

CORRECTIONS AND REHABILITATION

The California Department of Corrections and Rehabilitation incarcerates the most violent felons, supervises them when they are released on parole, and provides rehabilitation programs to help them reintegrate into the community. The Department provides safe and secure detention facilities and necessary support services to inmates, including food, clothing, academic and vocational training, as well as health care services. The Budget proposes total funding of \$9.8 billion (\$9.5 billion General Fund and \$320 million other funds) for the Department in 2014-15.

The state's prison population is higher than projected in the 2013 Budget Act. The 2013 Budget Act projected an overall adult inmate average daily population of 128,885 in 2013-14. The average daily adult inmate population is now projected to increase by 4.7 percent to 134,986 in 2013-14 and by 6.9 percent to 137,788 in 2014-15 compared to the Budget Act projection.

The 2013 Budget Act projected an overall parolee average daily population of 42,495 in 2013-14. The average daily parolee population is now projected to increase by 8.1 percent to 45,934 in 2013-14 and to decrease by 13.7 percent to 36,652 in 2014-15. The decline in the parole population is a result of Chapter 15, Statutes of 2011 (AB 109), which shifted the responsibility of certain parolees to counties.

The Division of Juvenile Justice's average daily ward population is increasing in 2013-14 and decreasing in 2014-15 when compared to the 2013 Budget Act projections. Specifically, the ward population is projected to increase by 32 in 2013-14 and

decrease by 34 in 2014-15, for a total population of 711 in 2013-14 and 645 in 2014-15. The 2013-14 population is higher than was projected in the 2013 Budget Act due to an increase in juvenile court first admissions and parole violator admissions compared to projected levels.

SB 105

The federal Three-Judge Panel has extended the deadline for meeting the population cap of 137.5 percent until April 18, 2014. Chapter 310, Statutes of 2013 (SB 105), provides the statutory changes and funding necessary for the Department to house inmates in contracted facilities and improve recidivism reduction efforts to avoid early release and comply with the court-imposed population cap. SB 105 appropriated \$315 million General Fund in 2013-14. Please reference the Public Safety Chapter for an overview of how the state's court-imposed population cap intersects with the local community corrections system.

At the time the Budget was developed, negotiations regarding the deadline for achieving a population below 137.5 percent were still ongoing. The Budget is based on an assumption that the deadline for meeting the population cap will be extended by two years.

SB 105 provides that if any portion of the \$315 million is unspent at the end of 2013-14, the first \$75 million is to be deposited in the Recidivism Reduction Fund and any additional savings is to be split equally between the Recidivism Reduction Fund and the General Fund. The Budget estimates \$87.2 million in SB 105 savings, of which \$81.1 million will be transferred to the Recidivism Reduction Fund and \$6.1 million to the General Fund. However, if there are no further extensions to the population cap deadline, this funding will be used for increased capacity to avoid the early release of inmates.

The Budget proposes expenditure of the \$81.1 million anticipated to be available in the Recidivism Reduction Fund on the following programs, which will be reconsidered if the two-year extension is not granted:

- State Reentry in the Community—\$40 million for inmates within one year of release from prison, either through reentry programs provided in jails or residential reentry services provided in facilities within the community.
- Substance Use Disorder Treatment—\$11.8 million to expand substance use disorder treatment to 10 non-reentry hub institutions, with expansion to the remaining 11

institutions planned for 2015-16. An additional \$9.7 million to provide substance use disorder treatment and other cognitive behavioral therapy programs at the contracted facilities funded through SB 105.

- Integrated Services for Mentally Ill Parolees (ISMIP)—An increase of \$11.3 million to allow the Department to expand the ISMIP program from 600 to 900 slots in 2014-15. The ISMIP program is a comprehensive treatment model which provides varied levels of care, supportive/transitional housing, and an array of mental health rehabilitative services to assist with the development of independent living skills in the least restrictive environment possible.
- Northern California Reentry Facility—\$8.3 million for design of a new project to renovate the existing buildings, which will become an additional reentry hub when activated.

ENDING COURT OVERSIGHT OF CALIFORNIA'S PRISON SYSTEM

The Budget reflects continued commitment to ending court oversight of the state prison system. The Department and the federal receivership (Receiver) overseeing medical services continue to move the correctional health care system toward consistently meeting the standards and scope of services appropriate within a custodial environment. However, challenges have been identified and the Budget proposes solutions to address these issues.

The court overseeing the *Plata v. Brown* litigation issued an order on September 5, 2012, providing the framework for the state to regain control of the Department's medical services program. The order states that if an institution receives a score above 75 percent in a medical inspection completed by the Office of the Inspector General, the institution will be reviewed by three court-appointed medical experts, and if at least two of the three court experts find that the institution is providing adequate care, the institution shall be deemed to be in substantial compliance. Recent reports by the court experts have highlighted their concerns with cleanliness and sanitation at certain institutions. Accordingly, the Budget includes an increase of \$14.5 million General Fund in 2014-15 to establish a statewide janitorial contract with the California Prison Industry Authority to remedy the cleanliness issues cited in the medical experts' reports.

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The *Armstrong v. Brown* lawsuit involves the Department's compliance with the Americans with Disabilities Act. The Court ordered a remedial plan that requires specific activities be completed so the Department is providing reasonable modification or accommodation for offenders with disabilities, including effective communication and equal access to programs and services. The Receiver was not previously subject to the remedial plan in the *Armstrong v. Brown* lawsuit, but in August 2012, the Receiver signed a memorandum of understanding with the Prison Law Office plaintiffs' representatives, which requires the California Correctional Health Care Services to comply with the provisions of the remedial plan. The remedial plan includes detailed instructions for tracking, investigating, and resolving allegations of non-compliance with the Americans with Disabilities Act requirements, the *Armstrong v. Brown* remedial plan, and prior court orders associated with this lawsuit. The Budget includes an increase of \$4.1 million General Fund in 2014-15 for the California Correctional Health Care Services to achieve compliance with the *Armstrong v. Brown* remedial plan.

In addition to newly identified operational challenges, the volume and complexity of the Department's class action lawsuits continue to increase. The Budget includes additional resources to place the Department in a better position to defend and seek affirmative relief in these high profile and complex cases, which drive hundreds of millions of dollars in costs to the state. The Department will contract with the Office of the Attorney General to establish a larger litigation team that is solely dedicated to the Department's class action lawsuits, resulting in an increase of \$1.4 million General Fund in 2014-15.

Additional adjustments included in the Budget that demonstrate the Administration's commitment to ending court oversight and regaining control of the state's prison system include:

- Adding positions to manage the Health Care Facility Improvement Program construction projects.
- Adding positions to the Office of the Inspector General to complete medical reviews in a similar manner to the medical reviews completed by the *Plata v. Brown* court appointed experts.
- Establishing a baseline budget for health care pharmaceutical costs consistent with actual and projected expenditures.

Significant Adjustments:

- Academy—An increase of \$61.7 million General Fund to expand the Basic Correctional Officer Academy capacity from 720 to 3,400 cadets. This augmentation will allow the Department to fill an increasing number of vacancies in its Correctional Officer classification due to retirements and other attrition. To facilitate an increase in the number of cadets, the Academy will transition from 16 weeks to 12 weeks with the final four weeks of training to be provided at the institutions. The 2014-15 adjustment builds upon Academy expansion efforts commencing in 2013-14.
- Drug and Contraband Interdiction—An increase of \$14 million General Fund to establish an enhanced drug and contraband interdiction program. This program will reduce illegal drugs and contraband entering prisons and will enable the Department to reduce inmate violence, increase safety for staff and inmates, and promote a drug-free rehabilitative environment. This program will complement the expansion of substance use disorder treatment to non-reentry hubs by prioritizing placement of inmates who test positive for illicit drug use to substance use disorder treatment programs.
- Workers' Compensation—An increase of \$75 million General Fund to address increasing workers' compensation costs. From 2009-10 to 2012-13, the Department's costs grew by nearly \$90 million due to increases in open claims, cost of living adjustments, retirement and medical benefits, and State Compensation Insurance Fund fees. Workers' compensation costs are anticipated to stabilize in future years due to enhanced cost containment strategies.
- Deferred Maintenance—The Budget provides \$100 million to various state agencies to address critical infrastructure deferred maintenance needs. Of this amount, \$20 million will be allocated to the Department.

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