



MAY 14 2013

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

**Amendment to Various Budget Bill Items and Reimbursements, Support, California
Department of Corrections and Rehabilitation**

Expand Fire Camp Capacity (Issue 317)—It is requested that Item 5225-001-0001 be increased by \$15,391,000 and 140 positions to retain the custody staffing necessary to keep all fire camps open and maintain the maximum number of fire crews. This adjustment is based on the number of state prison inmates eligible for fire camps.

Parole Court Revocation and Compliance Workload (Issue 381)—It is requested that Item 5225-001-0001 be increased by \$8,252,000 and 60 positions on a one-year limited-term basis for Parole Agents to address court revocation and compliance workload as the transition process is implemented on July 1, 2013.

Drug Interdiction Program (Issue 319)—It is requested that Item 5225-001-0001 be increased by \$6,610,000 and 39.8 positions to implement a drug interdiction program that will improve the safety of staff and inmates by reducing the prevalence of drugs in California's prisons.

Adult Population Adjustment (Issues 301 and 302)—It is requested that Item 5225-001-0001 be decreased by \$10,339,000 and 62.4 positions, Item 5225-001-0917 be increased by \$16,000, Item 5225-002-0001 be increased by \$11,983,000 and 74.9 positions, Item 5225-006-0001 be decreased by \$1,057,000, Item 5225-007-0001 be increased by \$7,075,000, Item 5225-008-0001 be increased by \$6,000, and Item 5225-009-0001 be decreased by \$1,018,000 to reflect revisions in the projected adult inmate and parole populations. This reflects in a net increase of \$6,666,000 that is comprised of an increase of \$6,650,000 General Fund and an increase of \$16,000 Inmate Welfare Fund.

It is also requested that Provision 1 of Item 5225-006-0001 be amended to reflect the adjusted average daily population caps for each of the out-of-state facilities (Attachment I).

Adjusted for recent adult inmate population trends, the May Revision reflects an estimated average adult daily population of 128,885 in 2013-14. This is 280 higher than projected in the Governor's Budget. We note that the population adjustment reflects a net increase of \$4.5 million to provide sufficient funding to meet the Blueprint benchmark for in-state contract beds. Additionally, there is a \$0.04 increase in inmate meals related to increased Prison Industry Authority food prices.

The projected adult parolee average daily population is 46,358. This is a decrease of 1,262 from the projection in the Governor's Budget.

The projected mental health population is expected to increase by 7.9 percent over the Governor's Budget projected level, to 31,753 in 2013-14. This is a 1.3-percent change in the mental health population since the beginning of 2012-13.

Juvenile Population and Other Adjustments (Issues 366 and 367)—It is requested that Item 5225-001-0001 be decreased by \$1,350,000 and 78.1 positions, reimbursements be decreased by \$416,000, and Item 5225-011-0001 be decreased by \$1,003,000 Proposition 98 General Fund and 12.6 positions to reflect revised juvenile population projections. Adjusted for recent juvenile population trends, the May Revision reflects an estimated average daily population of 679 wards in 2013-14, which is 234 less than projected in the Governor's Budget. This adjustment also addresses the following Division of Juvenile Justice (DJJ) budget changes necessary for DJJ to adequately serve a reduced juvenile population:

- Establishes a ward-driven Operating Expenses and Equipment budget adjustment.
- Augments DJJ's salaries and wages budget for actual custody salaries for filled positions consistent with the adjustments made to the Division of Adult Institutions (DAI) in 2011-12 and Division of Parole Operations in 2012-13.
- Augments DJJ's budget for the actual cost of mental health treatment provided by the Department of State Hospitals.

Worker's Compensation Funding Technical Adjustment (Issue 368)—It is requested that \$1,102,000 in worker's compensation funding added in the 2012 Budget Act be transferred from the DAI to DJJ within Item 5225-001-0001 to appropriately reflect the portion of worker's compensation funding attributable to DJJ. This is a net zero technical adjustment.

Strategic Offender Management System Budget Bill Language (Issue 318)—It is requested that Budget Bill language be added to Item 5225-001-0001 to authorize the Department of Finance, upon notification to the Legislature, to augment the California Department of Corrections and Rehabilitation's (CDCR) Strategic Offender Management System (SOMS) budget based upon a demonstrated need as detailed in an updated Special Project Report. This language (Attachment II) would provide CDCR with the ability to complete SOMS implementation in a timely manner.

In Addition, Amendments that do not Impact any Budget Bill Items are Reflected Below:

CDCR Health Care Reorganization—It is requested that trailer bill language (Attachment III) be adopted to authorize the establishment of a third Undersecretary to oversee CDCR's adult inmate health care services programs. The language also proposes two new Director positions to report to the Undersecretary; one to oversee the Division of Health Care Operations and the other to oversee the Division of Health Care Policy and Administration.

The cost and authority for these new positions will be absorbed within existing resources. The proposed organizational structure will allow CDCR to effectively oversee adult inmate health care services and is an important component of the transition of inmate medical care back to the state. The proposed positions will not be filled until the Administration has confirmed a transition timeline with the Receiver's Office and the federal court overseeing the *Plata v. Brown* litigation.

Community Corrections Performance Incentive Grant (Issue 382)—It is requested that items be increased by \$72,127,000 to transfer General Fund to the State Community Corrections Performance Incentives Fund to account for the impact of realignment on the felony probation population. This adjustment, along with proposed trailer bill language, increases the amount of money available to county probation departments that are successful in reducing felony probation failure rates.

Public Safety Realignment Implementation Cleanup—It is requested that trailer bill language be adopted to reflect several implementation cleanup issues for 2011 Public Safety Realignment. These changes were developed in collaboration with local stakeholders, and include the following:

- **Notification of Reception Center or Parole Office Closures**—Requires CDCR to provide written notification at least 90 days prior to the opening, closure, or change of location of a reception center or parole office.
- **Misclassified Post-Release Community Supervision or Parole Placement**—Provides a 60-day period during which an offender can be transferred from the jurisdiction of parole to probation or from probation to parole. After this period, the offender would remain under the supervision of the jurisdiction to which the offender was released for the remainder of his/her supervision term regardless of the original offense.
- **Supervision of Decertified Mentally Disordered Offenders**—Requires CDCR to provide parole supervision for court-decertified Mentally Disordered Offenders released from a state hospital, even if the offender is otherwise eligible for Post-Release Community Supervision.
- **Long-Term Offenders in County Jails**—Authorizes County Parole Boards to send long-term offenders to CDCR after serving the first three years of their sentence in county jail and establishes a presumption of a minimum level of split sentencing, but retains a judge's discretion to impose a straight sentence.

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The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Audrey Bazos or Anastasia Dodson, Principal Program Budget Analysts, at (916) 445-8913.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN

Chief Deputy Director

Attachment

cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Bill Emmerson, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Seren Taylor, Staff Director
Honorable Mike Gatto, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Jeff Gorell, Vice Chair, Assembly Budget Committee
Attention: Mr. Eric Swanson, Staff Director
Honorable Loni Hancock, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
Honorable Reginald Byron Jones-Sawyer, Sr., Chair, Assembly Budget Subcommittee No. 5
Mr. Mac Taylor, Legislative Analyst (4)
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Diana Toche, Undersecretary, California Department of Corrections and Rehabilitation
Mr. Scott Carney, Director, Administrative Services, California Department of Corrections and Rehabilitation
Mr. John Wordlaw, Deputy Director, Fiscal Services, Department of Corrections and Rehabilitation
Mr. David Runnels, Chief Deputy Receiver, California Correctional Health Care Services
Ms. Mitzi Higashidani, Director, Administrative Support Services, California Correctional Health Care Services
Mr. Chris Helton, Associate Director, Fiscal Management Branch, California Correctional Health Care Services

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Provisional language for Item 5225-006-0001 is amended as follows:

"Provisions:

1. (a) The funds appropriated in this item shall be used to pay for not more than the following average daily populations for the 2013-14 fiscal year at the following facilities:
 - (1) ~~4,024~~ 203 inmates at the Red Rock Correctional Center located in Eloy, Arizona.
 - (2) ~~3,030~~ 3,113 inmates at the La Palma Correctional Center located in Eloy, Arizona.
 - (3) ~~499~~ 1,391 inmates at the Tallahatchie County Correctional Facility located in Tutwiler, Mississippi.
 - (4) ~~416~~ 262 inmates at the North Fork Correctional Center located in Sayre, Oklahoma.
- (b) No other item of appropriation may be used to pay for the costs of the contracts with the entities listed in subdivision (a) for out-of-state housing of state inmates.
- (c) The California Department of Corrections and Rehabilitation, upon agreement with its current provider of out-of-state beds, and only after notifying the Department of Finance, may allow the service provider to relocate offenders being housed in any of the facilities listed under subdivision (a) to a different facility operated by the same service provider. The average daily population of offenders being housed in out-of-state facilities shall not exceed 4,969 for the 2013-14 fiscal year."

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Item 5225-001-0001:

Addition of provisional language to Budget Bill

- X. Upon order of the Director of Finance, the amount available for expenditure in this item may be augmented by the amount necessary to fund project costs of the Strategic Management Offender System as outlined in the most recent Special Project Report approved by the California Technology Agency. The Department of Finance shall provide notification in writing to the Joint Legislative Budget Committee of any augmentation approved under this provision not less than 30 days prior to the effective date of the augmentation.

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**Proposed Trailer Bill Language
California Department of Corrections and Rehabilitation Health Care Reorganization**

SEC XXXX. UNCODIFIED INTENT LANGUAGE.

It is the intent of the Legislature in enacting sections XXXX and XXXX to demonstrate the state's will, capacity and leadership to maintain the improvements made in the delivery of medical services to inmates in prisons by California Correctional Health Care Services under the leadership of the Receiver appointed by the federal court. Furthermore, the Legislature recognizes that the Receiver has implemented a well functioning medical delivery system within prisons, and key contributors to the success have been the specific focus on health care and the ability to develop executive management with health care expertise. To maintain these improvements and retake control of the prison medical care system it is necessary to create the proper organizational structure within the Department of Corrections and Rehabilitation to support the delivery of medical services to prisoners. Establishing an additional Undersecretary, that operates at a peer level with the existing Undersecretaries, signifies the organizational importance of health care services and ensures the executive leadership necessary for the mutual success of both the health care and custody operations.

SEC XXXX. SEC 12838 of the Government Code is amended as follows.

12838 (a) There is hereby created in state government the Department of Corrections and Rehabilitation, to be headed by a secretary, who shall be appointed by the Governor, subject to Senate confirmation, and shall serve at the pleasure of the Governor. The Department of Corrections and Rehabilitation shall consist of Adult Operations, Adult Programs, Health Care Services, Juvenile Justice, the Corrections Standards Authority, the Board of Parole Hearings, the State Commission on Juvenile justice, the Prison Industry Authority, and the Prison Industry Board.

(b) The Governor, upon recommendation of the secretary, may appoint ~~two~~ three undersecretaries of the Department of Corrections and Rehabilitation, subject to Senate confirmation. The undersecretaries shall hold office at the pleasure of the Governor. One undersecretary shall oversee administration, one undersecretary shall oversee healthcare services, and offender services and one undersecretary shall oversee operations for the department.

(c) The Governor, upon recommendation of the secretary, shall appoint a Chief for the Office of Victim Services, and a Chief for the Office of Correctional Safety, both of whom shall serve at the pleasure of the Governor.

SEC XXXX. SEC 12838.1 of the Government Code is amended as follows.

12838.1. (a) There is hereby created within the Department of Corrections and Rehabilitation, under the Undersecretary for Administration ~~and Offender Services~~, the following divisions:

(1) The Division of Enterprise Information Services, ~~the Division of Health Care Services~~, the Division of Facility Planning, Construction, and Management, and the Division of Administrative Services. Each division shall be headed by a director, who shall be appointed by the Governor, upon recommendation of the secretary, subject to Senate confirmation, who shall serve at the pleasure of the Governor.

(2) The Division of Internal Oversight and Research. This division shall be headed by a director, who shall be appointed by the Governor, upon recommendation of the secretary, who shall serve at the pleasure of the Governor

(b) There is hereby created within the Department of Corrections and Rehabilitation, under the Undersecretary for Health Care Services, the Division of Health Care Operations and the

Division of Health Care Policy and Administration. Each division shall be headed by a director, who shall be appointed by the Governor, upon recommendation of the secretary, subject to Senate confirmation, who shall serve at the pleasure of the Governor.

~~(b)~~ (c) There is hereby created within the Department of Corrections and Rehabilitation, under the Undersecretary for Operations, the Division of Adult Institutions, the Division of Adult Parole Operations, the Division of Juvenile Justice, and the Division of Rehabilitative Programs. Each division shall be headed by a director, who shall be appointed by the Governor, upon recommendation of the secretary, subject to Senate confirmation, who shall serve at the pleasure of the Governor.

~~(c)~~ (d) The Governor shall, upon recommendation of the secretary, appoint four subordinate officers to the Division of Adult Institutions, subject to Senate confirmation, who shall serve at the pleasure of the Governor. Each subordinate officer appointed pursuant to this subdivision shall oversee an identified category of adult institutions, one of which shall be female offender facilities.

~~(d)~~ (e) (1) Unless the context clearly requires otherwise, whenever the term "Chief Deputy Secretary for Adult Operations" appears in any statute, regulation, or contract, it shall be construed to refer to the Director of the Division of Adult Institutions.

(2) Unless the context clearly requires otherwise, whenever the term "Chief Deputy Secretary for Adult Programs" appears in any statute, regulation, or contract, it shall be construed to refer to the Director of the Division of Rehabilitative Programs.

(3) Unless the context clearly requires otherwise, whenever the term "Chief Deputy Secretary for Juvenile Justice" appears in any statute, regulation, or contract, it shall be construed to refer to the Director of the Division of Juvenile Justice.



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Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Ms. Keely Bosler, Staff Director (2)

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Trailer Bill Language, Board of State and Community Corrections

Executive Committee (Attachment A)—It is requested that trailer bill language be adopted for the purposes of Government Code section 1090, to provide that members of the Board are not financially interested in any contract made by the Board based upon the receipt of compensation for holding public office or public employment. This will ensure the continued use of the historically effective Executive Steering Committee process for developing recommendations to the Board.

Board Composition (Attachment B)—It is requested that trailer bill language be adopted to change the composition of the Board commencing July 1, 2013. Currently, the Board is comprised of 12 members and is chaired by the Secretary of the California Department of Corrections and Rehabilitation (CDCR). The proposed trailer bill language would add the Executive Officer of the Board of State and Community Corrections as a member of the Board, and name the Executive Officer as the Chair. The Secretary of CDCR remains a member of the Board but no longer serves as the Chair.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Anastasia Dodson, Principal Program Budget Analyst, at (916) 445-8913.

ANA J. MATOSANTOS

Director

By:

/s/ Michael Cohen

MICHAEL COHEN
Chief Deputy Director

Attachment

cc: On following page

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cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
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Mr. Christopher W. Woods, Assembly Speaker's Office (2)
Ms. Deborah Gonzalez, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Scott Frizzie, Executive Director (A), Board of State and Community Corrections

Attachment A

**2013-14 Proposed Trailer Bill Language (May Revision)
Executive Committee**

Section 6025.1 of the Penal Code is amended to read:

6025.1 Members of the board shall receive no compensation, but shall be reimbursed for their actual and necessary travel expenses incurred in the performance of their duties. For purposes of compensation, attendance at meetings of the board shall be deemed performance by a member of the duties of his state or local governmental employment. For purposes of Government Code section 1090, members of the board and of any committee created by the board are not financially interested in any contract made by the board, including a grant or bond financing transaction, based upon the receipt of compensation for holding public office or public employment.

**2013-14 Proposed Trailer Bill Language (May Revision)
Board Composition**

Section 6025 of the Penal Code is amended to read:

6025. (a) Commencing July 1, 2012, the Board of State and Community Corrections shall be composed of 12 members, as follows:

(1) The Chair of the Board of State and Community Corrections, who shall be the Secretary of the Department of Corrections and Rehabilitation.

(2) The Director of the Division of Adult Parole Operations for the Department of Corrections and Rehabilitation.

(3) A county sheriff in charge of a local detention facility which has a Corrections Standards Authority rated capacity of 200 or less inmates, appointed by the Governor, subject to Senate confirmation.

(4) A county sheriff in charge of a local detention facility which has a Corrections Standards Authority rated capacity of over 200 inmates, appointed by the Governor, subject to Senate confirmation.

(5) A county supervisor or county administrative officer. This member shall be appointed by the Governor, subject to Senate confirmation.

(6) A chief probation officer from a county with a population over 200,000, appointed by the Governor, subject to Senate confirmation.

(7) A chief probation officer from a county with a population under 200,000, appointed by the Governor, subject to Senate confirmation.

(8) A judge appointed by the Judicial Council of California.

(9) A chief of police, appointed by the Governor, subject to Senate confirmation.

(10) A community provider of rehabilitative treatment or services for adult offenders, appointed by the Speaker of the Assembly.

(11) A community provider or advocate with expertise in effective programs, policies, and treatment of at-risk youth and juvenile offenders, appointed by the Senate Committee on Rules.

(12) A public member, appointed by the Governor, subject to Senate confirmation.

(b) Commencing July 1, 2013, the Board of State and Community Corrections shall be composed of 13 members, as follows:

(1) The Executive Officer of the Board of State and Community Corrections, who shall serve as the Chair of the Board of State and Community Corrections.

(2) The Secretary of the Department of Corrections and Rehabilitation.

(3) The Director of the Division of Adult Parole Operations for the Department of Corrections and Rehabilitation.

(4) A county sheriff in charge of a local detention facility which has a Corrections Standards Authority rated capacity of 200 or less inmates, appointed by the Governor, subject to Senate confirmation.

(5) A county sheriff in charge of a local detention facility which has a Corrections Standards Authority rated capacity of over 200 inmates, appointed by the Governor, subject to Senate confirmation.

(6) A county supervisor or county administrative officer. This member shall be appointed by the Governor, subject to Senate confirmation.

(7) A chief probation officer from a county with a population over 200,000, appointed by the Governor, subject to Senate confirmation.

(8) A chief probation officer from a county with a population under 200,000, appointed by the Governor, subject to Senate confirmation.

(9) A judge appointed by the Judicial Council of California.

(10) A chief of police, appointed by the Governor, subject to Senate confirmation.

(11) A community provider of rehabilitative treatment or services for adult offenders, appointed by the Speaker of the Assembly.

(12) A community provider or advocate with expertise in effective programs, policies, and treatment of at-risk youth and juvenile offenders, appointed by the Senate Committee on Rules.

(13) A public member, appointed by the Governor, subject to Senate confirmation.

(bc) The terms of the members appointed by the Governor shall expire as follows: three on July 1, 2014, and four on July 1, 2015, as specified by the Governor. The term of the member appointed by the Senate Committee on Rules shall expire on July 1, 2014. The term of the member appointed by the Speaker of the Assembly shall expire

on July 1, 2015. The term of the member appointed by the Judicial Council shall expire on July 1, 2015. Successor members shall hold office for terms of three years, each term to commence on the expiration date of the predecessor. Any appointment to a vacancy that occurs for any reason other than expiration of the term shall be for the remainder of the unexpired term. Members are eligible for reappointment.

(ed) The board shall select a vice chairperson from among its members, who shall be either a chief probation officer or a sheriff. Seven members of the board shall constitute a quorum.

(ee) When the board is hearing charges against any member, the individual concerned shall not sit as a member of the board for the period of hearing of charges and the determination of recommendations to the Governor.

(ef) If any appointed member is not in attendance for three meetings in any calendar year, the board shall inform the appointing authority, which may remove that member and make a new appointment, as provided in this section, for the remainder of the term.