

CORRECTIONS AND REHABILITATION

The California Department of Corrections and Rehabilitation (CDCR) incarcerates the most serious and violent felons, supervises them when they are released on parole, and provides rehabilitation programs to help them reintegrate into the community.

The May Revision includes total funding of \$9 billion (\$8.8 billion General Fund and \$201.6 million other funds) for the CDCR in 2012-13.

STATE PRISONS

In April 2012, the Administration released a comprehensive plan to save billions of dollars, end federal court oversight and improve the prison system. This plan builds upon the changes brought by public safety realignment and provides a clear path for the Department to save \$1 billion in 2012-13, growing to \$1.5 billion in 2015-16, and satisfy court orders related to reducing overcrowding and providing a constitutionally required level of health care. The primary components of the plan include the following:

- *Updating Inmate Classification Score System*—As a result of research produced by a panel of correctional experts and input from seasoned professionals, the CDCR is modifying its inmate classification score system. The modified system will enable the Department to safely shift approximately 17,000 inmates to less costly housing where they can benefit from access to rehabilitative programs.

- *Returning Out-of-State Inmates to California*—Currently, California is paying to incarcerate approximately 10,000 inmates in private, out-of-state prisons. The plan enables the CDCR to return these inmates as the in-state prison population continues to drop, classification changes are made, and additional housing units are added at existing prisons. Returning these inmates to California will stop the flow of taxpayer dollars to other states and is expected to save the state \$318 million annually upon full implementation.
- *Restructuring Rehabilitation Programs*—The plan will help lower the long-term prison population and save the state money by efficiently providing targeted rehabilitation programs. The plan allows at least 70 percent of the Department's target population to participate in academic and rehabilitation programs consistent with their needs. Programming yards will also be established to encourage positive behavior. The CDCR will also establish reentry hubs with concentrated programming resources at existing prisons to better prepare inmates as they near release. Within their first year of release, approximately 70 percent of parolees who need substance-abuse treatment, employment services, or education will have access to these programs.
- *Standardizing Staffing Levels*—The plan establishes new, efficient, and uniform staffing standards for each prison. Correctional experts reviewed the custody and non-custody positions in each prison with the objective of achieving savings by reducing staff to the minimum amount necessary to operate safely, while also facilitating appropriate out of cell time and access to programming and health care.
- *Reducing the Budget for Adult Parole Operations*—As a result of public safety realignment, the active adult parolee population is projected to decline to approximately 30,000 offenders by 2015-16. The plan includes a complete restructuring of the Division of Adult Parole Operations budget to ensure that it downsizes at a rate commensurate with the decline in population.
- *Eliminating Unnecessary Lease Revenue Bond Authority*—The plan includes trailer bill language to extinguish approximately \$4.1 billion of previously authorized AB 900 lease revenue bond authority. Eliminating this bond authority and no longer needing to build new stand-alone prisons will avoid \$2.2 billion annually in new operating costs and facility debt service costs.
- *Closing and Replacing Facilities*—The plan closes the California Rehabilitation Center (CRC), repurposes the DeWitt Nelson Youth Correctional Facility as an annex to the California Health Care Facility, reactivates the Folsom Transitional Treatment Facility

for female offenders, and replaces capacity lost by the closure of CRC with up to three efficient and flexible dorm facilities at existing prisons. The plan also includes the renovation of medical care facilities at existing institutions.

- *Returning Control of Health Care to the State*—In recent years, numerous measures have been implemented that 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. The plan provides for increased health care capacity through the activation of the California Health Care Facility in Stockton, and its annex the DeWitt Nelson Youth Correctional Facility. These projects will create a unified health care 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. In addition, existing mental health office and treatment space and dental projects will continue. All of these projects, along with new plans to increase medical clinical capacity at existing prisons, will satisfy court imposed requirements.
- *Satisfying the Supreme Court’s Order to Reduce Prison Crowding*—As outlined in the Department’s plan, the newly released spring population projections suggest that the Department may fall a few percentage points short of meeting the final court-ordered crowding-reduction benchmark even with realignment. In June 2013, the Department’s prison population is projected to be at 141 percent of design capacity rather than the 137.5-percent goal identified by the Supreme Court. The additional measures proposed in the Department’s plan will allow the state to seek and obtain from the court a modification to raise the final benchmark to 145 percent of design capacity.
- *Increasing Fiscal Oversight and Accountability*—The plan includes trailer bill language that requires the Department of Finance’s Office of State Audits and Evaluations to monitor CDCR’s implementation of this plan and provide annual reports to the Governor and the Legislature through 2015-16.

Other Significant Adjustments:

- *Ending the Receivership*—In 2006, the federal courts in the *Plata v. Brown* case appointed a Receiver with full authority over prison medical care. The Receiver was empowered to spend whatever he deemed necessary to bring California prison medical care up to a Constitutional level. In May of 2012, the state filed a report

to terminate the Receivership. Ending the Receivership will return oversight and accountability of medical care to the state.

- *Funding for the Inmate Medical Services Program*—The May Revision includes an increase of \$295.4 million General Fund in 2011-12 and \$128.4 million General Fund in 2012-13 to fund court-required inmate medical costs. These augmentations align the medical care budget with the Receiver’s projected expenditures and include resources to operate the California Health Care Facility opening in the summer of 2013.

DIVISION OF JUVENILE JUSTICE

Proposals to Balance the Budget:

- *Division of Juvenile Justice (DJJ)*—The May Revision retains DJJ for the housing and treatment of the most serious and violent juvenile offenders. It proposes efficiencies and other policy changes to reduce the state’s costs of housing and supervising wards under the jurisdiction of DJJ. Net savings to the state of \$24.8 million General Fund in 2012-13 is comprised of the following components:
 - Reduce administrative staff within headquarters and DJJ facilities. The *Farrell* court requires specific staffing levels within DJJ. The May Revision does not impact any positions tied to the *Farrell* lawsuit. However, the CDCR plans to continue working with the *Farrell* court to achieve further staffing reductions to help decrease the high cost of housing offenders in DJJ.
 - End juvenile parole on January 1, 2013 instead of July 1, 2014.
 - Reduce DJJ’s age of jurisdiction from 25 to 23.
 - Implement a new fee structure to charge counties \$24,000 per year for each offender committed by a juvenile court to the DJJ.

Other Significant Adjustment:

- *Juvenile Population Adjustment*—A decrease of \$3.4 million (\$2.2 million General Fund, \$1.1 million Proposition 98 General Fund, \$95,000 other funds) in 2011-12, and a decrease of \$9.1 million (\$7.2 million General Fund, \$1.6 million Proposition 98 General Fund, \$229,000 other funds) in 2012-13 to reflect revised population projections. Adjusted for recent juvenile population trends,

the May Revision reflects an estimated average daily population of 992 wards in 2012-13, which is 156 less than projected in the Governor's Budget.

BOARD OF STATE AND COMMUNITY CORRECTIONS

Legislation associated with the 2011 Budget Act abolished the Corrections Standards Authority and established the Board of State and Community Corrections as an independent entity, effective July 1, 2012. The Board will assume the previous functions of the Authority as well as other public safety programs previously administered by the California Emergency Management Agency.

The Board will provide statewide leadership, coordination, and technical assistance to promote effective state and local efforts and partnerships in California's adult and juvenile criminal justice system. Particularly important in the next several years will be coordinating with and assisting local governments as they implement the realignment of many adult offenders to local government jurisdictions that began in 2011. The Board will guide statewide public safety policies and ensure that all available resources are maximized and directed to programs that are proven to reduce crime and recidivism among all offenders.

The May Revision includes total funding of \$119.9 million (\$27.7 million General Fund and \$92.2 million other funds) for the state operations and local assistance programs included under this Board.

Other Significant Adjustments:

- *Grants for City Police Departments*—Current economic conditions have resulted in budget reductions for city police departments. To help mitigate these reductions, the May Revision includes \$20 million General Fund to create a new grant program for city police departments.
- *Local Jail Construction Financing Program*—Trailer bill language is proposed to provide \$500 million of additional lease revenue bond financing authority for the acquisition, design, and construction of local facilities to help counties manage their offender population. This authority would be in addition to the \$1.2 billion lease revenue bond financing authority authorized in AB 900 for two phases of the Local Jail Construction Financing Program.

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