



MAR 30 2006

Honorable Wesley Chesbro, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Items 5225-001-0001, 5225-001-0890, and Reimbursements, Support, Item 5225-101-0001, Local Assistance, and Addition of Budget Bill Item 5225-490, Reappropriation, California Department of Corrections and Rehabilitation

It is requested that Item 5225-001-0001 be increased by \$53,293,000, Reimbursements be decreased by \$835,000, Item 5225-001-0890 be increased by \$761,000, and Item 5225-101-0001 be increased by \$4,200,000 to reflect the following adjustments:

Rutherford v. Schwarzenegger, Life Prisoner Parole Hearing Staffing—An increase of \$7,152,000 General Fund to comply with the requirements of the *Rutherford v. Schwarzenegger* class action lawsuit, and to provide the California Department of Corrections and Rehabilitation (CDCR) with the resources necessary to eliminate the backlog of life prisoner parole hearings within 18 months. This augmentation will provide the CDCR with additional resources to conduct psychological evaluations, prepare hearing packets, schedule hearings, conduct investigations including evaluations of claims of Battered Women's Syndrome, and review decisions to grant parole.

Protective Vests—An increase of \$4,079,000 General Fund to expand the distribution and replacement of protective vests to peace officer staff as well as non-peace officer staff who must enter and perform their duties in high-risk conditions, consistent with the CDCR's comprehensive Protective Vest Procedures. The three types of vests that will be purchased over the next five years include stab-resistant vests for staff who work within an adult institution or juvenile facility, ballistic vests for peace officers whose duties are outside the institution/facility, and combination vests for peace officers whose duties require that they work inside the institution/facility and provide security coverage in community settings.

Enterprise Information Services Corrective Action Plan—An increase of \$2,249,000 General Fund, to begin to address the deficiencies identified in the Department of Finance information technology assessment. Of the amount requested, it is proposed that \$1.0 million of the request for a comprehensive study of the CDCR's existing information technology resources and workload be available upon the Legislature's approval of a work plan detailing the scope of work to be performed in the study. Suggested Budget Bill language is attached (Attachment I).

Madrid v. Woodford Compliance—An increase of \$6,560,000 General Fund to support the CDCR's efforts to comply with the requirements of the *Madrid v. Woodford* court case. The required changes to the employee discipline process include implementation of a centralized case initiation and investigation process, and expansion of a vertical advocacy model. Additionally, recent court orders have mandated staffing increases to the Madrid Patient Information Management System and the enhanced mental health services program in Administrative Segregation Units at Pelican Bay State Prison.

Garrison Johnson v. California, Racial Integration—An increase of \$5,904,000 General Fund to comply with the requirements of the settlement agreement in the *Garrison Johnson v. California* federal court case. The settlement agreement requires the CDCR to create a housing placement protocol that assigns inmates to their cells using several criteria rather than race being the determining factor. Also, the CDCR is required to train staff on the revised housing protocols and develop a violence tracking system designed to record, track, and analyze violent incidents.

Legal Representation at Parole Revocation Hearings—An increase of \$4.2 million General Fund in local assistance, and \$2,476,000 General Fund in state operations to provide legal representation at parole revocation hearings for victims and witnesses of parolee crimes, as well as for local law enforcement and parole agents. Currently, only parolees have legal representation at a parole revocation hearing. These resources would enable District Attorneys to provide representation for these groups consistent with the representation provided for parolees. Suggested Budget Bill language is attached (Attachment I).

Farrell v. Hickman, Mental Health Remedial Plan Resources—An increase of \$14,778,000 General Fund to implement the Mental Health Remedial Plan required by the *Farrell v. Hickman* lawsuit, which was submitted to the court on November 30, 2005.

Farrell v. Hickman, Update to the Safety and Welfare Remedial Plan—A decrease of \$4,536,000 General Fund and an increase of \$190,000 Federal Trust Fund to update the Safety and Welfare Remedial Plan proposal submitted as part of the Governor's Budget. This adjustment is due to minor modifications made to some implementation timeframes, corrections to costing errors, and the availability of federal funds to address a portion of the costs.

Farrell v. Hickman Consent Decree—An increase of \$1,327,000 General Fund to pay for the costs related to oversight, monitoring, and implementation of activities required by the consent decree, as provided by court mandated experts.

Space Needs Related to Farrell v. Hickman—An increase of \$12,469,000 General Fund to purchase modular buildings and make related facility improvements, in order to ensure that there is sufficient program and educational space available to implement the programmatic changes required by the *Farrell v. Hickman* lawsuit.

Substance Abuse Treatment Funding—An increase of \$835,000 General Fund and a decrease of \$835,000 Reimbursements, to backfill and reflect a loss of federal funds from the Office of Emergency Services that were previously used to fund substance abuse treatment programs in youth facilities. This funding will allow the existing program to continue at the current level of service.

Federal Trust Fund Authority for the Corrections Standards Authority—An increase of \$571,000 Federal Trust Fund to improve standards compliance monitoring of juvenile detention facilities, and expand these activities to include the monitoring of the juvenile detention facilities operated by the Division of Juvenile Justice.

It is requested that Item 5225-490 be added to reflect the following reappropriations (Attachment II):

- \$4,072,000 General Fund to support the development, implementation, and maintenance of the Parole Law Enforcement Automated Data System.
- \$4,174,000 General Fund for the continued development of the Business Information System.
- \$1.0 million General Fund for the Division of Juvenile Justice to develop and conduct training.
- The remaining Federal Trust Fund, for the Corrections Standards Authority to fund the construction and expansion of local correction facilities.

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 Zlatko Theodorovic, or Sarah Mangum, Principal Program Budget Analysts, at (916) 445-8913.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Kevin Murray, Chair, Senate Appropriations Committee
Attention: Mr. Bob Franzoia, Staff Director
Honorable Dennis Hollingsworth, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Mr. Jeff Bell, Staff Director
Honorable Judy Chu, Chair, Assembly Appropriations Committee
Attention: Mr. Geoff Long, Chief Consultant
Honorable Rick Keene, Vice Chair, Assembly Budget Committee
Attention: Mr. Peter Schaafsma, Staff Director
Honorable Michael Machado, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Rudy Bermudez, Chair, Assembly Budget Subcommittee No. 4
Ms. Elizabeth Hill, Legislative Analyst (4)
Ms. Diane Cummins, Senate President pro Tempore's Office
Mr. Craig Cornett, Assembly Speaker's Office (2)
Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Ms. Jeanne Woodford, Director (A), California Department of
Corrections and Rehabilitation
Ms. Sandra Duveneck, Director (A), Support Services, California Department of
Corrections and Rehabilitation
Ms. Tracy Johnson, Associate Director, Budget Management, California Department of
Corrections and Rehabilitation

Proposed Budget Bill Language

Enterprise Information Services Corrective Action Plan

Item 5225-001-0001

Provision X. Of the amount appropriated in schedule (1), \$1,000,000 shall be available for expenditure on a comprehensive study of the Department's existing information technology resources and workload no sooner than 30 days after approval by the Chairperson of the Joint Legislative Budget Committee of a plan to conduct such a study.

Legal Representation at Parole Revocation Hearings

Item 5225-101-0001

Provision X. The amount appropriated in Schedule (8) is provided to pay for the costs associated with providing legal representation at parole revocation hearings. Claims shall be filed by local jurisdictions within six months after the end of the month in which the costs are incurred. Expenditures shall be charged to either the fiscal year in which the claim is received by the Department of Corrections and Rehabilitation or the fiscal year in which the warrant is issued.

Proposed Budget Bill Language

5225-490—Reappropriation, Department of Corrections and Rehabilitation

The balance of the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriations and shall be available for expenditure or encumbrance as cited below:

0001—General Fund

(1) Item 5225-001-0001, Budget Act of 2005 (Ch. 38, Stats. of 2005). (a) The balance of the funds appropriated for the support, development, implementation, and maintenance of the Parole Law Enforcement Automated Data System is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

(b) The balance of the funds appropriated for continued implementation of the Business Information System is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

(c) The balance of the funds appropriated for the purpose of the design and development of curricula for the training identified in the training needs assessment, and conducting staff training, is reappropriated for that purpose and shall be available for expenditure or encumbrance until June 30, 2007.

0890—Federal Trust Fund

(1) Item 5430-109-0890, Budget Act of 2001 (Ch. 106, Stats. of 2001), for the purpose of constructing and expanding local corrections facilities and shall be available for expenditure or encumbrance until September 30, 2007.



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Attention: Mr. Danny Alvarez, Staff Director (2)

Honorable John Laird, Chair
Assembly Budget Committee

Attention: Mr. Christopher W. Woods, Chief Consultant (2)

Amendment to Budget Bill Item 5225-301-0001, and Addition of Items 5225-301-0660, 5225-301-0751, and 5225-496, Capital Outlay, Department of Corrections and Rehabilitation

It is requested that Item 5225-301-0001 be increased by \$55,141,000 to reflect the following:

1. Decrease \$1,005,000 for working drawings for a statewide Juvenile Justice fire protection sprinkler system. The preliminary plans for this project have been delayed because of a poorly defined scope and the overarching concern of how this project would fit into future funding requests for Juvenile Justice reform.
2. Decrease \$300,000 for construction of small management yards at Mule Creek State Prison, California State Prison, Solano, Wasco State Prison, and Richard J. Donovan Correctional Facility. There were cost increases in materials and labor which prompted the Department of Corrections and Rehabilitation (Department) to push out the funding for the fifth institution originally funded at North Kern State Prison to a future year resulting in savings in 2006-07.
3. Increase \$4,323,000 for construction of a groundwater treatment and non-potable water distribution system at Deuel Vocational Institution (DVI), Tracy. The increased costs are primarily attributed to the inability to find an onsite source of fill material at either DVI or DVI-East, formerly known as Northern California Women's Facility, and the resulting need to bring in material from outside the area.
4. Increase \$2,327,000 for working drawings and construction of a new wastewater treatment plant at DVI, Tracy. The Department used a 3 percent escalation factor when estimating the project costs rather than the allowed 5 percent escalation factor resulting in the need for additional funds.
5. Increase \$975,000 for preliminary plans, working drawings, and construction of an electrical power substation at DVI, Tracy. The costs increased as a larger substation is needed to meet the increased electrical loads anticipated from the groundwater treatment and non-potable water distribution system project at the facility.

6. Increase \$50,000 for preliminary plans for an electrified fence at the Central facility at the California Institution for Men (CIM), Chino. The additional costs are necessary because of the complexity of the Environmental Impact Report relative to CIM's proximity to the encroaching housing developments, and the Department of Fish and Game's concerns over damage to birds and other wildlife.
7. Increase \$2,066,000 for construction of a potable water distribution system upgrade at California Men's Colony, San Luis Obispo. The Department used a 3 percent escalation factor when estimating the project costs rather than the allowed 5 percent escalation factor resulting in the need for additional funds.
8. Increase \$5.0 million for statewide minor projects. The additional funding is to be used to address space needs identified as part of the Farrell lawsuit. In November 2004, the State of California entered into a consent decree in the Farrell lawsuit concerning mandated educational and programmatic obligations to the youth offender population. The \$5.0 million in minor funding for 2006-07 and the recommended \$4.2 million in 2007-08 would help satisfy court deficiencies for increased staffing and programming space.
9. Increase \$44,000 for working drawings of a wastewater treatment plant at California State Prison, Corcoran. The increase in costs is associated with the electrical system requiring more design effort than originally estimated because of the need to change out the existing transformer.
10. Increase \$138,000 for working drawings of a wastewater treatment plant at California State Prison, Centinela, Imperial. The increase in costs is attributed to the increased rates for the design consultants and additional engineering work required for supporting the permit modifications.
11. Increase \$1,484,000 for construction of an arsenic removal project from the potable water supply at High Desert State Prison/California Correctional Center, Susanville. There were additional costs related to the trenching and the backfill of the pipeline. In addition, the Department used a 3 percent escalation factor when estimating the project costs rather than the allowed 5 percent escalation factor.
12. Decrease \$1,690,000 for preliminary plans of a heating, ventilation, and air conditioning system at Ironwood State Prison, Blythe. As the bids came in much higher for the same project at the neighboring Chuckawalla Valley State Prison project, it is recommended by the Department to push the funding for this project back a year to see the initial bidding results for the project at Chuckawalla Valley State Prison.
13. Add \$14,972,000 for preliminary plans of a 350-Bed acute mental health facility at California State Prison, Sacramento. This project is recommended in response to an order from the Coleman court resulting from the 15th round of monitoring by the court's special master. This project would allow the Department to construct a facility to house seriously mentally ill inmates that require an inpatient level of care. The statewide need for licensed acute care mental health beds based on current population projections indicates a shortage of 320 beds by June 30, 2011. This facility would provide for additional onsite mental health inpatient treatment for the rapidly growing statewide population of male inmates requiring inpatient mental health care beyond the short-term crisis level of care.

14. Add \$7,689,000 for preliminary plans of a 128-Bed intermediate mental health care facility at California State Prison, Sacramento. This project is recommended in response to an order from the Coleman court resulting from the 15th round of monitoring by the court's special master. This project would allow the Department to construct a facility to house seriously mentally ill inmates that require an inpatient level of care. The statewide need for licensed intermediate mental health care facility beds based on current population projections indicates a shortage of approximately 300 beds by June 30, 2011. This facility would provide for additional onsite mental health inpatient treatment for the rapidly growing statewide population of male inmates requiring inpatient mental health care beyond the short-term crisis level of care.
15. Add \$8,405,000 for preliminary plans of a 128-Bed intermediate mental health care facility at Salinas Valley State Prison, Monterey. This project is recommended in response to an order from the Coleman court resulting from the 15th round of monitoring by the court's special master. This project would allow the Department to construct a facility to house seriously mentally ill inmates that require an inpatient level of care. The statewide need for licensed intermediate mental health care facility beds based on current population projections indicates a shortage of approximately 300 beds by June 30, 2011. This facility would provide for additional onsite mental health inpatient treatment for the rapidly growing statewide population of male inmates requiring inpatient mental health care beyond the short-term crisis level of care.
16. Add \$4,514,000 for preliminary plans of a 64-Bed intermediate mental health care facility at California Medical Facility, Vacaville. This project is recommended in response to an order from the Coleman court resulting from the 15th round of monitoring by the court's special master. This project would allow the Department to construct a facility to house seriously mentally ill inmates that require an inpatient level of care. The statewide need for licensed intermediate mental health care facility beds based on current population projections indicates a shortage of approximately 300 beds by June 30, 2011. This facility would provide for additional onsite mental health inpatient treatment for the rapidly growing statewide population of male inmates requiring inpatient mental health care beyond the short-term crisis level of care.
17. Add \$2,172,000 for preliminary plans of a 25-Bed acute/intermediate care facility at the California Institution for Women, Frontera. This project is recommended in response to an order from the Coleman court resulting from the 15th round of monitoring by the court's special master. This project would allow the Department to construct a facility to house seriously mentally ill inmates that require an inpatient level of care. The statewide need for licensed intermediate mental health care facility beds for women based on current population projections indicates a shortage of approximately 19 beds by June 30, 2011.
18. Add \$250,000 for preliminary plans of a 150-Bed enhanced outpatient program for treatment and program space at Mule Creek State Prison, Lone. The Department has identified a deficiency of enhanced outpatient program beds and associated program space. This proposal is not in response to an anticipated court order. However, the court has criticized the Department for inadequate treatment space for the enhanced outpatient program in previous monitoring.

19. Add \$250,000 for preliminary plans of a 150-Bed enhanced outpatient program for treatment and program space at California State Prison, Los Angeles. The Department has identified a deficiency of enhanced outpatient program beds and associated program space. This proposal is not in response to an anticipated court order. However, the court has criticized the Department for inadequate treatment space for the enhanced outpatient program in previous monitoring.
20. Add \$250,000 for preliminary plans of a 350-Bed enhanced outpatient program for treatment and program space at California State Prison, Sacramento. The Department has identified a deficiency of enhanced outpatient program beds and associated program space. This proposal is not in response to an anticipated court order. However, the court has criticized the Department for inadequate treatment space for the enhanced outpatient program in previous monitoring.
21. Add \$750,000 for studies to potentially relocate the reception centers from three older institutions (San Quentin, Deuel Vocational Institution, and California Institution for Men) to three newer institutions (California State Prison, Solano, Pleasant Valley State Prison, and California State Prison, Los Angeles) respectively. This is consistent with the mission of the Department to house inmates in a safe manner.
22. Add \$2,477,000 for construction of an arsenic removal water treatment system project at Kern Valley State Prison, Kern. The arsenic levels in the existing water are above the new maximum contaminant level. The existing appropriation is being reverted (Issue 642) as the refined cost estimates showed there were not enough funds to construct the project. Specifically, the costs of the specialized equipment to house the arsenic removal equipment have increased.

It is requested that Item 5225-301-0660 be added in the amount of \$38.0 million for construction of a heating, ventilation, and air conditioning system at Chuckawalla Valley State Prison, Blythe. The existing air handling units have deteriorated beyond their useful life and the structural integrity of the adjacent walls and roofs are in jeopardy. Furthermore, the temperature control units fail to operate during extreme temperatures and the high humidity conditions experienced in Blythe. The original appropriation is not sufficient to fund the project as bids came in higher than expected and is being reverted (Issue 642).

It is requested that Item 5225-301-0751 be added in the amount of \$1,491,000 for construction of a bar screen project at Pleasant Valley State Prison, Coalinga. The existing lift station is unable to effectively remove bulky debris from the wastewater before it is pumped to the wastewater plant, and could start facing noncompliance citations from their respective Regional Water Quality Control Board. The existing funding for the project is being reverted (Issue 642) as the updated working drawings show that the existing appropriation is insufficient to finish the project.

It is requested that Item 5225-496 be added to revert the unencumbered balances of the following:

1. Item 5225-301-0001, Budget Act of 2005, for preliminary plans of a statewide fire sprinkler system for Juvenile Justice.

2. Item 5225-301-0001, Budget Act of 2005, for construction of an arsenic removal water treatment system at Kern Valley State Prison, Kern.
3. Item 5225-301-0660, Budget Act of 2005, for construction of a heating, ventilation, and air conditioning system at Chuckawalla Valley State Prison, Blythe.
4. Item 5225-301-0751, Budget Act of 2005, for construction of a bar screen, prelift station at Pleasant Valley State Prison, Coalinga.

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 Jim Martone, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL C. GENEST

Director

By:

/s/ Vincent P. Brown

VINCENT P. BROWN

Chief Deputy Director

Attachment

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Mr. David Harper, Deputy Chief of Staff, Assembly Republican Leader's Office
Ms. J. S. Woodford, Acting Secretary, Department of Corrections and Rehabilitation
Mr. Bernard Warner, Chief Deputy Secretary, Division of Juvenile Justice, Department of
Corrections and Rehabilitation
Mr. John Dovey, Chief, Division of Adult Operations, Department of Corrections and
Rehabilitation
Mr. George A. Sifuentes, Deputy Director, Facilities Management Branch, Department of
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Mr. Richard C. Powers, Chief, Facilities Management Branch, Department of Corrections
and Rehabilitation