

**AGENDA****ASSEMBLY BUDGET SUBCOMMITTEE NO. 5 PUBLIC SAFETY****ASSEMBLYMEMBER REGINALD B. JONES-SAWYER SR., CHAIR****WEDNESDAY, MARCH 5, 2014  
1:30 P.M. - STATE CAPITOL ROOM 437**

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## ITEMS TO BE HEARD

### 5225 CALIFORNIA DEPARTMENT OF CORRECTIONS AND REHABILITATION

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#### ISSUE 1: CDCR POPULATION TRENDS: "WHO IS COMING TO CDCR AND WHY?"

The issue before the subcommittee is the California Department of Corrections and Rehabilitation's (CDCR) January 10, 2014 population projection.

#### PANELISTS

- California Department of Corrections and Rehabilitation
- Department of Finance
- Legislative Analyst's Office
- Public Comment

#### BACKGROUND

The mission of the California Department of Corrections and Rehabilitation (CDCR) is to enhance public safety through safe and secure incarceration of the most serious and violent offenders, effective parole supervision, and rehabilitative strategies to successfully reintegrate offenders into our communities.

As one of the largest departments in state government, CDCR operates 37 youth and adult correctional facilities and 43 youth and adult camps. CDCR also contracts for multiple adult parolee service centers and community correctional facilities. CDCR operates an adult prisoner/mother facility, adult parole units and sub-units, parole outpatient clinics, licensed general acute care hospitals, regional parole headquarters, licensed correctional treatment centers, hemodialysis clinics, outpatient housing units, a correctional training center, a licensed skilled nursing facility, and a hospice program for the terminally ill. CDCR has six regional accounting offices and leases approximately two million square feet of office space. CDCR's infrastructure includes more than 42 million square feet of building space on more than 24,000 acres of land (37 square miles) statewide.

The Governor's 2014-15 Budget proposes funding of \$9.8 billion (\$9.5 billion General Fund) for the CDCR's Operations in 2014-15, an increase of 4.0 percent over the 2013-14 spending plan. The Governor's 2014-15 Budget also proposes funding of \$865.4 million (\$29.4 million General Fund) for the CDCR's Infrastructure Projects, a decrease of 29.0 percent from the 2013-14 spending plan. Total proposed spending for the CDCR is \$10.6 Billion (9.5 billion General Fund) for the 2014-15 fiscal year.

The adult inmate average daily population is projected to increase from 134,986 in 2013-14 to 137,788 in 2014-15, an increase of 2,802 inmates, or 2.1 percent. The average daily parolee population is projected to decrease from 45,934 in 2013-14 to 36,652 in 2014-15, a decrease of 9,282 parolees, or 20.2 percent. The increase in adult inmate population is due to an increase in new admissions and second striker admissions, while the parolee decreases are a result of AB 109 (Committee on Budget) Chapter 15, Statutes of 2011, which shifted the responsibility of certain parolees to counties. When compared to the projected average daily population at the 2013 Budget Act, these changes result in an increase of \$3.2 million (General Fund) in 2013-14 and a decrease of \$38.6 million (General Fund) in 2014-15.

#### LAO RECOMMENDATION

The LAO is withholding a recommendation on the administration's adult population funding request until the May Revision. However, the LAO recommends that the Legislature direct the department to make adjustments as part of the May Revision to reflect the savings from the delayed activation of housing units at CHCF.

#### STAFF COMMENTS

Considering that the crime rate for prison eligible felonies has remained relatively flat, the subcommittee may wish to further discuss this issue to identify the factors driving this upward population trend (ie. Sentencing laws, charging practices, parole revocation practices, etc.). Further, to the extent that projected increases materialize, the state is on a path to further complicate California's efforts to comply with an enduring court order to reduce the state's prison population. Ultimately, if not addressed, such complications could result in additional pressures to release prisoners prior to completion.

Consistent with the LAO's position, the subcommittee may also wish to:

- 1) Withhold action on the administration's adult population funding request until the May Revision.
- 2) Direct the department to make adjustments as part of the May Revision to reflect savings from the delayed activation of housing units at CHCF unless further justification is provided.

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**Staff Recommendation: Hold Item Open Pending May Revision.**

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**0552 OFFICE OF THE INSPECTOR GENERAL**

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**ISSUE 1: UPDATE ON ACCESS TO REHABILITATION [PURSUANT TO CPC SECTION 6126 (G)(1)]**

The issue before the subcommittee is the Office of the Inspector General's (OIG) review of CDCR's progress in increasing the percentage of inmates served in rehabilitative programs to **70 percent of the CDCR's target population** prior to their release.

**PANELISTS**

- Office of the Inspector General
- California Department of Corrections and Rehabilitation
- Department of Finance
- Legislative Analyst's Office
- Public Comment

**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 2012-13 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 both houses of the Legislature:

- 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 five 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 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 in April of 2013. In summary, the OIG found that the department has demonstrated much progress in implementing its Blueprint goals in most categories reviewed. Specifically the OIG's report stated:

- 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.

The OIG released its second report in October of 2013. In summary, the OIG found that the department has demonstrated progress in implementing its Blueprint goals in most categories reviewed. Specifically, the OIG's report stated:

- Various rehabilitation measures have been established or are in development; however, the department is not close to meeting its overarching goal of providing rehabilitative services to 70 percent of its target inmate population prior to the inmates release from prison.
- The department has established and is adhering to the standardized staffing model at each institution.
- The department has established and is adhering to the new inmate classification score system.
- The department has established the new prison gang management system and is undergoing a 24 month pilot program to implement and assess the new procedures.
- The department has implemented and is adhering to the comprehensive housing plan described in the Blueprint.

In the report, the OIG states "The department has demonstrated good initial progress implementing its Blueprint goals. The first report published served as a baseline for the department's initial efforts to implement its plan. This report is based on some information as recent as October 9, 2013, and subsequent reports will assess its progress meeting specified future benchmarks and goals of the Blueprint."

<b>STAFF COMMENTS</b>
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The OIG's October of 2013 report stated, "the department is not close to meeting its overarching goal of providing rehabilitative services to 70 percent of its target inmate population prior to the inmates release from prison."

The subcommittee may wish to further discuss this issue and request details on the department's progress toward, and future plans for, meeting this goal. Further, the subcommittee may wish to have the department clarify which components of the plan require Legislative approval and which can be done Administratively.

Lastly, the subcommittee may wish to have the CDCR explain the term "70 percent of the department's target population" and what number and percentage of the inmates it currently represents.

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**Staff Recommendation: No Action, Informational Item**

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