



MAY 13 2014

Honorable Mark Leno, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Mark Ibele, Staff Director (2)

Honorable Nancy Skinner, 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**

Recidivism Reduction Fund Proposals (Issues 316 and 317)—It is requested that Item 5225-001-3259 be increased by \$9,873,000 to provide \$865,000 for a planning grant to develop a California Leadership Academy and \$9,008,000 to add to the \$40 million proposed in the Governor's Budget for reentry programs provided in the community. The Administration proposes to fund reentry programs that target the mental health population.

Senate Bill 105 Update (Issue 318)—It is requested that Item 5225-001-0001 be decreased by \$2,794,000, Item 5225-001-0917 be decreased by \$209,000, Item 5225-006-0001 be decreased by \$124,000, and Item 5225-007-0001 be decreased by \$23,646,000 to reflect revisions in the projected adult inmate contract bed need for fiscal year 2014-15. This reflects a net decrease of \$26,773,000, which is comprised of a \$26,564,000 General Fund decrease and a \$209,000 Inmate Welfare Fund decrease.

California Health Care Facility Staffing (Issue 344)—It is requested that Item 5225-001-0001 be increased by \$12,544,000, and Item 5225-002-0001 be decreased by \$93,000 to provide additional plant operations, food service, and custody staffing at the California Health Care Facility. The Receiver suspended intake of inmates to the facility at the end of January 2014 due to operational issues. The additional resources are needed to address these issues and to meet licensing standards.

Conversion of Licensed Health Care Beds (Issue 345)—It is requested that Item 5225-002-0001 be decreased by \$1,855,000 (\$5,563,000 ongoing) to account for downgrading 420 General Acute Care Hospital or Intermediate Care Facility licensed beds to Correctional Treatment Center beds. This conversion is part of the court-appointed Receiver's overall plan for delivering health care services, including utilizing community facilities for inmates that have more acute health care needs. Trailer Bill Language is proposed to effectuate this change (Attachment I).

Compliance with the February 10, 2014 Three-Judge Panel Order (Issue 384)—It is requested that Item 5225-001-0001 be decreased by \$155,000, and Item 5225-009-0001 be decreased by \$2,788,000 to update the Governor's Budget to comply with the additional population reduction strategies ordered by the court. These resources will allow the Department to expand medical parole; implement an elderly parole program; establish a parole process for

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non-violent, non sex second strikers that have served 50 percent of their sentence; and reduce the hearing preparation timeline.

Community Corrections Performance Incentive Grant-Senate Bill 678 (Issue 389)—It is requested that Item 5225-605-0001 be decreased by \$3,499,000, Item 5225-605-8059 be decreased by \$3,498,000, and Item 5225-698-8059 be increased by \$3,499,000 to update the amounts allocated to county probation departments.

Adult Population Adjustment (Issue 300)—It is requested that Item 5225-001-0001 be increased by \$5,805,000, Item 5225-001-0917 be decreased by \$408,000, Item 5225-002-0001 be decreased by \$1,328,000, Item 5225-008-0001 be decreased by \$153,000, and Item 5225-009-0001 be decreased by \$81,000 to reflect revisions in projected adult inmate and parole populations. This reflects a net increase of \$3,835,000, which is comprised of a \$4,243,000 General Fund increase and a \$408,000 Inmate Welfare Fund decrease.

Adjusted for recent adult inmate population trends, the May Revision reflects an estimated average adult daily population of 136,530 in 2014-15. This is 1,258 lower than projected in the Governor's Budget. The projected adult parolee average daily population is 41,866 in 2014-15. This is an increase of 5,214 from the Governor's Budget projection.

Juvenile Population Adjustment (Issue 380)—It is requested that Item 5225-001-0001 be increased by \$258,000, and reimbursements be decreased by \$31,000 to reflect revised juvenile population projections. Adjusted for recent juvenile population trends, the May Revision reflects an estimated average daily population of 656 wards in 2014-15. This is 11 more than projected in the Governor's Budget.

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 Clint Kellum, Principal Program Budget Analysts, at (916) 445-8913.

MICHAEL COHEN
Director
By:

/s/ Keely M. Bosler

KEELY M. BOSLER
Chief Deputy Director

Attachment

cc: On the following page

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cc: Honorable Kevin de León, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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
Mr. Martin Hoshino, Undersecretary, California Department of Corrections and Rehabilitation
Dr. Diana Toche, Undersecretary (A), California Department of Corrections and Rehabilitation
Mr. Scott Carney, Director, Administrative Services, California Department of Corrections and Rehabilitation
Mr. Jason Lopez, Deputy Director (A), Office of Fiscal Services, California Department of Corrections and Rehabilitation



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Honorable Nancy Skinner, Chair
Assembly Budget Committee

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

Addition of Trailer Bill Language, Capital Outlay, Department of Corrections and Rehabilitation

Add Trailer Bill Language to allow the use of Chapter 7, Statutes of 2007 (AB 900) General Fund for the Department of Corrections and Rehabilitation's Health Care Facility Improvement Program Projects—It is requested that Section 7050 of the Penal Code be amended to allow the use of AB 900 General Fund for design and construction of projects in the Health Care Facility Improvement Program (HCFIP).

The federal courts and court appointed Receiver in the *Plata v. Brown* inmate medical care legal case have directed improvements to Department of Corrections and Rehabilitation (CDCR) health care delivery system. The HCFIP was established to perform facility assessments and identify areas of deficiency at each institution. Based on the assessments, CDCR determined that HCFIP projects were needed at 31 institutions. Currently, 25 HCFIP projects have been established by the State Public Works Board, and one HCFIP project is proposed in the 2014-15 Governor's Budget. There are five remaining HCFIP projects at the following institutions: Calipatria State Prison, Centinela State Prison, Chuckawalla Valley State Prison, Ironwood State Prison, and Pelican Bay State Prison. These projects have not been established as the existing expenditure authority designated for the HCFIP projects (\$900,419,000 for medical, dental, and mental health facility-related projects in Government Code section 15819.403(a)) has been fully allocated.

CDCR had originally anticipated that this existing authority would be adequate to fund all of the HCFIP projects based on their conceptual cost estimates. However, during the design process when typical project refinements occur, CDCR discovered that more work was needed at some facilities. Additionally, some of the existing clinical requirements have been updated by the federal court appointed Receiver to require additional components, resulting in cost increases in select projects.

CDCR estimates that approximately \$10,440,000 is required for fiscal year 2014-15 to work on preliminary plans and working drawings for the remaining five projects. The estimated construction costs associated with these projects are approximately \$64,755,000. There is sufficient AB 900 General Fund authority remaining to fund these five projects.

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

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If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 445-9694.

MICHAEL COHEN

Director

By:

/s/ Keely M. Bosler

KEELY M. BOSLER

Chief Deputy Director

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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. Deborah Hysen, Director (A), Facility Planning, Construction, and Management Division;
Department of Corrections and Rehabilitation
Mr. Dean Borg, Deputy Director (A), Finance, Administration, and Support Services Branch; Facility
Planning, Construction, and Management Division; Department of Corrections and Rehabilitation
Ms. Michelle Weaver, Chief, Planning and Finance Section; Finance, Administration and Support
Services Branch; Facility Planning, Construction, and Management Division; Department of
Corrections and Rehabilitation
Ms. NancyJo Patterson, Manager, Project Financing; Planning and Finance Section; Finance,
Administration and Support Services Branch; Facility Planning, Construction, and Management
Division; Department of Corrections and Rehabilitation

PENAL CODE - PEN

PART 3. OF IMPRISONMENT AND THE DEATH PENALTY [2000 - 10007]

(Part 3 repealed and added by Stats. 1941, Ch. 106.)

TITLE 7. ADMINISTRATION OF THE STATE CORRECTIONAL SYSTEM [5000 - 7445]

(Title 7 added by Stats. 1944, 3rd [1st] Ex. Sess., Ch. 2.)

CHAPTER 11. Master Plan Construction [7000 - 7050]

(Chapter 11 added by Stats. 1981, Ch. 540, Sec. 6.)

7050.

(a) (1) Section 28 of Chapter 7 of the Statutes of 2007 contains an appropriation of three hundred million dollars (\$300,000,000) for capital outlay to be allocated to renovate, improve, or expand infrastructure capacity at existing prison facilities. The funds appropriated by that section may be used for land acquisition, environmental services, architectural programming, engineering assessments, schematic design, preliminary plans, working drawings, and construction.

(2) These funds may also be used to address deficiencies related to utility systems owned by local government entities and serving state prison facilities subject to the provisions of Section 54999 of the Government Code. The department shall report on any funds to be expended for this purpose to the Joint Legislative Budget Committee. If the committee fails to take any action with respect to each notification within 20 days after submittal, this inaction shall be deemed to be approval for purposes of this section.

(3) These funds may also be used for the design and construction of improvements to dental facilities at state prison facilities.

(4) These funds may also be used for the design and construction of improvements to medication distribution facilities at state prison facilities.

(5) These funds may also be used for the design and construction of projects in the Health Care Facility Improvement Program at state prison facilities.

(56) This subdivision authorizes the scope and cost of a single capital outlay project for purposes of calculating augmentations pursuant to Section 13332.11 or 13332.19.

(b) The scope and costs of the projects described in subdivision (a) of this section shall be subject to approval and administrative oversight by the State Public Works Board, including augmentations, pursuant to Section 13332.11 or 13332.19 of the Government Code. The availability of an augmentation for each individual project allocation shall be based on the total applicable capital outlay appropriation contained in Section 28 of Chapter 7 of the Statutes of 2007 and is not limited to 20 percent of the individual project allocation. These requirements shall be applied separately to each institution. All of the necessary infrastructure improvements at each institution may be treated as one project such that there would be one infrastructure improvement project at each institution. The scope and cost of each infrastructure improvement

project shall be established by the board individually. The amount of the total appropriation in Section 28 of Chapter 7 of the Statutes of 2007 that is necessary for each infrastructure improvement project shall be allocated by institution. The appropriation may be allocated based on current estimates. These initial allocations may be adjusted commensurate to changes that occur during the progression of the projects. As allocations are made or adjusted, the anticipated deficit or savings shall be continuously tracked and reported. Once the total appropriation has been allocated, any augmentation necessary to fund an anticipated deficit shall be based on the total appropriation and allocated to each project as necessary. Concurrent with the request to the board to establish each project authorized pursuant to this section, the Department of Corrections and Rehabilitation shall report the associated scope, cost, and schedule information to the Joint Legislative Budget Committee.

(c) The projects authorized pursuant to this section shall be part of the Department of Corrections and Rehabilitation's master plan, as defined in Section 7000.

(d) The reporting requirements set forth in Sections 7000 to 7003.5, inclusive, shall apply separately to each project authorized pursuant to this section.

(Amended by Stats. 2012, Ch. 42, Sec. 13. Effective June 27, 2012.)

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Prison	Overall Estimated Cost	PP	WD	C	
CAL	\$ 18,360,000	\$ 1,190,900	\$ 1,146,800	\$ 16,022,300	12.73%
CEN	\$ 18,050,500	\$ 1,142,300	\$ 1,140,700	\$ 15,767,500	12.65%
CVSP	\$ 17,817,000	\$ 1,336,275	\$ 1,336,275	\$ 15,144,450	15.00%
ISP	\$ 14,377,000	\$ 1,078,275	\$ 1,078,275	\$ 12,220,450	15.00%
PBSP	\$ 6,589,000	\$ 494,175	\$ 494,175	\$ 5,600,650	15.00%
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	\$ 75,193,500	\$ 5,241,925	\$ 5,196,225	\$ 64,755,350	
Total		\$10,438,150		\$ 64,755,350	



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Assembly Budget Committee

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

**Amendment to Budget Bill Item 5227-102-0001 and Addition of Budget Bill
Item 5227-106-0001, Local Assistance, Board of State and Community Corrections**

City Law Enforcement Grants (Issue 400)—It is requested that Item 5227-102-0001 be increased by \$12.5 million to increase the existing grants for city police activities to \$40 million in fiscal year 2014-15.

Post Release Community Supervision (Issue 315)—It is requested that Item 5227-106-0001 be added in the amount of \$11,286,000 to provide limited-term funding to county probation departments to supervise a temporary increase in the average daily population of offenders on Post Release Community Supervision (PRCS) as a result of the additional credit earnings for non-violent, non-sex second strikers ordered by the Three Judge Panel on February 10, 2014. Under 2011 Realignment, inmates with non-violent and non-serious offenses are released onto PRCS under the jurisdiction of counties. While the initial intent was to retain these offenders on parole until they otherwise would have been released, law enforcement concurs that it is in the best interest of public safety for these offenders to be under the supervision of one jurisdiction for the length of their supervision term. Therefore, offenders eligible for PRCS will immediately begin their supervision under the jurisdiction of county probation.

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, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL COHEN
Director
By:

/s/ Keely M. Bosler

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Chief Deputy Director

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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
Ms. Kathleen Howard, Executive Director, Board of State and Community Corrections
Mr. Robert Takeshta, Deputy Director, Board of State and Community Corrections