broadens the span of community engagement -- from identifying the issues most troubling to a community, to prevention and early intervention, to community-based justice and diversion alternatives focused on addressing causes, not just symptoms.

CJI starts with the understanding that a city the size of Los Angeles is made up of diverse communities with vastly differing challenges. In addition, to be an effective catalyst of change and improvement, one must hear from and engage with the community, moving away from the "one size fits all" response.

Common themes have emerged from Los Angeles' community engagement and have significantly shaped the development of CJI's integrated approach. Los Angeles has learned, for instance, that non-violent misdemeanors, particularly amongst first time offenders, are often met with a response that sets the course for a lifetime of escalating involvement with the criminal justice system. Specifically, non-violent misdemeanor crimes may result in a criminal conviction or jail time through the traditional criminal justice process, leading to insurmountable challenges for the offender. These include the inability to gain employment, complete education, reside lawfully in public housing,

and pursue a range of other important life goals. For some of our more vulnerable populations, traditional prosecution may serve as a barrier to obtaining much needed mental health and social services. As a result, offenders with limited choices often return to criminal behavior, wedding themselves to the criminal justice system for life.

CJI works to find alternative ways of addressing crime, educating offenders and solving problems at their earliest stages. Responsive intervention works to turn the tide, keeping non-violent offenders out of the criminal justice system through diversion programs that require them to take responsibility for their actions, repair the damage done and get the services needed to lead a life of responsibility and productivity.

- **CJI is comprehensive.** It includes identifying the most pressing neighborhood criminal justice issues, attempting to prevent those problems from recurring, intervening at early stages when they do, diverting offenders from incarceration to alternatives that address the causes of criminal behavior and helping offenders repair individuals and communities that have been harmed.
- **CJI engages community members and addresses community priorities.** CJI recognizes the import of community engagement in identifying and resolving the varied challenges facing Los Angeles' diverse and unique communities. Its neighborhood-based initiatives are designed to encourage and empower residents to become part of the solution, improving effectiveness and ensuring sustainability.
- **CJI is tailored to offenders' particular needs.** Many offenders, especially some of the most vulnerable such as homeless people and veterans, are poorly-served by the existing "one size fits all", punitive-based systems. CJI offers meaningful, individualized intervention aimed at changing behavior, reducing recidivism, and providing opportunities for individuals to succeed.
- **CJI is data-based.** CJI is founded on innovation and strives for success and sustainability – dictating consistent and in-depth program evaluation and introspection. CJI is committed to teaming with leading experts to employ metrics allowing for this robust evaluation.
- **CJI aspires to long-term solutions.** CJI stresses sustainability and long-term impact, through community investment and empowerment, and collaboration with civic leaders and community-based organizations.

The comprehensive nature of CJI is reflected in the elements that comprise this innovative initiative:

- **Neighborhood Court Program**
A restorative justice program that diverts non-violent offenders from the traditional criminal justice system, bringing them together with community representatives to understand and address criminal behavior and repair neighborhoods.
- **Truancy Parent/Teen Court**
This innovative program provides alternative intervention for students and their parents, when students continue to be truant despite traditional approaches.

- **Neighborhood School Safety Program**
Focuses on crime prevention in neighborhoods surrounding school sites and safe passages to school by proactively identifying and addressing obstacles to students attending and thriving in school.
- **HALO (Homeless Alternatives to Living on the Streets) Alternative Sentencing Program**
Enables homeless defendants to resolve open non-violent misdemeanors by participating in relevant social and mental health services.
- **Operation VALOR (Veterans' Alternative Legal Options and Resources)**
Allows veterans cited for misdemeanors the option of receiving therapeutic services.
- **HALO and VALOR Citation Clinic**
Assists homeless individuals, many of whom are veterans, to avoid arrest or fines for failure to appear for infraction offenses.
- **Gun Violence Prevention Program**
Works to take guns off the streets through aggressive enforcement and community education.
- **Comprehensive Gang Violence Reduction Program**
Abates criminal activity in targeted gang corridors and offers individuals a pathway out of gang activity through diversion and intervention.
- **Prostitution Diversion Program**
Addresses the underlying issues that lead individuals to engage in prostitution through education and rehabilitation.
- **Neighborhood Prosecutor Program**
Frequently employing alternatives to traditional prosecution, this program dedicates prosecutors to work in and with communities to identify and resolve quality of life issues

STAFF COMMENTS

Although there is no "fix-all" approach to addressing the ills that land individuals in the criminal justice system, this initiative goes impressively far in addressing many of the most prevalent root causes. Further, staff concurs with the assertion that minimizing criminal justice contact for low-risk, non-violent offenders through diversion programs that require them to take responsibility for their actions is an important part of reducing recidivism and steering offenders in the right direction.

Staff recommends the Subcommittee consider funding this program (completely or partially) on a trial basis pending review of multi-year data supporting or discrediting this approach.

Staff Recommendation: Consider funding a pilot of this program from the Recidivism Reduction Fund.

ISSUE 2: SOCIAL IMPACT FINANCING

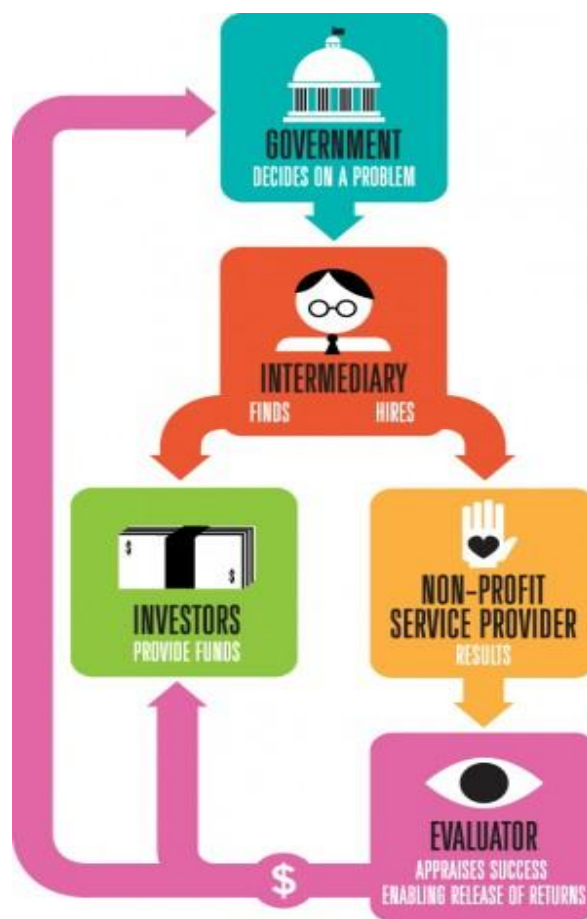
The issue before the subcommittee is the potential use of Social Impact Financing as a tool for funding recidivism reducing efforts.

PANELISTS

- Caroline Whistler - 3rd Sector Capital
- Kathlyn Mead - The California Endowment
- Alex Bursansky - National Council on Crime and Delinquency
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

A Social Impact financing (SIF) also known as “social innovation bonds” or “pay for success”— offers governments a risk-free way of pursuing creative social programs that may take years to yield results. Usually, governments decide what problems they want to address and then enter a contractual agreement with an intermediary (or bond-issuing organization) that is responsible for raising capital from independent investors including banks, foundations, and individuals, and for hiring and managing nonprofit service providers. If the project achieves its stated objectives, the government repays the investors with returns based on the savings the government accrues as a result of the program’s success. (Taxpayers also receive a portion of the budget gains in the form of freed-up public resources, though the investors may need to be fully paid first.) A neutral evaluator, agreed on by both parties, is hired to measure the outcomes and resolve any disputes that arise.



For example, a government may enter into a Pay for Success contract with an Intermediary and its Recidivism Reduction partners in which the government only pays if Recidivism for the identified group decreases. The Intermediary would raise the working capital that the Recidivism Reduction Service Providers need to operate the program from Investors. If the services are successful in reducing recidivism, then the government would pay for the successful outcomes. If recidivism does not decrease, then government does not pay and Investors risk losing their capital.

The following SIF programs are currently operating in California:

- With funding from The California Endowment, Collective Health and Social Finance, Inc. are piloting a demonstration project in Fresno to reduce costs related to the treatment of children with asthma through active management. If the pilot program, which launched in April 2013, is successful, the partners plan to scale the intervention through a SIB.
- In August 2013, Santa Barbara County released a Request for Information (RFI) on SIBs and approved a feasibility study to explore the potential use of pay for success financing in reducing prisoner recidivism. Additionally, Santa Clara County agreed to fund a pilot project exploring SIB feasibility.
- In January 2014, the Nonprofit Finance Fund and The James Irvine Foundation launched a \$2.5 million CA Pay for Success Initiative, in order to "catalyze innovative approaches to paying for improved social services throughout the state."

STAFF COMMENTS

Social Impact Financing is viewed by many forward-thinking governmental professionals as an important tool in the future of funding public endeavors (especially during times of scarce governmental resources).

Risk of failure and concomitant loss of investment is a component of all governmental undertakings. The use of Social Impact Financing shifts most of these risks from the public sector to private investors. Some key benefits of this approach are 1) the elimination of bureaucratic hurdles, 2) the creation of true results driven programs and initiatives, 3) potential cost savings, and 4) would free-up existing public resources to address the most pressing current issues (especially during times of scarce governmental resources).

Staff also notes that this is a solution that should be explored in future discussions on significant Information Technology endeavors.

Staff Recommendation: Direct the LAO to work with DOF, Subcommittee staff and the presenters to identify ways this form of public-private partnership can be leveraged in California to reduce recidivism.

ISSUE 3: CALIFORNIA PRISON INDUSTRIES AUTHORITY - CAREER TECHNICAL EDUCATION

The issue before the subcommittee is the California Prison Industries Authority's Career Technical Education Program.

PANELISTS

- California Prison Industries Authority
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

CALPIA is a traditional Correctional Industry program which does not receive an appropriation from the Legislature and operates as a self-sufficient entity through the sale of goods and services to government agencies. CALPIA has 5,560 offender training positions serving 7,000 offenders annually.

CALPIA is expecting to expand by an additional 900 offender positions this year to establish a Healthcare Facilities Maintenance (HFM) program at all 34 California Department of Corrections and Rehabilitation (CDCR) locations. The new HFM program will provide specialized technical training in commercial and healthcare facilities maintenance which enables paroling offenders to obtain employment in California civil service Facilities Maintenance positions such as those employed by the Department of General Services which are difficult positions to recruit. The program meets the healthcare facilities cleanliness demand as identified by the Federal Receiver and the Three Judge Panel.

CALPIA and CDCR, consistent with the recommendations of the California Rehabilitation Oversight Board (C-ROB), have entered into a current, one year \$2.7 million agreement for CALPIA to provide specialized or Career Technical Education (CTE) programs which support both the correctional industry mission of CALPIA as well as the joint mission of CDCR and CALPIA, to rehabilitate offenders and lower recidivism while ensuring public safety. These programs include, Carpentry, Iron Working, Construction Labor, Commercial Diving and Underwater Welding, Computer Aided Design (CAD), Computer Coding (Programming) and Facilities Maintenance. CALPIA has not secured funding for CTE past the current year.

CDCR has a long history of traditional education and vocational programs, whereas, CALPIA only launched their CALPIA CTE Programs in 2006 to complement CALPIA's existing correctional industry training program. The primary differences between the two organization's CTE programs are that CDCR utilizes state employees to provide program supervision as well as hands on instruction. Likewise, CALPIA utilizes state

employees for program supervision; however, CALPIA instructors are a combination of Civil Service instructors and Non-Civil Service trade union instructors who replicate, in a prison setting, the union apprenticeship programs that are available by that specific local trade union. Employment of parolees via the respective trade union is also a component of the CALPIA CTE model.

The CALPIA CTE model was the subject of a November 2012 Prison Industry Board (PIB) Study titled Career Technical Education (CTE) Programs Fiscal Years 2007-2008 to 2010-2011. The study documents that cumulatively, during the period of 2007-2011, CALPIA CTE graduates had a recidivism rate of 7.13%.

Construction Labor

The Construction Labor program is a 3-6 month pre-apprentice offender training program under the supervision of journeyman professionals working with the Northern California Construction and General Laborers Local 185 which provides training in diverse skills including hand tools, pneumatic & power tools, compressors, tape measurement, concrete forms and pouring, signage and traffic control, demolition, general health & safety, general construction related math and job interview methods. Construction Labor certification is accredited certifications earned by Construction Labor graduates that meet the standards required by the certified source. After completion of training, paroling offenders are eligible for placement in a full-scale apprenticeship programs. CALPIA pays the initial union dues and provides a full complement of tools to offenders who complete the program.

Carpentry

The Carpentry program is a 6 month pre-apprentice offender training program under the supervision of journeyman professionals working with the Northern California Carpenters Regional Council and Carpenters Local 46 which provides training in diverse skills including blueprint reading, hand tools, pneumatic & power tools, compressors, drywall, taping and texturing, framing, finished carpentry, tape measurements, general carpentry math, concrete framing, painting, roofing, general health & safety and job interview methods. After completion of training, paroling offenders are eligible for placement in a full-scale apprenticeship programs. CALPIA pays the initial union dues and provides a full complement of tools to offenders who complete the program.

Iron Worker

The Iron Worker program is a 6 month apprentice offender training program under the supervision of journeyman professionals working with the International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers, Local Union #118 which provides training in diverse curriculum including welding, metal work, hand tools, pneumatic and power tools, tape measurement, ladders, general iron worker math, drawing, compressors, compressed gases, blueprint reading, "green" construction and job interview skills. After completion of training, paroling offenders are eligible for placement and continuing their full-scale apprenticeship programs until completion. CALPIA pays the initial union dues and provides a full complement of tools to offenders who complete the program.

Marine Technology Training Center (MTTC)

The Marine Technology Training Center (MTTC) is an 11-18 month offender training program under the supervision of Journeyman Commercial Diver Instructors and U.S. Navy Reserve members that provides training in diverse skills including diving physics, physiology, dive medicine, proper tool handling, blueprint reading navigation, report writing, air systems, welding and cutting, compressors, seamanship, blueprint reading, diesel engines, power plants, pump houses, pneumatic tools, rigging and marine construction. MTTC certifications are accredited certifications and possible Milestone certificates earned by MTTC graduates that meet the standards required by U.S. Coast Guard, Department of Labor (OSHA), and the Association of Diving Contractors International. Job placement is available upon parole.

Facilities Maintenance

The Facilities Maintenance is a 3-6 month training program under the supervision of CALPIA instructors working with a recognized accredited source of material which will provide training in diverse curriculum including, hand tool identification and use, minor building maintenance, light janitorial services, sanitation equipment, Material Safety Data Sheets, health and safety practices, ladder safety and use, tape measurement, chemical handling and use, use of small power tools, maintain reports & documentation and practice interview skills. Facilities Maintenance accredited certifications will be given to all offenders that complete the assigned set curriculum that will be recognized by private employers. CALPIA will also make any of their current accredited certifications that are job related available for offender participation in this program. This specific training will enable offenders to qualify to take state employment exams and obtain employment such as a Custodian/Maintenance Technician with Department of General Services (DGS) upon parole.

Computer Aided Design (CAD)

The AutoCAD program is a 6 month offender training program under the supervision of CALPIA professional instructors working with AutoDesk an accredited source of material that will provide training in diverse curriculum including basic computer skills (mouse and keyboard), blueprint reading, basic math computation, measurement & scale, CAD Drafting work such as drawing revisions from markups, detailed drawings of assemblies, sub-assemblies and component parts consisting of sheet metal and wood products using CAD programs such as AutoCAD and Inventor 3isometric drawing, geometric dimensioning, orthographic project drafting and interview skills. AutoCAD accredited certifications will be given to all offenders that complete the assigned set curriculum that will be recognized by private employers. CALPIA will also make any of their current accredited certifications that are job related available for offender participation in this program.

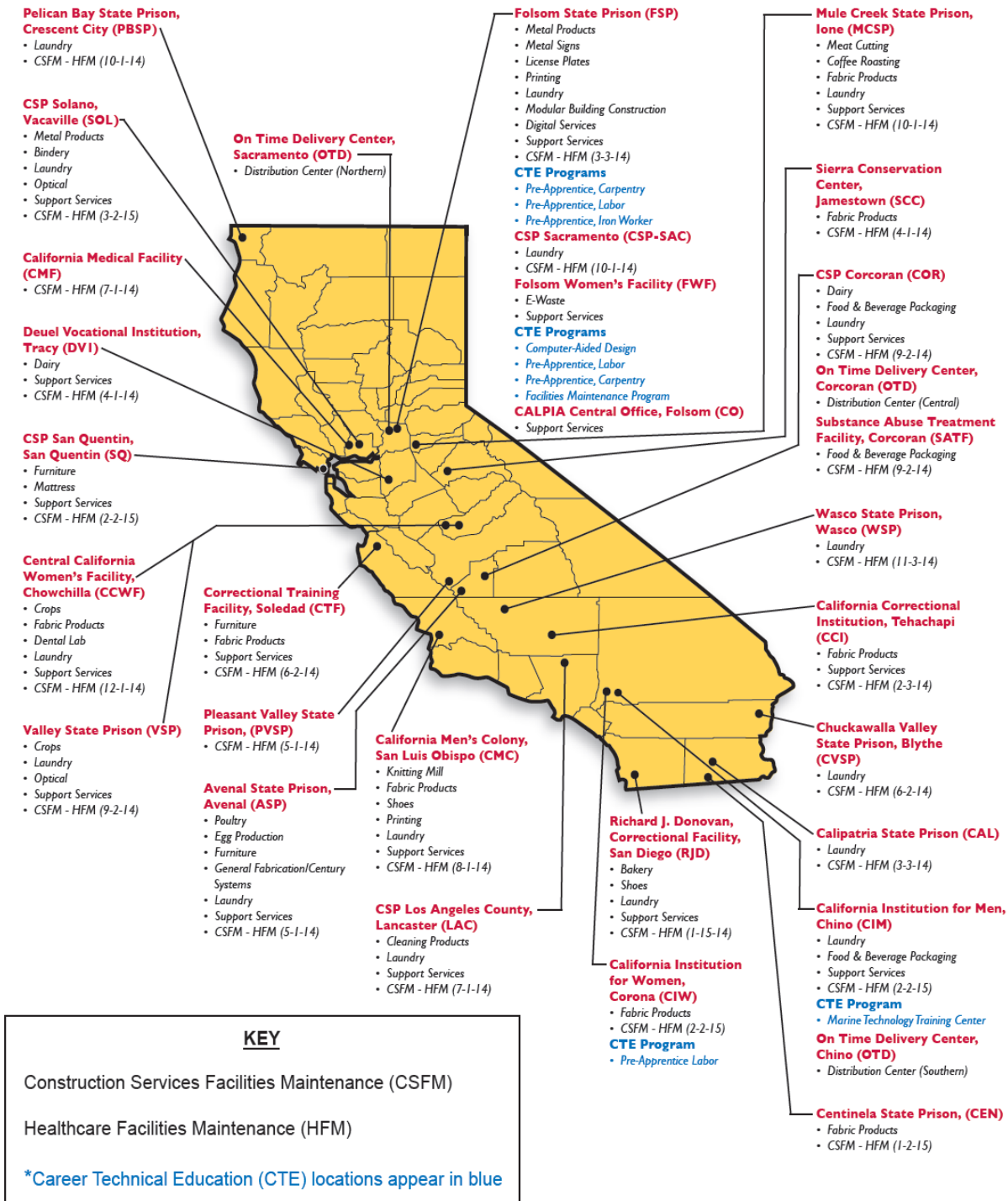
Computer Coding (7370)

Computer Coding is a 6 month offender training program under the supervision of a combination of contracted professional and CALPIA instructors working with a recognized accredited source of material which will provide training in diverse curriculum including the basic computer skills (mouse and keyboard), Java, Python and its associated web frameworks, pair programming, Git and source control Message queues, batch processing, distributed processing and interview skills. Computer Coding accredited certifications will be given to all offenders that complete the assigned set curriculum that will be recognized by private employers. CALPIA will also make any of their current accredited certifications that are job related available for offender participation in this program.

California Assistive Technology Enterprise (CATE)

CATE is a 6-24 month offender training program under the supervision of CALPIA instructors working with a recognized accredited source of material which will provide training in diverse curriculum including the basic computer skills (mouse and keyboard) the creation of Braille books through the translation of literary books, textbooks, math books, music books, and science books, make Visual/Braille maps for buildings and job interview skills. CATE certifications are milestone certificates earned by CATE graduates that meet the standards required by the certified source Library of Congress and the National Braille Association. CATE accredited certifications will be given to all offenders that complete the assigned set curriculum that will be recognized by private employers. CALPIA will also make any of their current accredited certifications that are job related available for offender participation in this program.

CALPIA Enterprises & Career Technical Education Locations (CTE)*



Staff Recommendation: No Recommendation, Discussion Issue

ISSUE 4: YOUTH REENTRY

The issue before the subcommittee is Youth Reentry.

PANELISTS

- Rachel Johnson-Farias, East Bay Community Law Center
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

According to the Urban Institute's Justice Policy Center, approximately 200,000 juveniles and young adults age 24 and under leave secure juvenile correctional facilities or state and federal prisons and return home each year—a process called youth reentry.

Past growth in incarceration means that communities across the country increasingly must confront the challenges of integrating ever-growing numbers of young people who have been in adult prisons or prison-like settings operated by the juvenile justice system back into society. Because young people in their teens and early twenties undergo considerable physical, mental, and emotional changes, the process and experience of youth reentry may fundamentally differ from what adults face. Such differences may be compounded by new and changing social expectations as they transition from adolescence to adulthood and from middle school to high school. Throughout, youth may face numerous obstacles, including family dysfunction, poverty, drug abuse, and inadequate education, treatment, and services, all of which may not only contribute to criminal behavior but also to their success during reentry in avoiding crime and becoming a contributing member of society.

Staff Recommendation: No recommendation, Discussion Item

8940 CALIFORNIA MILITARY DEPARTMENT

ISSUE 1: WORK FOR WARRIORS

The issue before the subcommittee is the California Military Department's Work for Warriors program.

PANELISTS

- California Military Department
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

Established in 2012 with a grant from the Speaker of the Assembly, Work for Warriors has proven to be among the most efficient and cost effective veteran's job placement program in the country, placing over 2,400 members of the California National Guard in civilian jobs in 24 months. Work for Warriors is considered by the National Guard Bureau and Congress to be the national model for reducing unemployment in the National Guard.

Unemployment and homelessness rates among members of the National Guard and Reserves in California remain stubbornly high. The current unemployment national average is at 6.7%, with California's rate at roughly 8%. According to a 2013 Department of Defense news article, unemployment rates overall in the Guard and Reserves are estimated at 11%; however, for junior enlisted personnel, the unemployment rate is much higher, estimated at 18%. This negatively impacts the readiness of units to respond to state emergencies. Unemployment is also linked to behavioral health problems and is believed to be a significant factor in the increase in suicides and suicidal ideations in the Guard and Reserves over the last five years.

The WFW program is remarkably cost effective, and represents significant savings to the state by reducing unemployment benefit costs. Unlike other veteran employment programs that use websites to post job listings or host career fairs, WFW directly places unemployed service members into new jobs.

Over 200 leading businesses have collaborated with WFW in California. These successful companies come back to the program over and over because they know that by working with WFW, they get employees that have been trained by the military to be disciplined, selfless leaders that add value to their organization. Key business partners include Dollar General, PG&E, SAIC, Safeway, JP Morgan & Chase, Securitas, Allied Barton, Verizon, Tesla, Comcast, Cintas and Solar City. It is critical for the state to continue funding for WFW team.

The WFW program will expand to serve unemployed or underemployed members of the Army, Navy, Air Force, Marine, and Coast Guard Reserves in California. This expansion has the potential to triple the number of service members WFW places into jobs without requiring additional staff or program costs. There are an estimated 40,000 to 50,000 members of the Military Reserve components serving in California. This number, combined with the 20,000 members of the California National Guard will make between 60,000 and 70,000 service members eligible for WFW. This number nearly doubles if WFW also provides job placement services to spouses. Already the lowest cost program in the country with a per-placement cost of \$400 (compared to other veteran employment programs that cost \$10,000 per placement), the expansion will make WFW even more efficient and cost effective.

STAFF COMMENTS

Work for Warriors is a necessary investment if the state wants to continue providing our current and past military members assistance in finding rewarding careers in California. Staff strongly recommends providing the department with ongoing General Fund resources and positions in support of the Work for Warriors program.

Staff Recommendation: Approve \$570,000 (General Fund) and add 5.0 State Active Duty positions to the Department's baseline budget in support of the program.

ISSUE 2: NATIONAL GUARD CHALLENGE PROGRAM EXPANSION

The issue before the subcommittee is an expansion of the National Guard Challenge Program.

PANELISTS

- California Military Department
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The mission of the National Guard Challenge Program is to intervene and reclaim the lives of 16-18 year old high school dropouts. Challenge Programs across the nation are producing graduates with the values, life skills, education, and self-discipline necessary to succeed as productive citizens.

Challenge programs are funded with a 75% annual investment by the federal government and a matching 25% investment from the state.

A study by the Rand Corporation determined that the National Guard's Youth Challenge Program is the most effective program of its type in the country, with a return on investment of \$2.33 for every dollar spent.

California has two of the most decorated National Guard Youth Challenge Programs in the country, routinely winning national awards for effectiveness and achievement.

California's first Youth Challenge program, the Grizzly Youth Academy, was established in 1998 at Camp San Luis Obispo. The program was established as a partnership between the California Military Department and the San Luis Obispo County Office of Education and operates as a charter public high school.

Riding on the success of the Grizzly Youth Academy, California's second Youth Challenge program, the Sunburst Youth Academy was established in 2007 at Joint Forces Training Base Los Alamitos as a partnership between the California Military Department and the Orange County Department of Education and operates as a public community high school.

These academies serve at-risk youth from southern California and the central coast, a vast majority of who come from predominantly inner city neighborhoods. The two Challenge programs graduate approximately 800 teens per year, each.

According to a recent study by the California Dropout Research Project (CDRP) at the UC Linguistic Minority Research Institute located at UC Santa Barbara, California's high school dropouts cost state taxpayers approximately \$46.4 billion each year. In addition, the report estimates the lifetime economic benefit from effective dropout intervention programs to be approximately \$392,000 per high school graduate.

Approximately 75% of the inmates in prison are high school dropouts. California spends \$90.3 billion annually for prisons (\$47,000 per individual) and only \$6.5 billion on higher education.

According to the CDRP report, reducing the dropout rate by one half would reduce the number of juvenile crimes in California by 30,000 a year and save the state \$550 million a year.

A CDRP study also found that adults who dropped out of high school are a major fiscal burden to the state and the communities they live in. Over their working lives, the average high school dropout will cost taxpayers over \$292,000 in lower tax revenues, higher cash and in-kind transfer costs, and imposed incarceration costs relative to an average high school graduate. The average joblessness rate for young high school dropouts is above 50%, 41 percentage points below that of their peers with a four year degree. The mean annual earnings of the nation's young high school dropouts is only half that of their peers with a high school diploma. Young high school dropouts were nearly 9 times as likely to have become single mothers as their counterparts with bachelor degrees. High school dropouts are 63 times more likely to be in prison than four-year college graduates, and over three times more likely than high school graduates.

The San Joaquin County high school dropout rate is 15.4%, compared to the State dropout rate of 13.1%. San Joaquin County leads the state's other counties in homicides of youth and young adults with a per capita rate nearly three times California's overall rate. A large portion of the incidents occur in Stockton's jurisdiction, whose homicide rate ranks fourth in the country.

The two existing Challenge programs have consistently been effective in intervening in the lives of high school dropouts and producing an average of 200 high school graduates (diploma and/or GED) per year, and turn around another 600 students to get them on the path toward high school graduation.

The graduates earn higher wages and enjoy more comfortable and secure lifestyles. At the same time the state and nation benefits from their increased purchasing power, higher tax receipts, and higher levels of worker productivity.

The California education community supports the Challenge program. Local, state and federal officials support the Challenge program. The local communities are enriched by the presence of the program and in turn provide service and employment opportunities to the cadets as they progress through the residential and post-residential phase of the program. The CMD has developed numerous partnerships with educators, law enforcement officials, juvenile justice officials, civic groups and political leaders that directly contribute to the success of the program.

With more than 100,000 California high school students dropping out each year, a third Youth Challenge program in Northern California can continue the state's investment of serving California's high-risk youth population. The two existing California Challenge programs are limited to graduating 750-800 students annually. As a result, our programs must turn down more than 800 otherwise qualified candidates out of the more than 1,600 who apply each year.

The following summarizes the eligibility criteria for students to enroll in the Challenge Program:

- ✓ 16 -18 year old high school dropout
- ✓ Unemployed
- ✓ Not on parole or probation for anything other than juvenile status offenses. Not convicted of a felony or capital offense.
- ✓ Drug-free and physically and mentally capable of completing the program.

STAFF COMMENTS

As stated above, the existing Challenge programs have consistently been effective in intervening in the lives of high school dropouts and producing an average of 800 graduates per year (200 high school graduates per year, and 600 additional students set on the path toward high school graduation). Considering the proven track record, identified cost aversions, and the fact that the federal government pays 75% of the costs, expanding the Challenge Program would be a smart investment of state resources.

Staff Recommendation: Augment the Department's baseline budget by \$1.5 million in support of a program expansion to one additional campus.

ISSUE 3: COMPUTER NETWORK DEFENSE TEAM

The issue before the subcommittee is the California Military Department's Computer Network Defense Team.

PANELISTS

- California Military Department
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The threat to government networks has never been higher. "Hacktivists", nation states, cyber criminals, and other threat groups are attacking government networks to steal sensitive information and make a political/economic statement. To combat these threats, California's state government must support cyber security initiatives that protect the economic prosperity, security, public health, privacy, and safety of its citizens.

The California Military Department Computer Network Defense Team (CNDT) fills a critical capability gap in the state government's ability to protect network infrastructure. The CNDT uses Department of Defense cyber security training and equipment to assist state agencies by assessing their networks and providing actionable recommendations, assistance, and services designed to improve overall cyber security compliance.

The CNDT began as a pilot program with grant funding from the Speaker of the Assembly in 2013. Since its inception only 12 months ago, the CNDT has developed a proven track record, having worked with 23 state agencies to improve network security and put the organizations on a pathway to comply with mandated federal and state security standards.

The CNDT pre-incident network security support includes vulnerability and risk assessments, best practice analysis, the development of mitigation strategies for state and local government. In addition, the team promotes cyber security coordination and information sharing between state agencies, industry partners, and academia. This allows agencies access to threat information, tools, and resources to continue to improve the resiliency of their networks after an assessment. The CNDT can also assist a state agency following a network attack; significantly mitigating loss of equipment and data.

Specifically, the CNDT provides the following services:

- Assists agencies with risk analysis requirements to meet state cyber security guidelines
- Performs network mapping (wired and wireless) to detect rouge infrastructures and security vulnerabilities
- Provides best practice analysis and integration assistance regarding organizational security policies
- Conducts active directory and group policy analysis
- Allows for knowledge sharing
- Conducts Network Security Training

Regulatory requirements that state agencies must comply with include the Federal Information Security Management Act (FISMA), National Institute of Standards and Technology (NIST), Federal Information Processing Standards (FIPS), Health Insurance Portability and Accountability Act (HIPPA), State Administrative Manual (SAM), State Information Management Manual (SIMM), and Personally Identifiable Information (PII) directives. Compliance with these guidelines is challenging. The CNDT helps agencies meet these requirements.

No Cost Services

The CND-T does not charge for Government to Government (G2G) provided services. Given that the commercial cost of the services provided by the CND would cost a state agency upwards of \$200,000, this no cost approach results in savings of millions of dollars to the State of California. By receiving the CNDT services for free, state agencies can instead spend their limited resources improving their networks.

Among others, the CNDT has established relationships with the Federal Bureau of Investigation Cyber Crime Division, the Department of Homeland Security, Sandia National Labs, and the Northern California Regional Intelligence Center.

All CNDT team members must meet the rigorous standards of DODI 8570-1M. Team member commercial certifications include: CompTIA Security +, ISC2 CISSP, McAfee Security, Cisco CCNA, CCNP, and Microsoft Certified IT Professional— Enterprise Administrator.

Funding and staffing requirements:

- 6.0 Permanent positions
- Total Annual Budget: \$774,000
- Total Initial Cost: \$110,000

Personnel: Ensures team stability and continuity	Personnel	Number	Annual Cost
	Team Lead (CMD funded)	1	\$132,000
	Operations Manager (CMD funded)	1	\$112,000
	Report Writer	2	\$244,000
	Intelligence Officer	1	\$94,000
	Team NCOIC	1	\$94,000
	Cyber Analysis	2	\$152,000
	Total	6	\$584,000
Equipment: the tools required to conduct engagements based on current services provided (Costs of \$0 indicate that the tool has already been purchased).	Equipment	Initial Cost	Annual Cost
	Network Traffic Analysis	\$85,000	\$17,000
	SQL Injection / XSS Scanner	\$0	\$2,000
	Scanner Infrastructure	\$0	\$45,000
	Laptop Scanners	\$5,000	\$1,000
	Database Servers	\$15,000	\$3,000
	Topology Mapping	\$0	\$500
	Data Storage Devices	\$5,000	\$1,000
	Total	\$110,000	\$69,500
Operations: These costs are associated with daily operation of CND.	Operational Funds		Annual Cost
	3 Vehicles (1 Sedan, 5 SUV)		\$36,000
	Hardware/Software Replacement parts		\$25,000
	CMD Data/Phones		\$4,800
	Internet Data		\$1,200
	Total		\$67,000
Training: These costs are associated with recertification, new technology training, testing, and certification examination fees.	Training		Annual Cost
	Exam Costs		\$3,500
	New Technology Training Courses		\$34,000
	Recertification Training		\$12,000
	Recertification Fees		\$4,000
	Total		\$53,500
	Grand Total (annual costs)		\$774,000
	Grand Total (one-time costs)		\$110,000

Staff Recommendation: Approve 6.0 permanent positions and \$884,000 (General Fund) in 2014-15 and \$774,000 in 2015-16 and ongoing.

7870 VICTIM COMPENSATION AND GOVERNMENT CLAIMS BOARD**ISSUE 1: VICTIM COMPENSATION PROGRAM**

The issue before the subcommittee is the California Victim Compensation Program.

PANELISTS

- Victim Compensation and Government Claims Board
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The California Victim Compensation Program (CalVCP) helps victims of violent crimes that occur in California as well as California residents who become victims while visiting other states or outside the country. Additionally, people such as family members who need assistance because of death or injury to a crime victim may also be eligible for compensation.

Who's Eligible

To be eligible for compensation, a person must be a victim of a qualifying crime involving physical injury, threat of physical injury or death. For certain crimes, emotional injury alone is enough to qualify. Certain family members and loved ones who suffer an economic loss from an injury to, or death of, a victim of a crime may also be eligible for compensation.

The Victim Compensation Program (CalVCP) can help victims and family members of victims of crimes such as:

- Domestic violence
- Child abuse
- Assault
- Sexual assault
- Molestation
- Homicide
- Robbery
- Drunk driving
- Vehicular manslaughter
- Human trafficking

In addition to being the victim of a qualifying violent crime, applicants must also:

- Be either a resident of California or the victim of a crime that happened in California. Learn more in our FAQ.
- Generally, report the crime to the police, sheriff, child protective services, or some other law enforcement agency.
- In most cases, apply to CalVCP within three years of the time the crime happened. Learn more in our FAQ.
- Cooperate with law enforcement during the investigation and prosecution of the crime.
- Not have participated in or been involved in committing the crime.
- Cooperate with CalVCP by providing the information needed to review the application.

Child Witnesses to Violent Crime

Minors who suffer emotional injuries from witnessing a violent crime may be eligible for up to \$5,000 in mental health counseling through CalVCP. A law that went into effect in 2009 allows the minor witness to be eligible for assistance even if he or she is unrelated to the crime victim. To qualify, the minor witness must have been in close proximity to the crime.

What's Covered

The Victim Compensation Program (CalVCP) may help pay for expenses related to a crime such as:

- Medical and dental treatment
- Mental health services
- Income loss
- Funeral and burial expenses
- Loss of support, for dependents when a victim is killed or disabled because of a crime
- Job retraining
- Home or vehicle modifications
- Home security
- Relocation
- Insurance co-payments
- Crime scene cleanup
- Medically necessary equipment such as a wheelchair
- Complementary and alternative medical treatments

Expenses that cannot be paid by CalVCP

- Any expense not related to the crime
- Any expenses paid by insurance or another source of reimbursement or coverage
- Expenses for lost, stolen or damaged property (except medically necessary items due to a qualifying crime)
- Damages for pain and suffering

CalVCP can only reimburse crime-related expenses that are not covered by other sources. There are limits on how much can be paid for each loss. The program cannot pay any expense for a person who is on felony probation, on parole, in jail or in prison, (a person who is not a felon can be reimbursed for funeral and crime-scene cleanup expenses even though the victim was a felon).

How to apply for compensation

There are several ways to apply for compensation:

- Contact your local Victim Witness Assistance Center for help.
- Download an application at www.vcgcb.ca.gov, print it, and mail it in.
- Call 1-800-777-9229 to receive an application by mail or to get help with applying.

An applicant may request an emergency award for reimbursement of any eligible expense if the Board determines that such an award is necessary to avoid or mitigate substantial hardship that may result from delaying compensation until complete and final consideration on an application. If granted, an Emergency Award represents an advance pending the final award of compensation. The amount of the Emergency Award shall be dependent upon the immediate needs of the victim or derivative victim subject to the rates and benefit limitations established by the Board. The applicant must repay any amount awarded on the Emergency Award if the regular application is later found to be ineligible for CalVCP.

Time limitations for filing an application

An application for CalVCP compensation should be filed within one year of the date of the crime, one year after the victim turns 18 years of age, or one year from the date the victim or derivative victim knew or in the exercise of ordinary diligence could have discovered that an injury or death had been sustained as a direct result of a crime, whichever is later. If the application is based on specified crimes involving sex with a minor, a victim may file at any time prior to the victim's 28th birthday.

Under certain circumstances, the Board may grant an extension of this time period for good cause. If an application is filed late, the victim must complete the Late Filing Consideration Form and submit it with their application. Some of the reasons an extension may be granted include:

- A recommendation from the prosecuting attorney regarding the victim's or derivative victim's cooperation with law enforcement and the prosecuting attorney in the apprehension and prosecution of the person charged with the crime.
- Whether particular events occurring during the prosecution or in the punishment of the person convicted of the crime have resulted in the victim or derivative victim incurring additional pecuniary loss.
- Whether the nature of the crime is such that a delayed reporting of the crime is reasonably excusable.

For crimes on or after January 1, 2002, a family member or other applicant may file an application at any time after the Board has accepted the application filed by or on behalf of a victim of the same qualifying crime. A parent with legal custody, guardian, conservator, or relative caregiver may sign an application filed on behalf of a minor or

victim. However, an eligible minor victim or derivative victim may sign the CalVCP application on his or her own behalf in certain circumstances.

Application review

After receiving an application and related documentation, including a complete crime report, CalVCP staff reviews the information to determine if the victim and/or the applicant are eligible for assistance. Law enforcement officials in the investigation and prosecution of the crime, physicians, counselors, hospitals, employers, and witnesses to the crime may be contacted for verification of the injuries, losses, and expenses incurred as a result of the crime.

Upon completion of the application review process, staff makes a written recommendation to the Board to approve or deny the claim. Recommendations are generally made within 90 days of receiving the application.

STAFF COMMENTS

Staff has heard numerous horrifying stories about the claims process from victims and their advocates. Staff has also heard of pleasant interactions with the claims process from other victims and their advocates. Considering the conflicting accounts, staff is only certain that a dialogue between victim groups and the Board is necessary. Hopefully, the necessary dialogue can occur, expeditiously, and clarification on the claim process can be had by all.

Staff Recommendation: No recommendation, Discussion Item

ISSUE 2: UPDATE ON TRAUMA RECOVERY CENTER GRANT PROGRAM

The issue before the subcommittee is an update on Trauma Recovery Center grant program.

PANELISTS

- Victim Compensation and Government Claims Board
- Alicia Boccellari, Ph.D.,
Chief Psychologist Director, Division of the Psychosocial Medicine Department of Psychiatry, San Francisco General Hospital / UCSF School of Medicine
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

On July 1, 2013, Government Code section 13963.1 became law stipulating that the Victim Compensation and Government Claims Board (Board) administer a program to evaluate applications and award grants to trauma recovery centers (TRC) in California. The TRCs provide services to underserved victims of crime. Upon appropriation by the Legislature, the Board was charged with awarding grants totaling up to two million dollars (\$2,000,000) per year. The Board may award a grant providing funding for up to a maximum period of three years. The Board may award consecutive grants to a trauma recovery center to prevent a lapse in funding. The Board shall not award a trauma recovery center more than one grant for any period of time. All grants shall be funded only from the Restitution Fund. Any portion of a grant that a trauma recovery center does not use within the specified grant period shall revert to the Restitution Fund

Summary of Application Process

- The Notice of Funds Available (NOFA) was placed on the Board's website on August 19, 2013.
- The grant application period began August 19, 2013 and ended October 17, 2013.
- Staff developed the Scoring Criteria for TRC Grant Applications consistent with the Legislative intent.
- The Board received 22 applications for this competitive grant program.
- All applications were reviewed and scored according to the attached Scoring Criteria for TRC Grant Applications.
- Upon completion of the scoring process, the three highest scoring applicants are recommended to receive a grant. The recommended amounts are based on their funding requests and funds available.

Applicants Chosen for Awards	Proposed Fund Award
<p>Special Service for Groups (SSG)</p> <p>SSG is an established, multi-faceted community based organization (CBO) serving south Los Angeles (Compton, Lynwood, Paramount, Crenshaw, Jefferson Park, Watts and Willowbrook). The SSG TRC will provide improved access to mental health services for underserved crime victims through Homeless Outreach Program Integrated Care System (HOPICS). A partnership with the existing SSG South Los Angeles Drop-in Center, the local primary care medical clinic (To Help Everyone Clinic), local domestic violence shelters and the District Attorney's Victim Assistance Center will provide enhanced services and strong outreach.</p>	<p>\$611,392.07 for 2.2 years</p>
<p>California State University at Long Beach (CSULB)</p> <p>The Long Beach TRC offers a strong partnership between the CSULB Community Clinic and Dignity Health St. Mary's Medical Center, a Level II Trauma Center. The Trauma Center is located in southwest Long Beach, the city's poorest and most violent area. The CSULB TRC will utilize advocates from local CBOs and mental health providers. The TRC will be a collaboration between the CSULB Community Clinic, St. Mary's Medical Center, the Interval House (a domestic violence service provider), Centro CHA (a Hispanic community-based organization), a Cambodian advocate from the CSULB Community Clinic, an LGBTQ advocate from The Center (a CBO), Long Beach Police Department, and the Los Angeles County District Attorney.</p>	<p>\$534,579.35 for 1 year</p>
<p>University of California at San Francisco Trauma Recovery</p>	<p>\$854,028.57 for 2.5</p>

<p>Center (UCSF TRC)</p> <p>The UCSF TRC has a well-established history as a trauma recovery center. Created in 2001, the UCSF TRC provides trauma-focused mental health therapy and utilizes the latest research regarding trauma and PTSD symptoms. The UCSF TRC serves crime victims at the San Francisco General Hospital (SFGH) Emergency Department, a Level I Trauma Center. The UCSF TRC has an experienced multidisciplinary staff of clinicians, as well as coordinated clinical case management, ensuring that crime victims are encouraged to access mental health services and report crimes to law enforcement.</p>	<p>years</p>
<p>Total Award</p>	<p>\$2,000,000</p>

Applicants Not Chosen for Award

Applicant	Office Location
1000 Mothers to Prevent Violence	Hayward
Alameda County Family Justice Center	Oakland
Alliant International University	San Diego
Avant-Garde Community Counseling and Family Ctr.	Corona
Catholic Charities of East Bay	Richmond
Cross Creek Counseling Agency	Citrus Heights
Downtown Women's Shelter	Los Angeles
Family Paths, Inc.	Oakland
Fathers and Families of San Joaquin	Stockton
Hathaway-Sycamores Child and Family Services	Pasadena
iCAN Crime Victims Assistance Network Foundation	Sacramento
Los Angeles Metropolitan Churches	Los Angeles
Saint Francis Medical Center	Lynwood
Santa Barbara County District Attorney's Office	Santa Barbara
Saving Innocence	Los Angeles
Single Parents of Power	Inglewood
Soledad Enrichment Action, Inc.	Los Angeles
University of California at Davis	Davis
Ventura County Health Care Agency	Ventura

Staff Recommendation: Make \$2 million grant program permanent
