Senate Bill 105 Final Report

Revised – January 22, 2015

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Introduction

Governor Brown signed Chapter 310, Statutes of 2013 (Senate Bill 105) on September 12, 2013. SB 105 became the near-term solution for addressing some of the state prison population-related issues associated with litigation before the federal three-judge court.

On February 10, 2014, the three-judge court granted a two-year extension of its order to meet the in-state adult institution population of design capacity of 137.5 percent and achieve a durable solution to the issue of prison capacity and overcrowding.

Section 1 of Chapter 310 states:

> *"The additional prison capacity and change to reduce prison population authorized by this act are immediate measures to avoid early release of inmates and allow the state to comply with the federal court order. This act will also provide time to develop additional thoughtful, balanced, and effective long-term solutions with input from the state's local government and justice partners who are still adjusting to the recent criminal justice reforms of realignment. The long-term changes will build upon the transition of lower level offenders to local jurisdiction, the construction of new prison health care facilities, and improvements to existing health care facilities throughout the prison system. The administration shall begin immediately, in consultation with stakeholders, including appropriate legislative committees, to assess the state prison system, including capacity needs, prison population levels, recidivism rates, and factors affecting crime levels, and to develop recommendations on balanced solutions that are cost effective and protect public safety. Not later than April 1, 2014, the Department of Finance shall submit the administration's interim report to the Legislature, and, not later than January 10, 2015, the Department of Finance shall submit the administration's final report to the Legislature. It is the intent of the Legislature to consider the reports along with the Legislature's independent findings during the annual budget process."*

The Department of Finance submitted the Senate Bill 105 Interim Report on behalf of the Administration on April 1, 2014. Since then, there have been some significant changes in the factors related to how many and how long offenders are in state prison.

First, with implementation of the court-ordered increase in credit earnings for second-strike offenders and other court-ordered population reduction measures, and with a lower rate of population increase, the California Department of Corrections and Rehabilitation currently estimates it is already more than 1,200 inmates below the February 2015 benchmark of 141.5 percent.

Second, the three-judge court has ordered the state to implement a new non-violent second-strike parole measure, which allows eligible offenders who have served 50 percent of their sentence to be referred to the Board of Parole Hearings to determine if they are suitable for release, and to implement two-for-one credit earnings for certain minimum custody inmates who were previously earning day-for-day credits. The new parole process for non-violent second-strike offenders began January 1, 2015, with the first eligible offenders expected to be reviewed by the Board of Parole Hearings in March or April 2015. Additionally, the state began implementing two-for-one credits on January 1, 2015, as ordered by the court. It is estimated that approximately 4,300 minimum custody inmates will be eligible to earn two-for-one credits under this measure.

Third, Proposition 47, The Safe Neighborhoods and Schools Act, passed by voters in November 2014, changes some drug and property crimes from felonies to misdemeanors. As of September 2014, it is estimated that approximately 5,300 prisoners are potentially eligible to be released if resentenced under the provisions of the Proposition. How many of these prisoners will ultimately be released after resentencing remains uncertain. Additionally, it is unknown how Proposition 47 will affect the number of offenders sentenced to prison for lower level offenses given the many different charging and sentencing factors and practices at the local level.

The current population level and characteristics, the potential impact of Proposition 47, and the implementation of the court order regarding second-strike offenders and minimum custody inmates earning two-for-one credits are discussed in greater detail in the body of the report.

These significant changes come at a time when the local criminal justice system has been adjusting to the implementation of 2011 Public Safety Realignment. Change in the system presents both challenges and opportunities. The Administration remains committed to its strong partnership with local government and local public safety leadership to manage these changes with the goals of continued improvement in the system and maintaining public safety.

The Report is divided into three sections. Section One provides an overview of the prison population based on the latest information from the California Department of Corrections and Rehabilitation. Section Two discusses factors affecting crime. Section Three provides information about efforts aimed at supporting the criminal justice system.

This report is respectfully submitted to the Legislature in fulfillment of the Senate Bill 105 Final Report requirement.

Section 1: State Prison Population

In 2011 the United States Supreme Court ordered the Department to reduce the prison population to 137.5 percent of the prison's design capacity by June 2013. On February 10, 2014, the three-judge court granted the state's request for a two-year extension of the deadline to meet the 137.5 percent population cap. The court ordered the state to comply with the population cap by February 28, 2016, and also ordered the state to implement the following population reduction measures:

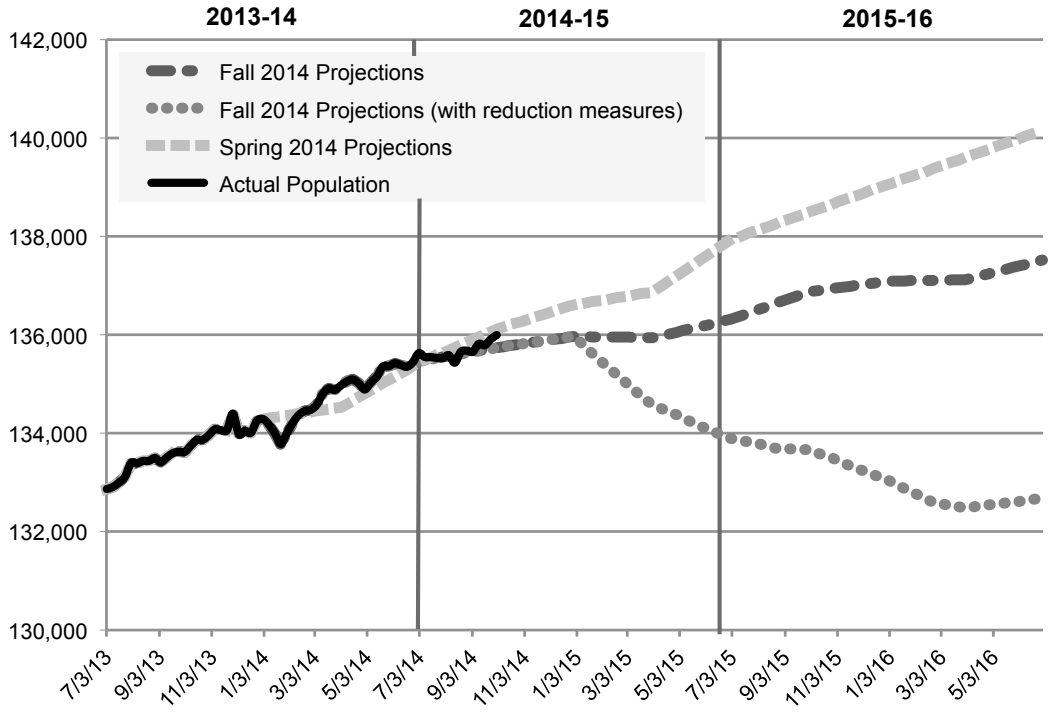
1. increase credit earning for certain non-violent second-strike offenders and minimum custody inmates;
2. create and implement a new parole determination process for eligible non-violent second-strike offenders who have completed 50 percent of their sentence;
3. parole certain inmates serving indeterminate sentences who have already been granted parole but have future parole dates;
4. in consultation with the Receiver's Office, finalize and implement an expanded parole process for medically incapacitated inmates and finalize and implement a new parole process for certain elderly inmates;
5. activate a total of 13 reentry hubs within a year of the court's order;
6. pursue expansion of pilot reentry programs with additional counties and local communities; and
7. implement an expanded alternative custody program for women.

The court also ordered that a Compliance Officer be appointed to ensure the state meets the interim benchmarks of 143 percent of design capacity by June 30, 2014 (subsequently extended by a July 3, 2014 court order to August 31, 2014), 141.5 percent of design capacity by February 28, 2015, and the final benchmark of 137.5 percent by February 28, 2016. The Compliance Officer has authority to order the release of inmates should the state fail to meet any of the benchmarks.

As of December 10, 2014, the prison population was below the February 2015 benchmark by 1,204 inmates but exceeded the final February 2016 population cap by approximately 2,104 inmates.

Figure 1 illustrates fall 2014 projections compared to spring 2014 projections. Although at a slightly lower rate than projected in the spring, the state inmate population is projected to continue to increase, mainly due to the increase in the second-strike offender population discussed in the Interim Report. More recent data indicate a sustained increase in second-strike offenders and the state continues to monitor this trend. Given the noticeable increase in second-strike offender admissions, and limited trend data post-Realignment, multi-year projections remain challenging. It is important to note that the fall 2014 projections incorporate the effects of increasing credit earning for non-violent, non-sex registrant second-strike offenders from 20 percent to 33.3 percent. The spring 2014 projections did not incorporate the effects of this increased credit earning, which is now partially responsible for the lower projections. Additionally, neither projection includes any of the other court-ordered population reduction measures that the state is implementing as further discussed in this report. Population figures referenced for the remainder of this report are as of September 30, 2014, unless otherwise stated.

Figure 1: CDCR Adult Inmate Population



Demographics of California's Prisons

Current Prison Population

There have not been substantial changes in the overall demographics of offenders since the Interim Report. As reflected in Figure 2, there were 103,114 inmates (75.2 percent of the total population) serving a sentence for a violent or serious crime. An additional 23,226 inmates (16.9 percent of the total population) were serving a sentence for a non-serious, non-violent crime, but have a prior conviction for a violent or serious crime. In total, at least 92 percent of the prison population has a history of committing a violent or serious crime.

The remaining 8 percent (10,928) of inmates are in prison despite not having a current or prior serious or violent offense. The controlling offenses most common to this group are other assault/battery (2,661), possession, sale or manufacturing of a controlled substance (2,560), various property offenses (1,715), felon possessing a firearm (1,293), driving under the influence (687), and various sex offenses (552). The largest proportion of inmates admitted to prison without a current or prior serious or violent offense were for crimes specifically excluded from Realignment.

Nearly 22 percent of the prison population (29,701) is serving a sentence for assault/battery. The next highest proportion of inmates are serving terms for taking a life due to a conviction for first degree murder, second degree murder, manslaughter, or vehicular manslaughter (20 percent, 26,942).

As of September 2014, there were approximately 38,000 state inmates (28 percent of the Department's population) with mental illness, approximately 1 percent had inpatient mental health needs and 27 percent had outpatient mental health needs. The proportion of the inmate population with mental illness is growing. In September 2012, there were 33,361 inmates with a mental illness.

Figure 2: Current Inmates in CDCR by Offense Group

Characteristics	9/30/2014 Number	Percent
Admission Status		
New Admission	110,053	80.2%
Parole Violator-With New Term	27,191	19.8%
Parole Violator-Return To Custody	24	0.0%
Sex Registrant		
No	115,175	83.9%
Yes	22,093	16.1%
Serious/Violent		
No Current Or Prior Serious/Violent	10,928	8.0%
Current Violent/Serious, No Prior Violent/Serious	69,532	50.7%
Prior Violent/Serious, No Current Violent/Serious	23,226	16.9%
Current Violent/Serious And Prior Violent/Serious	33,582	24.5%
Sentence Status		
Determinate Sentencing Law	59,195	43.1%
3rd Striker	7,082	5.2%
2nd Striker	36,910	26.9%
Lifer	27,388	20.0%
Life Without Parole	4,891	3.6%
Death Row	746	0.5%
Other	348	0.3%
Unknown Felon	708	0.5%
Controlling Offense		
Crimes Against Persons	96,580	70.4%
Property Crimes	17,949	13.1%
Drug Crimes	11,507	8.4%
Other Crimes	11,232	8.2%
Offense Group		
Murder 1st	14,526	10.6%
Murder 2nd	7,867	5.7%
Manslaughter	3,853	2.8%
Vehicular Manslaughter	696	0.5%
Robbery	21,364	15.6%
Assault Deadly Weapon	12,529	9.1%
Other Assault/Battery	17,172	12.5%
Rape	2,836	2.1%
Lewd Act With Child	9,110	6.6%
Oral Copulation	913	0.7%
Sodomy	296	0.2%
Penetration With Object	602	0.4%
Other Sex Offenses	2,385	1.7%
Kidnapping	2,431	1.8%
Burglary 1st	7,944	5.8%
Burglary 2nd	2,774	2.0%
Grand Theft	971	0.7%
Petty Theft With Prior	1,135	0.8%
Receiving Stolen Property	1,143	0.8%

Characteristics	9/30/2014 Number	Percent
Vehicle Theft	2,220	1.6%
Forgery/Fraud	815	0.6%
Other Property Offenses	947	0.7%
Possession Of Controlled Substance	4,817	3.5%
Possession Of Controlled Substance For Sale	4,160	3.0%
Sales Of Controlled Substance, Etc.	1,242	0.9%
Manufacturing Controlled Substance	149	0.1%
Other Controlled Substance	697	0.5%
Hashish Possession	25	0.0%
Marijuana Possession For Sale	213	0.2%
Marijuana Sales	141	0.1%
Other Marijuana Offenses	63	0.0%
Escape	141	0.1%
Driving Under The Influence	1,647	1.2%
Arson	491	0.4%
Possession Of Weapon	4,838	3.5%
Other Offenses	4,115	3.0%

Prison Admissions

Figure 3 contains information for individuals admitted to the Department's adult institutions between October 1, 2011 and September 30, 2014. During this period, there were 106,047 admissions. The majority of those admitted were determinately-sentenced (71.2 percent); second-strike offenders made up the next largest group of admissions (24.7 percent); followed by sex registrants (10.7 percent; see Figure 3). The sex registrant admission group is not mutually exclusive from either determinately-sentenced or second-strike offenders as a sex registrant can fall into either of these categories.

Determinately-sentenced inmates serve a specified sentence length as ordered by the court, minus credits earned, and are not subject to a parole determination by the Board of Parole Hearings. These admissions are tied to the Uniform Determinate Sentencing Act of 1976, which removed sentencing discretion from judges and parole boards and established a policy of defined sentences for defendants found guilty of any felony, excluding crimes with a life sentence. Additionally, this Act established credit earnings for good behavior and sentencing enhancements in certain circumstances. Although second-strike offenders are also determinately-sentenced, for the purposes of this report, determinately-sentenced offenders and second-strike offenders have been separately categorized.

When examining the most common commitment offense categories over the three-year period, the majority of admissions were for crimes against persons (46.4 percent), followed by property crimes (22.6 percent), and 56.1 percent were non-serious, non-violent felonies. A substantial percentage of admissions had a prior serious (24.1 percent) and a smaller percentage had a prior violent offense (10.5 percent).

Figure 3: Admissions October 1, 2011 – September 30, 2014

	Admissions October 1, 2011 - September 30, 2012		Admissions October 1, 2012 - September 30, 2013		Admissions October 1, 2013 - September 30, 2014		Total Admissions October 1, 2011 - September 30, 2014	
Characteristics	N	%	N	%	N	%	N	%
Total	33,895	100.0%	36,299	100.0%	35,853	100.0%	106,047	100.0%
Sentence Type								
2nd Striker	7,716	22.8%	9,250	25.5%	9,184	25.6%	26,150	24.7%
3rd Striker	178	0.5%	162	0.4%	130	0.4%	470	0.4%
Determinate Sentencing Law	24,625	72.7%	25,582	70.5%	25,265	70.5%	75,472	71.2%
Life	1,174	3.5%	1,086	3.0%	1,106	3.1%	3,366	3.2%
Death Row	13	0.0%	18	0.0%	12	0.0%	43	0.0%
Life Without Parole	189	0.6%	201	0.6%	156	0.4%	546	0.5%
Sex Registrant								
No	30,218	89.2%	32,437	89.4%	32,094	89.5%	94,749	89.3%
Yes	3,677	10.8%	3,862	10.6%	3,759	10.5%	11,298	10.7%
Commitment Offense Category								
Crimes Against Persons	16,171	47.7%	16,625	45.8%	16,399	45.7%	49,195	46.4%
Property Crimes	7,505	22.1%	8,494	23.4%	7,966	22.2%	23,965	22.6%
Drug Crimes	4,864	14.4%	5,160	14.2%	5,525	15.4%	15,549	14.7%
Other Crimes	5,355	15.8%	6,020	16.6%	5,963	16.6%	17,338	16.3%
Felony Type								
Non-Serious/Non-Violent Felony	18,698	55.2%	20,351	56.1%	20,419	57.0%	59,468	56.1%
Serious Felony	6,488	19.1%	7,501	20.7%	7,639	21.3%	21,628	20.4%
Violent Felony	8,709	25.7%	8,447	23.3%	7,795	21.7%	24,951	23.5%
Current/Prior Serious/Violent Status								
No Current or Prior Serious/Violent*	8,861	26.1%	9,071	25.0%	9,398	26.2%	27,330	25.8%
Current Serious/Violent, No Prior Serious/Violent	12,570	37.1%	12,707	35.0%	12,378	34.5%	37,655	35.5%
Prior Serious/Violent, No Current Serious/Violent	8,617	25.4%	9,986	27.5%	9,735	27.2%	28,338	26.7%
Current Serious/Violent and Prior Serious/Violent	3,847	11.3%	4,535	12.5%	4,342	12.1%	12,724	12.0%

* No Current/Prior Serious/Violent population admitted for the following reasons:
74% - Excluded Offenses, (Most common: Inflict corporal injury on spouse/cohabitant, Felon possessing a firearm, Flee/elude peace officer)
- Unrealigned Offenses (Most common: Driving under the influence of alcohol, Felon possessing ammunition, Possessing drugs in a prison)
- Wobbler Offenses (Most common: Assault with a deadly weapon (not firearm), Assault with a deadly weapon (great bodily injury), Possessing dangerous weapon)

15% - Reason Unavailable Electronically
8% - Sex Registrant
3% - Other

An examination of three years of admissions data indicates there was an initial increase in admissions from October 1, 2011 through September 30, 2013 (33,895 to 36,299). However, there was a slight decrease in admissions from October 1, 2012 through September 30, 2014 (446 offenders; see Figure 3). A slight drop in admissions for one year does not necessarily indicate a trend, and it is important to note that although fewer people are coming to prison, a greater proportion are likely to stay for a longer period of time. Thus, although there has been a decrease in admissions, the Department's population is increasing.

Second-Strike Offender Admissions

As discussed previously, the rising population is primarily driven by an increase in second-strike offender admissions that was not contemplated or expected under Realignment. While this increase was initially projected to level-out, it now appears to be a sustained increase. Since the implementation of Realignment, second-strike offender admissions have steadily trended upward, increasing from October 2011 (592) through September 2014 (814). Monthly

second-strike offender admissions peaked in May 2014 at 903. Of the 26,150 second-strike offenders admitted since Realignment, 65.7 percent (17,179) were convicted of non-serious, non-violent offenses. Several of the court-ordered population reduction measures address this trend by focusing on this non-violent second-strike population.

Second-strike offender admissions by county varied across the three years. Of the 15 counties that sent the most second-strike offenders to state prison, representing 88 percent of all second-strike offender admissions, only two counties decreased over the three-year period. Los Angeles and Monterey reduced admissions by 11 second-strike offenders each, or 0.4 percent and 9 percent, respectively. The remaining 13 counties all showed increases, including increases of 250 from Fresno (124 percent increase), 209 from Riverside (29 percent increase), 194 from San Bernardino (31 percent increase), 126 from Sacramento (31 percent increase), 78 from Santa Clara (33 percent increase), and 71 from Stanislaus (69 percent increase).

The top five offense groups accounted for 53,751 of all admissions in the three-year period, with second-strike offenders accounting for 12,237 (22.8 percent) of these admissions (see Figure 4). The offense category that second-strike offenders represent the largest proportion of was possession of a controlled substance (36.4 percent), followed by possession of a weapon (28.2 percent; see Figure 4).

Figure 4: Proportion of Top Five Offenses Committed by Second-Strike Offenders and All Other Offenders, September 30, 2014

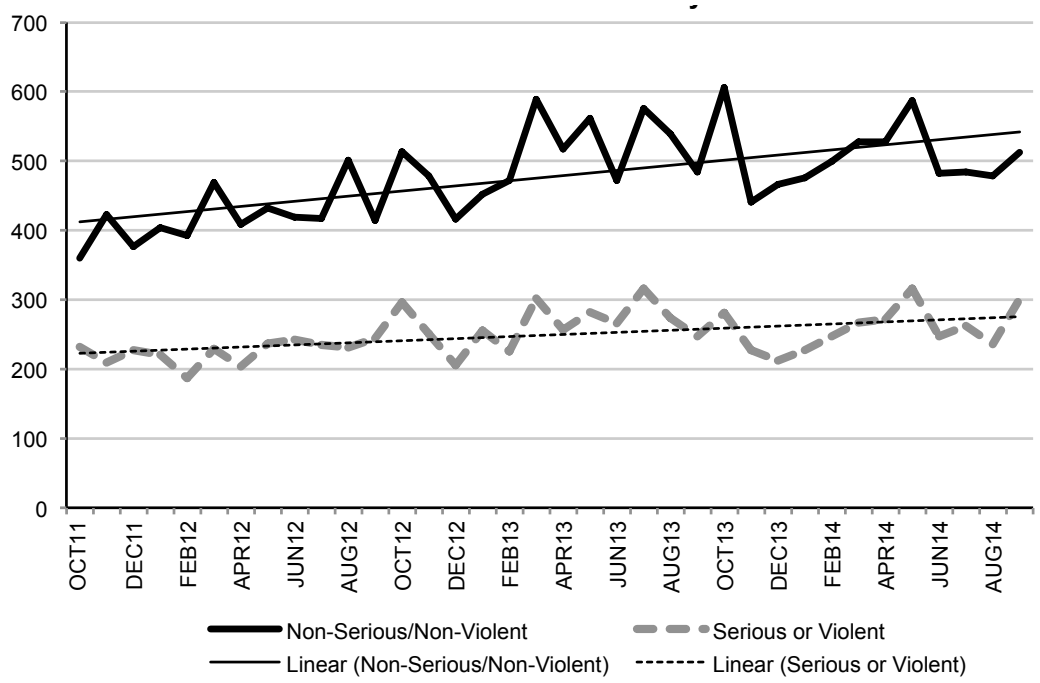
Offense Group	All Other Admissions	2nd Strikers	Total
Other Assault/Battery	12,437	2,610	15,047
Assault Deadly Weapon	9,002	1,863	10,865
Robbery	8,467	2,226	10,693
Possession of a Weapon	6,158	2,415	8,573
Possession of a Controlled Substance	5,450	3,123	8,573
Total	**41,514**	**12,237**	**53,751**

As shown in Figure 5, both non-serious, non-violent second-strike offender admissions and serious or violent second-strike offender admissions have increased over the last three years. Because a second-strike offender's sentence length is doubled by operation of law, and credit earning for those sentenced under the Three Strikes law is capped at 20 percent, second-strike offender admissions have a unique and complicated effect on lengths of stay. Under the three-judge court's February 10, 2014 order, non-violent and non-sex registrant second-strike offenders earn credits at 33.3 percent, as opposed to the previous 20 percent.

Additionally, non-violent, non-sex registrant second-strike offenders are eligible for parole consideration after serving 50 percent of their sentence.

Like the non-violent second-strike offenders, the sentences of violent second-strike offenders have been doubled; however, their conviction for a violent offense limits their credit earning capacity to 15 percent. In addition, violent offenders are not eligible for court-ordered credit increases or the second-strike parole process. With these complex distinctions between the Department's subpopulations, it is important to continue to monitor the increasing second-strike offender admissions at the global and detailed levels.

Figure 5: Second-Strike Offender Admissions by Month (October 2011 – September 2014)



The passage of Proposition 47 in November of 2014, will also impact the makeup of the state prison population. Proposition 47 converted a number of current felonies into misdemeanors, thereby making certain crimes no longer prison-eligible. Furthermore, Proposition 47 allows offenders to petition the court for resentencing and potential release. These changes could also impact the second-strike offender population as a portion could be serving current terms for non-serious, non-violent felonies reclassified under Proposition 47.

Length of Stay

The Department tracks the estimated length of stay for all populations. Estimated lengths of stay are different from sentence lengths in that they have been offset by credits earned while incarcerated. Therefore, length of stay data are representative of the actual amount of time offenders spend in a state prison. Figure 6 displays the average length of stay for offenders admitted to state prison during the three-year period of October 1, 2011 through September 30, 2014. Of the approximate 105,000 prison admissions during this time, approximately 77,000 are estimated to serve less than three years in state prison and less than 10,000 are estimated to serve more than ten years in state prison. (While Figure 6 reflects average lengths of stay for admissions over a three-year period, no substantial differences were found when looking at the most recent single year of admissions.)

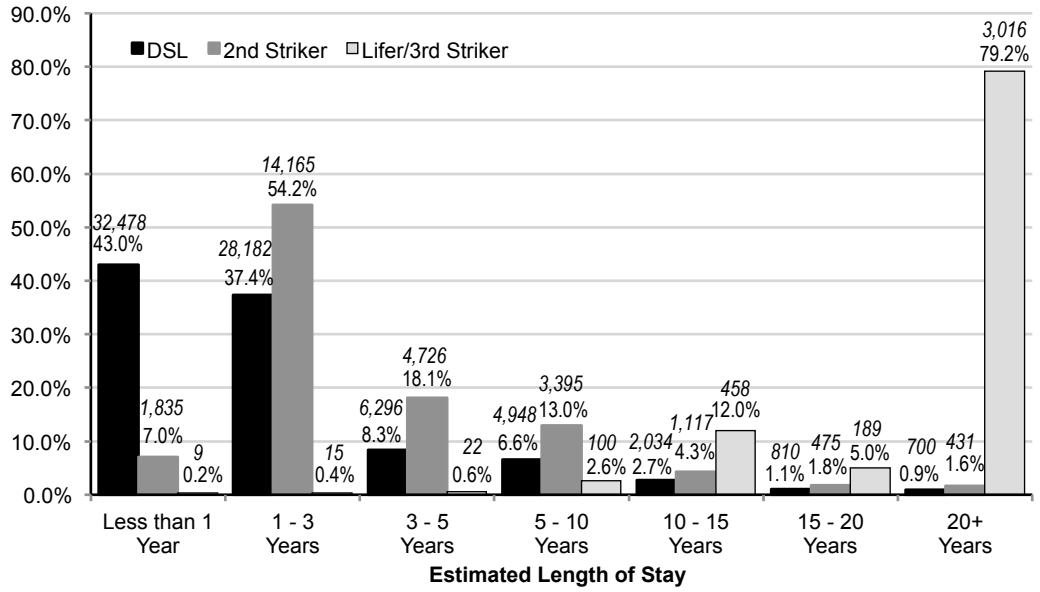
As Figure 6 demonstrates, estimated lengths of stay vary greatly between the determinately-sentenced, second-strike offender, and lifer/third strike offender populations. Forty three percent of determinately-sentenced offenders have estimated lengths of stay of less than one year. Most second-strike offenders have an estimated length of stay of between one and three years (54.2 percent). A large majority of lifer/third strike offenders have lengths of stay of 10 years or more (96.2 percent), while most second-strike offenders (92.3 percent) and determinately-sentenced offenders (95.3 percent) have estimated lengths of stay of 10 or fewer years.

In serving less than three years, the majority of the second-strike offender population has effectively become part of the Department's new short-term population that also includes determinately-sentenced offenders. This population, albeit smaller in size, appears to have replaced the former parole violator population that was returning to prison on a short-term basis for either a revocation term or for a new low-level crime that was realigned. This trend will further develop as the effects of the court-ordered credit enhancements and parole process, discussed previously, become part of the Department's trend data. Nevertheless, a substantial portion of the second-strike offender population has lengths of stay longer than three years (38.8 percent), exemplifying the differences within this subpopulation.

The Department's length of stay estimates have been offset by time served, and credits earned, at local jails before coming to state prison. On average, determinately-sentenced offenders admitted in the past three years have arrived with 10.1 months of credit already earned/served towards their sentence. Additionally, the second-strike offender population had 10.7 months and third-strike offenders/lifers with the possibility of parole had 18.8 months of credit earned/served when they were admitted to prison.

Average lengths of stay may also be impacted by the passage of Proposition 47. While the Department does not have specific estimates on the potential impact on lengths of stay, offenders affected by Proposition 47 tend to be lower-level offenders serving shorter lengths of stay. Accordingly, post-Proposition 47 implementation, average lengths of stay may increase over time. However, the true impact will not be measureable for some time as future changes in local charging and sentencing practices could offset the length of stay and population effects of Proposition 47.

Figure 6: Estimated Length of Stay for Determinately-Sentenced, Second-Strike Offenders, and Lifer/Third-Strike Offenders Admitted October 1, 2011 through September 30, 2014



State Prison System Capacity

While the state's implementation of court-ordered population reduction measures has challenged the Department to create entirely new processes and reform its credit earning systems, the resulting population reductions will be critical to achieving a stable inmate population level at or below 137.5 percent of design capacity—as required by a federal court order. Although the court-ordered population reduction measures conflict with current law, amendment to those laws is not currently necessary because the three-judge court ordered that California's regulations, statutes, and constitutional provisions are waived to the extent they impede the implementation of the February 10, 2014 order or California's ability to achieve the population benchmarks. In addition, the court order requires the state to develop comprehensive and sustainable prison population reduction reforms to maintain population

levels. Therefore, in order for the state to end federal court oversight, many of the court-ordered population reduction measures would have to be codified as part of a comprehensive and sustainable prison population reduction plan.

Current Capacity

The court order imposes an interim benchmark of 141.5 percent of the prison system's design capacity by February 28, 2015, and a final population cap of 137.5 percent by February 28, 2016. These benchmarks equate to an inmate population cap of 117,030 by February 2015 and, including the planned infill expansion, 116,989 by February 2016. The Department also has 4,580 fire camp beds that are not included in the prison capacity noted above.

The Department's total adult inmate population as of December 10, 2014, was 135,312, of which 115,826 were housed in the Department's adult institutions, and the remaining 19,486 were housed in fire camps or contract beds. The December 10, 2014 institution population was 1,204 inmates below the February 2015 benchmark, and if the infill projects are activated on schedule, the population would be 1,163 inmates below the final February 2016 benchmark as well. The single largest source of occupied bed space, outside of the Department's adult institutions, is the 8,988 out-of-state contract beds. Additionally, the state currently leases 2,381 beds at California City and the terms of that lease are set to expire at the end of 2016.

Although fall 2014 population projections estimate the total inmate population will increase to 136,777 by February 2016, the number of inmates housed in the Department's adult institutions could potentially decrease to 111,570 over the same period based on various decisions related to the housing of inmates. The institution population is projected to decrease through the use of additional contract capacity and the implementation of the court-ordered population reduction measures. While this means the prison system could be approximately 2,000 to 5,000 inmates below the final population cap by February 2016, durable solutions are still required to sustain this population decline and reduce the state's reliance on in-state and out-of-state contract beds. This range is based on several projections that, like all projections, are subject to significant changes. The actual inmate population that falls below the final population cap will depend on several factors, including the number of contract beds filled at any given time, the activation of infill capacity by February 2016, and the impact of the court-ordered population reduction measures and Proposition 47.

Contract Beds

To comply with the court-imposed population cap, the 2015-16 Governor's Budget includes funding for 15,892 leased or contracted level II and III beds for both males and females. Specifically, the Budget includes funding to support an average daily population (ADP) of

4,523 in-state contract beds, 2,381 leased beds at California City and 8,988 out-of-state contract beds.

While the Department has current contracts for 4,218 in-state contract beds, reducing overcrowding in female institutions remains a priority for the Administration. As of September 30, 2014, the female population totaled 5,956, including inmates housed at camps, or approximately 156.5 percent of design capacity. Therefore, the Budget includes funding for the Department to pursue contracted capacity for an additional 305 female beds which, coupled with a further expansion of the Enhanced Alternative Custody Program to a second 82-bed facility and the existing 300 bed contracted Female Community Reentry Facility at McFarland, will better position the Department to reduce female overcrowding.

Housing Levels

The Department houses inmates by security level. Figure 7 compares the Department's male housing capacity by security level to the fall 2014 projected population levels for June 30, 2016.

Figure 7: Adult Male Inmate Population by Security Level

Security Level	Institution Design Capacity*	June 30, 2016 Projected Population as of Fall of 2014**
I	12,405	13,711
II	30,457	41,469
III	19,846	32,257
IV	13,879	25,733

*Includes the planned activation of 2,376 level II infill capacity.
**Excludes the June 30, 2016 projected populations for reception centers (12,881), special housing units (5,328), or females (6,144).

The projected prison population by housing level over the next five years indicates that growth will happen in housing levels III and IV, while reductions in population are projected for levels I and II (see Figure 8). However, the Department is currently relying on 15,587 leased or contracted beds to house level II and III males; therefore, there is an increasing demand for permanent level II and III capacity.

Figure 8: Projected Prison Population by Housing Unit Level
June 30, 2015 — June 30, 2019

June 30	I	II	III	IV
2015	14,203	41,288	31,765	24,971
2016	13,711	41,469	32,257	25,733
2017	13,307	41,406	32,822	26,572
2018	12,994	41,225	33,452	27,476
2019	12,767	40,896	34,166	28,451

Many of the prisons are in need of significant facility and infrastructure upgrades. A sustained replacement and modernization plan for the prison system must be developed to respond to the state's growing population, the evolving composition of the prison population and the aging of the institutions within the system.

One of the more pronounced examples of decaying infrastructure is the facility in Norco, known as the California Rehabilitation Center (CRC). Its deterioration is significant and CRC has been slated on and off for closure for well over a decade, leading to a reduction of funding for renovation projects in anticipation of such closure. Since CRC houses over 3,000 inmates, the Department is not in a position to close it without replacing the capacity. The cost to repair CRC may not provide the highest return on investment as the buildings continue to deteriorate.

An option to address the decaying infrastructure at CRC is constructing replacement capacity using the dorm prototype being constructed at Richard J. Donavan Correctional Facility and Mule Creek State Prison on available land at an existing prison, such as the California Institution for Men in Chino. This prison site is near CRC and would allow for a transition of staff from CRC. The prototype selected for the infill sites provides enhanced programming space which would allow the CRC legacy of providing enhanced substance abuse and other program modalities to continue.

An option to address additional in-state capacity, if needed, for either male or female inmates is to either renovate and reopen the long-shuttered Northern California Women's Facility or build additional beds, infill dorms or celled housing, at existing prisons depending upon the identified need.

The Department is currently developing a plan to address the future capacity needs of the prison system. This plan will consider both replacement capacity and any necessary increase to system capacity needed to provide safe housing conditions and continued medical and mental health care access for inmates.

Fire Camps

The 2015-16 Governor's Budget includes funding for the activation of the 100 bed Ventura Fire Camp to enhance fire protection services in the southern central coast region. This activation brings the Department's total fire camp capacity to 4,580. On September 30, 2014, there were 4,185 inmates in fire camps and approximately 200 were contracted county inmates. While *The Future of California Corrections - a blueprint to save billions of dollars, end federal court oversight and improve the prison system*, included an assumption that the fire camp population would significantly decline post-Realignment, the Department has maintained a fire camp population of approximately 4,000 due to the restructuing of the Inmate Classification Score System and appropriate case-by-case reviews.

At this time, it is unknown how Proposition 47 and the court-ordered two-for-one credits for minimum custody inmates currently earning day-for-day credits will impact the fire camp population. The Department will continue to monitor fire camp eligibility and camp populations as fire camps provide valuable job training and life skills that help prepare inmates for successful reentry into the community.

Court-Ordered Population Reduction Measures

The Administration has made significant progress in addressing each of the three-judge court's population reduction orders. As of January 1, 2015, all measures included in the court's February 10, 2014 order have been implemented and the state has met, and continues to meet, with the Compliance Officer and plaintiffs to resolve procedural concerns.

Increased Credit Earning

Effective February 10, 2014, non-violent, non-sex registrant second-strike offenders began earning credits at the rate of 33.3 percent—an increase over the previous rate of 20 percent. Since implementation, 4,418 inmates meeting this definition have been released and, on average, these inmates earned an estimated 41 days of additional credit.

On December 12, 2014, a joint stipulation was filed with the court identifying an agreement between the parties. The agreement includes implementing, effective January 1, 2015, two-for-one credits for minimum custody inmates currently earning day-for-day credits. It is estimated that the two-for-one credit enhancement will impact approximately 4,300 offenders and reduce the adult inmate average daily population by approximately 280 inmates in 2015-16.

New Parole Processes

Commencing with the February 10, 2014 order, the state began implementation plans for a new parole process for non-violent second-strike offenders who have completed 50 percent of their sentence. On November 14, 2014, the three-judge court ordered the state to begin the new parole process by January 1, 2015. As ordered by the court, the state implemented the new parole process on January 1, 2015, and the first eligible offender is expected to be heard by the Board in March or April 2015. Currently, this parole process is expected to reduce the institution average daily population by an estimated 1,556 inmates in 2015-16; although, this estimate is subject to great uncertainty given this is a new parole process and it is difficult to estimate the number of inmates who will be approved for parole by the Board.

The February 10, 2014 three-judge court order required the state to parole certain indeterminately sentenced inmates with future parole dates. The state continues to identify additional potentially eligible inmates who have already been found suitable for parole by the Board of Parole Hearings and authorize their release upon verification of outstanding holds, detainers and warrants.

The order also included the need to expand medical and implement elderly parole processes. The state continues to work closely with the Receiver's Office to implement the medical parole process. The Department and the Receiver's Office have agreed to use Resource Utilization Guide scores to help identify medically eligible inmates. The Board, Department, and the Receiver's Office have revised referral, hearing, and placement procedures for medically incapacitated inmates. The Receiver's Office is continuing to review inmates and is sending completed recommendations to the Department, and the Board has held 21 medical parole hearings under the revised procedures.

The Board has completed upgrades to its main computer system to accommodate electronic identification of inmates eligible for the elderly parole process and scheduling of hearings, and is now scheduling eligible inmates for hearings who were not already in the Board's hearing cycle. Inmates 60 years of age or older who have served at least 25 years are considered eligible under this process. From February 11, 2014 through November 30, 2014, the Board granted parole to 115 inmates who met the criteria.

Chapter 312, Statutes of 2013 (SB 260), requires the Board to conduct a youth offender parole hearing to consider release for specified offenders who were convicted of a crime prior to their eighteenth birthday and sentenced to state prison. SB 260 also requires the Board to meet with an offender in the sixth year prior to his or her minimum eligible parole date, rather than the third year of incarceration, to review and document the inmate's activities and conduct pertinent to both parole eligibility and to the granting or withholding of post-conviction credits.

Changes to the California Criminal Justice System

Over the past four years, there have been significant changes to sentencing in California. 2011 Public Safety Realignment altered sentencing in that it transferred jurisdiction and funding for managing lower-level criminal offenders from the state to counties; however, local jurisdictions maintained flexibility in how they serve this offender population. Additionally, the state's implementation of several court-ordered population reduction measures will reduce the length of time certain offenders are housed in state prisons. Proposition 47 also altered sentencing to make certain crimes no longer prison-eligible and reduced the amount of time offenders can be incarcerated for those crimes.

Although the criminal justice system is still adjusting to this extraordinary period of change, additional policy decisions and legislation are still necessary to preserve the projected institution population reductions. Any future sentencing changes would need to be thoroughly examined to protect both local and state criminal justice systems as sentence lengths and jurisdictions have complex cost and capacity implications.

Section 2: Crime in California

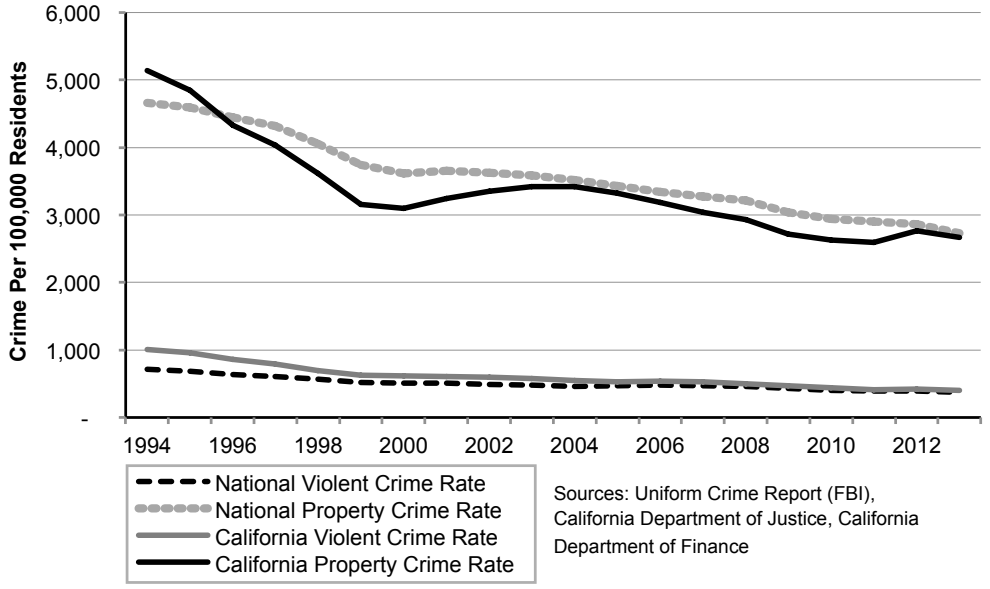
Researchers agree there are many factors that affect criminal behavior and crime rates. Although many factors have been identified that may contribute to, or affect crime, there is no consensus about how these factors work together to influence crime rates and it is difficult to draw concrete conclusions about specific causes of crime. Age, economic conditions, substance abuse, gang involvement and police presence are just some of the factors that can be correlated with crime.

These various crime indicators are important to consider along with California's crime and prison admission rates. Answering the question of what causes crime is not the intent of this section. Rather, this section includes a discussion of factors that may affect crime within California.

Crime Trends in California

By all measures, crime in California has decreased over the past ten years. This is consistent with the national trend of falling crime rates. Figure 9 provides an illustration of the United States and California violent and property crime rates per 100,000 residents since 1994.

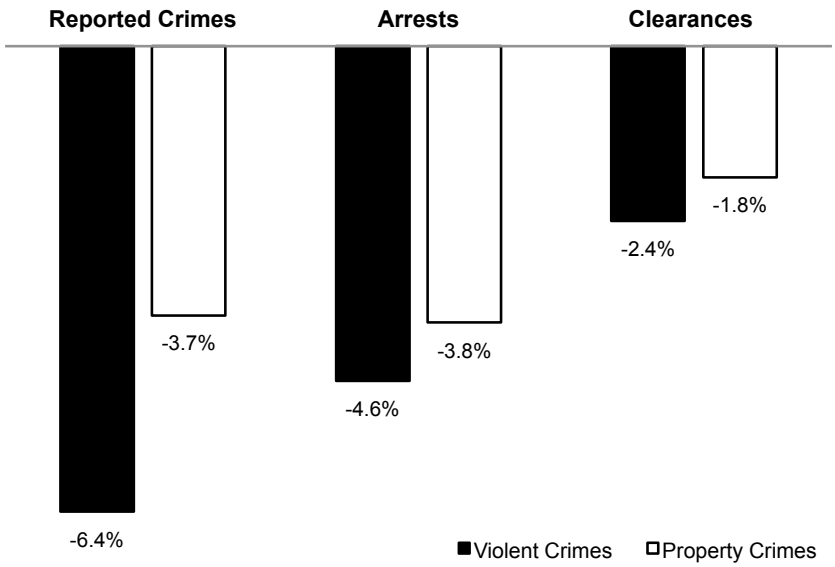
Figure 9: United States and California Violent and Property Crime Rates per 100,000 Residents



The California Department of Justice collects reported and cleared crime statistics from law enforcement agencies across California. A crime is defined as "cleared" if an individual is arrested, charged with the commission of the crime and turned over to the court for prosecution. Since 2004, reported violent crimes have declined by 45,000 instances and cleared violent crimes have decreased by 24,000 instances. In this same time period, reported property crimes have declined by 205,000 instances and cleared property crimes have decreased by 26,000 instances. The reported crime rate per 100,000 persons in California since 2004 has decreased 22 percent for property crimes and 28 percent for violent crimes.

As displayed in Figure 10, California's crime rates have decreased from 2012 to 2013. According to crime data collected by the Department of Justice, and the Department of Finance's population estimates, reported property crime rates fell by 3.7 percent and reported violent crime rates fell by 6.4 percent.

Figure 10: Changes in Violent and Property Crime Rates in California from 2012 to 2013

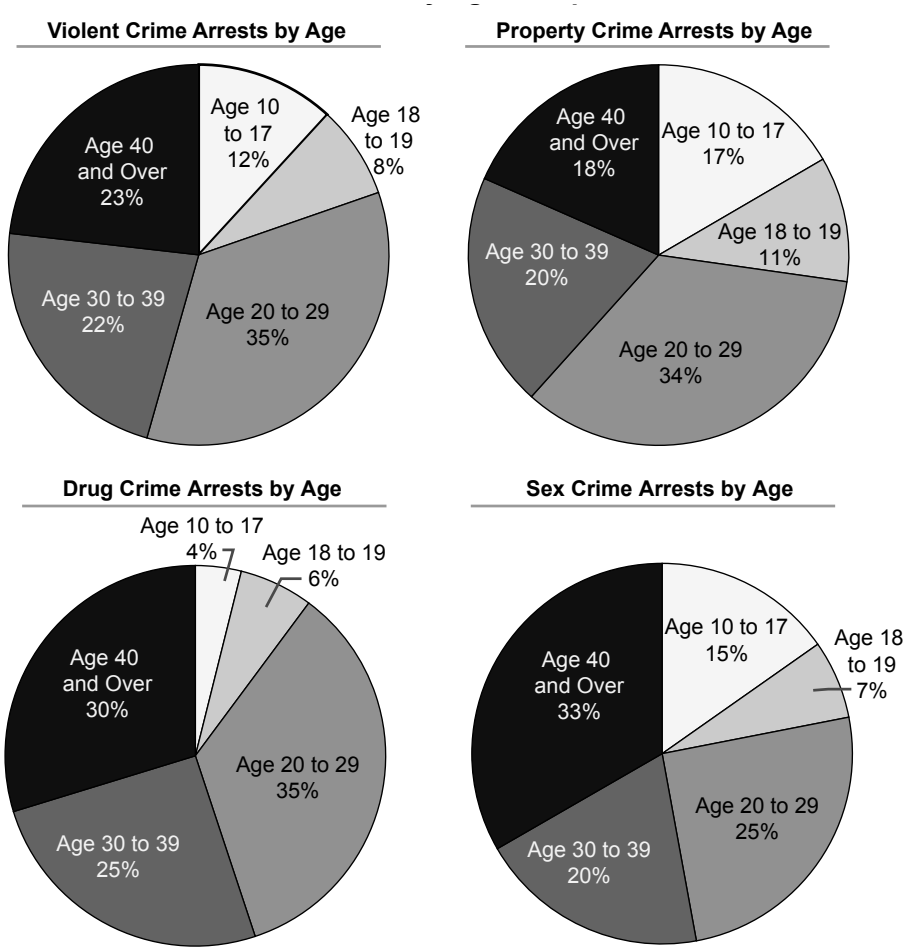


Factors Affecting Crime

Age

As displayed in Figure 11, age is an important factor in criminal behavior and crime rates. According to data collected by the Department of Justice, over the past 10 years individuals age 18-29 accounted for an average of 43 percent of all violent crime arrests, 45 percent of all property crime arrests, 41 percent of all drugs crime arrests and 32 percent of all sex crime arrests. In 2013, 16,229 offenders age 18-29 were admitted to California state prison, comprising 43 percent of the total admissions for that year. This is attributed to various factors such as brain development, psychology, education and economic status.

Figure 11: Arrests by Age Groups



According to the Department of Finance population projections, the number of individuals age 18-29 is projected to decrease over the next 10 years (see Figure 12). Since this population accounts for a significant portion of crime arrests in California, a decrease in the total population could result in a decrease in the number of crimes committed. However, Figure 12 also shows that the population of this group increased over the past 10 years while Figure 13 shows that arrest rates for this population decreased over this period. Therefore, it is difficult to draw definitive conclusions about future crime rates based solely on population estimates as age interacts with many other factors which together influence crime rates.

Figure 12: Californians Age 18-29 (2003-2023)

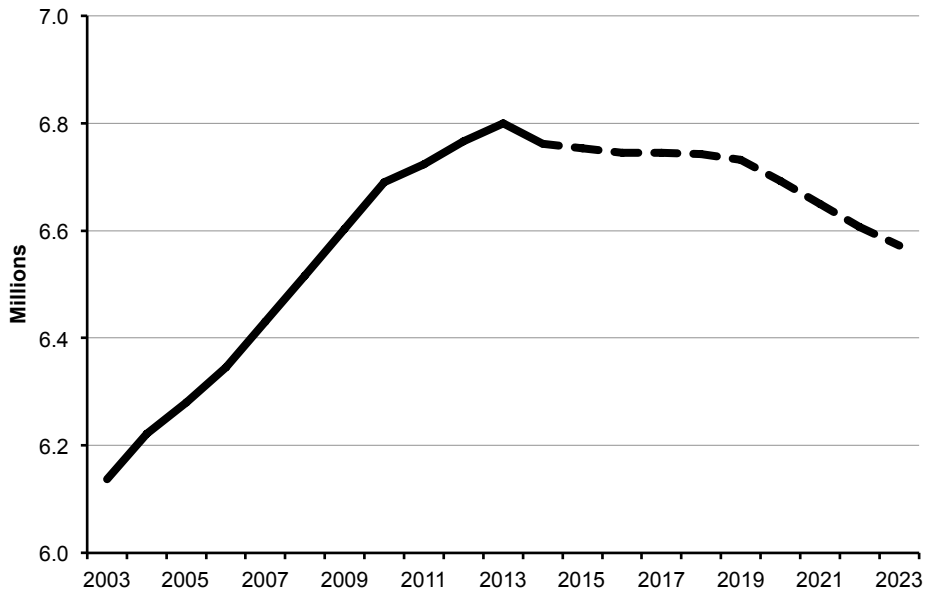
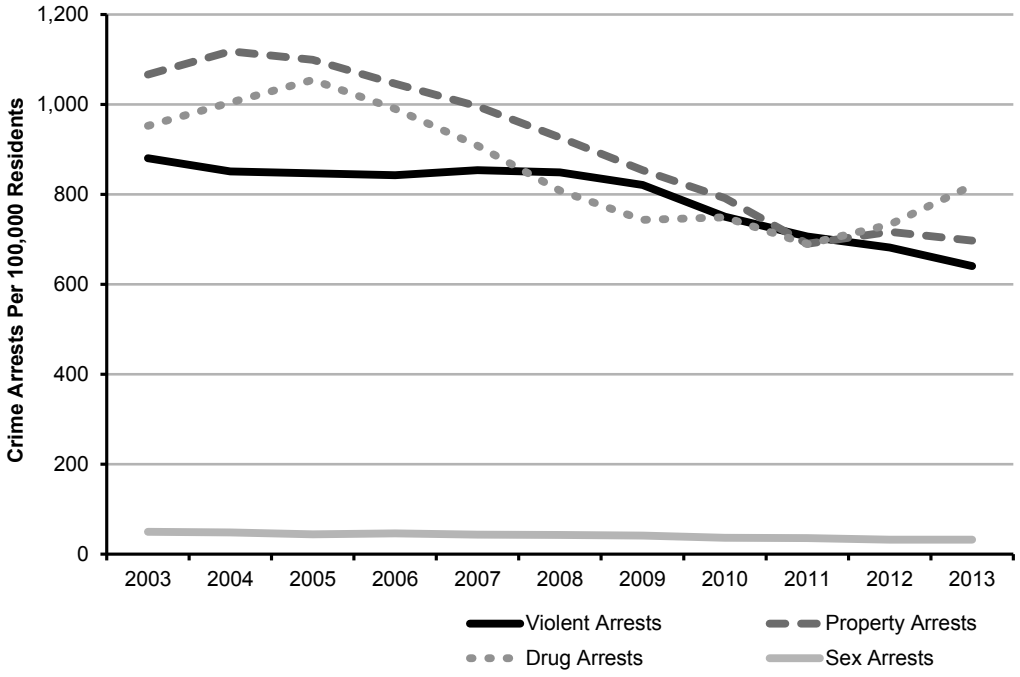


Figure 13: Arrests by Crime for Individuals Age 18-29 (2003-2014)



Economic Conditions

Poverty has been thoroughly examined as a factor associated with crime rates. However, the complex nature of poverty and crime make causal attributions impossible. Low-income status is strongly related to other social factors that affect crime, including a lack of educational and economic opportunity and underemployment or unemployment.

A prominent theory is that crime rates increase during times of economic hardship. This theory is supported by the work of economist Gary Becker, who argues that individuals who commit crimes are responding to economic incentives: individuals commit crimes when the expected value of committing the crime is greater than the likelihood and type of punishment for the crime. This theory also maintains that increasing the cost of criminal behavior will deter crime. Though this is a widely accepted theory of criminal behavior, further research has shown that economic incentives alone do not cause criminal behavior and that deterrence measures alone do not prevent crime.

Becker's theory supports the argument that during economic downturns, crime will increase. If it is harder to find employment, crimes such as burglary or theft increase because the monetary value associated with the property offsets the potential wages that would otherwise be earned. However, research by Christopher Uggen for the Stanford Center on Poverty and Inequality on crime rates during the Great Recession shows that crime may not increase because of temporary economic setbacks. The Federal Bureau of Investigation's Uniform Crime Report and victimization information from the National Crime Victimization Survey both show that crime fell in all categories across the nation during the Great Recession. While this research does not disprove the connection between economic conditions and crime, it suggests that economic conditions are one of a multitude of factors that influence crime.

Education and Truancy

Research has identified factors related to education, such as truancy and high school graduation rates that affect criminal behavior and crime rates.

California law generally requires K-12 students to attend school full-time. Research has shown that truancy lowers a young person's educational attainment and raises the risk of the individual committing a crime. Research by the Office of Juvenile Justice and Delinquency Prevention found that students who are habitually truant are up to 21 times more likely to commit either a violent or property crime than students who attend classes regularly, and are as much as seven times more likely to be arrested. Additionally, it found that the most

commonly reported truancy related crimes are vandalism, shoplifting, graffiti, burglary, auto theft and substance related offenses.

Children who are chronically truant are also much more likely to drop out of school. A student who is absent from school without a valid excuse for 10 percent or more of the school days in one school year is deemed a chronic truant. This affects an individual's lifetime income as individuals who do not complete high school are much less likely to find consistent employment. Additional education leads to higher income which decreases the relative financial benefits of some crime.

Aside from the economic benefits of high school graduation, research by Lance Lochner and Enrico Morett published by the National Bureau of Economic Research has shown that each additional year of schooling decreased the probability of incarceration. According to the American Community Survey, incarceration rates in California vary widely by educational attainment. The American Community Survey conducts regular interviews of California residents, including individuals who are institutionalized. In 2013, 1.5 percent of individuals age 16-24 who completed high school were institutionalized compared to 5.2 percent of individuals age 16-24 who did not complete high school. The incarceration rate for a high school dropout is three and half times greater than for a young person who has completed high school.

While research shows that there is an association between an individual's education level and an individual's propensity to commit a crime, this relation is complex as it is affected by many additional factors such as economic conditions, job opportunities and substance abuse, among others.

Substance Abuse

Another important factor influencing crime is substance abuse. Research cited in the American Journal of Drug and Alcohol Abuse demonstrates that the link between drug use and crime is stronger in areas of high poverty and high unemployment. The use of most illicit drugs is often linked to property crime; however, there are two exceptions: alcohol use has been linked to violent crime in certain circumstances and up to 82 percent of regular methamphetamine users report having committed a violent crime, the majority of which reported committing assault. Additionally, according to the National Drug Law Enforcement Research Fund, more than half of methamphetamine users reported having been a victim of assault. Methamphetamine users illustrate the complex relationship of substance abuse and crime. Additionally, methamphetamine users in the study were mostly unemployed and had an average of 9.6 years of education.

Gangs

Exposure to gangs and gang affiliation has a complex effect on crime. Neighborhoods that are occupied by gangs are generally very high crime areas and have high poverty rates. The United States Department of Justice reports that gangs are responsible for the majority of violent crime in large urban areas in the United States. According to the California Department of Justice, since 2004, 35 percent of all reported homicides with known contributing circumstances have been gang related.

Police Presence

Crime is not only influenced by criminal behavior, but also by actions taken to prevent crime. Policing plays an influential role in preventing crime and keeping neighborhoods safe. Research from the Rand Institute has estimated that each additional sworn officer can lower crime by as much as 1.3 violent crimes and 4.2 property crimes per year. For example, a study by David Weisburd and Lorraine Green Mazerolle in Police Quarterly showed that policing strategies including 'hot-spot policing' have been shown to reduce crime in many large cities. Studies in cities that use these methods, such as Jersey City and Seattle, have shown that these techniques lower crime without displacing crime problems to other areas. However, research by Lawrence W. Sherman in the American Journal of Police has demonstrated that an added police presence without a clear focus does not affect crime. Successful law enforcement programs that focus on specific objectives, times of day, people of interest, and places where crime rates are high, have been shown to reduce crime rates.

Conclusion

Crime is a social phenomenon; there are a multitude of factors that affect crime levels. Crime levels and the causes are complex and intertwined. While it is not understood why all crimes happen, there are policy measures that can prevent crime. A discussion of factors such as economic opportunity, education and substance use disorder are relevant for the development of policies that effectively reduce crime, recidivism and incarceration rates.

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Section 3: Efforts Aimed at Improving the Criminal Justice System

Since the Administration submitted the Interim Report in April 2014, there have been continuing discussions with local officials, law enforcement leaders, statewide associations, and numerous advocates and stakeholders to discuss the criminal justice system. There seems to be consensus that offenders need medical, mental health and substance use disorder services, education, job training, and housing in order to establish stable and productive lives.

Counties will receive approximately $1.2 billion in Realignment funding in 2015-16 for the community corrections program. With stable funding in place for counties, the state must focus its efforts on the prison population and other statewide issues where it can affect change and help to further improve the criminal justice system and recidivism rates.

Efforts by this Administration include improved access to programs and services at the state and local level, as well as improving employment opportunities for former offenders. Specifically, the state has expanded inmate rehabilitation efforts and is focusing on services to help offenders reintegrate into society by offering in-prison and community-based treatment programs through a variety of reentry services. Additionally, health services and funding at the local level provide the offender and at-risk population with greater access to health care and treatment services. Services and programs are aimed at improving outcomes among these populations, which ultimately should help to reduce the overall incarceration rates at the state and local level.

Approximately 28 percent of the state's prison population has been diagnosed with a mental illness. Given the prevalence of co-occurring mental health and substance use disorder, investments in this area are critical to support rehabilitative efforts for the offender population. As discussed below, the state has made many investments in this area to help improve and retain access to services that support this population.

California Investments in Federal Programs

Affordable Care Act Optional Expansion

California implemented the optional expansion of Medi-Cal under the Affordable Care Act, extending eligibility to adults without children and parent and caretaker relatives with incomes up to 138 percent of the federal poverty level. As a result of the expansion, a significant portion of the offender population is now eligible to receive Medi-Cal benefits, including mental health and expanded substance use disorder services, which will help these individuals obtain treatment.

Substance Use Disorder

The Drug Medi-Cal program provides substance use disorder treatment services to Medi-Cal enrollees and includes the following components: (1) Intensive Outpatient Treatment services, (2) Narcotic Treatment Program services, (3) Outpatient Drug Free treatment services, and (4) Residential Treatment services. These programs, as included in 2011 Realignment, are paid for with federal and realignment funds. However, subsequent to 2011 Realignment, and pursuant to Chapter 4, Statutes of 2013 (SBX1-1), these services were granted as essential health benefits to the current and expanded Medi-Cal population, upon approval of eligibility for federal funding by the Centers for Medicare and Medicaid Services. At this time, all but the expanded residential treatment services are now provided to the expanded Medi-Cal population.

The state currently provides residential treatment services to perinatal beneficiaries in non-institutional, non-medical, residential settings of less than 16 beds. Although the approved State Plan Amendment (13-038) excluded residential treatment, the state is seeking federal approval to include residential treatment in facilities exceeding 16 beds as part of a continuum of care within an organized delivery system. The waiver would allow for 90 days of residential treatment services for adults, which is a critical component of treatment and may help to further improve outcomes among those with substance use disorders, which should help lower recidivism.

Medicaid Eligibility

Effective January 1, 2014, reimbursement of federal financial participation is available for inpatient medical and mental health services, including psychiatric services provided through County Mental Health Plans for eligible inmates while transferred to a psychiatric health facility, a free-standing acute psychiatric inpatient hospital, or a psychiatric unit within a general acute care hospital. Hospital stays for both state and local inmates are eligible for federal reimbursement if treatment extends beyond 24 hours outside of the state prison or local jail. In addition, counties may assist inmates with applying for health coverage with Medi-Cal or the Exchange, as appropriate. The state has accelerated inmate Medi-Cal enrollment at the point of release with Medi-Cal benefits reactivated upon release. Consequently, participating inmates will have increased access to health care services. Increased access and utilization will not only improve individual health outcomes, but potentially facilitate reentry, reduce the propensity to commit crime, and decrease recidivism.

Recent Investments in the Health and Welfare of the Offender Population

Incompetent to Stand Trial Waitlist

The incompetent to stand trial (IST) waitlist continues to increase despite the Department of State Hospitals adding 196 IST beds system-wide since 2013 and implementing several measures to more efficiently place and move patients within the system. Despite mitigation efforts, the Department of State Hospitals currently has over 400 IST patients waiting to be admitted, up from approximately 150 in 2012. The waitlist for admissions into the Department of Developmental Services' Secure Treatment Program in Porterville is also growing. This has resulted in increased pressure from the judicial system on the admissions of IST defendants.

In order to provide timely competency restoration to these defendants, the Department of State Hospitals and Department of Developmental Services are working on various measures, including using existing facility space, partnering with local governments and the private sector, and working to expand the Restoration of Competency program. Further detail on these efforts and related budget proposals can be found in the 2015-16 Governor's Budget Summary.

Mental Health Wellness

The 2013 Budget Act included $206.2 million ($142.5 million in one-time General Fund) for a Mental Health Wellness initiative to strengthen local mental health services. One of the primary goals of this funding is to increase access to intervention and treatment services to reduce recidivism and mitigate future public safety costs. Statewide, there was $142.5 million General Fund for capital projects (Crisis Residential, Crisis Stabilization, and Mobile Crisis), and $6.8 million (Mental Health Services Fund [MHSF] and federal funds) for personnel for the Mobile Crisis teams. Additionally, there was $54 million (MHSF and federal funds) for triage personnel, $2 million MHSF for peer support crisis training, and $900,000 MHSF for administrative activities.

After the first two capital funding rounds awarded by the State Treasurer's Office, approximately $70 million remains for the third round, which opens January 15, 2015 and closes March 30, 2015. A report on the progress of implementation of the capital grants is due to the Legislature by May 1, 2015.

All of the triage personnel grants have been awarded by the Mental Health Services Oversight and Accountability Commission for the next three years (beginning in 2014-15).

The Commission has required grantees to collect and report information about the number of unduplicated persons served, the type of services they receive, service referrals, whether persons served successfully accessed services, and whether persons served were enrolled in mental health services at the time of the crisis intervention.

Offender Services

Chapter 26, Statutes of 2014 (AB 1468) made various statutory changes to provide services and benefits to former offenders that are intended to improve outcomes among this population, including the following:

Services for Offenders Released Pursuant to the Three Strikes Reform Act of 2012 (Proposition 36)—Codified existing practice to allow the California Department of Corrections and Rehabilitation to provide programming and services to offenders resentenced by courts pursuant to Proposition 36 when funding and space are available under existing contracts in order to assist these offenders with their transition back into communities and increase their likelihood of successful reintegration.

Drug Felon Eligibility—Allowed the California Conservation Corps to develop criteria to expand the program to include persons convicted of a violent or drug felony who were previously ineligible to enroll in the Corps. Prior to this change, the Corps had the discretion to set criteria for Corps enrollment. The Corps has operated special programs, in partnership with county probation departments, which have allowed individuals that would otherwise be ineligible because of criminal history to enroll on a case-by-case basis. By expanding eligibility criteria, this change is intended to address recidivism by providing additional employment and educational opportunities to persons convicted of drug felonies.

Repeal CalWORKs/CalFresh Lifetime Drug Felon Ban—Repealed language preventing individuals convicted of a drug felony from receiving CalWORKs and CalFresh benefits. Prior to this change, individuals were ineligible for CalWORKs and CalFresh benefits if convicted of felony possession, use, or distribution of a controlled substance, as defined, after December 31, 1997.

Split Sentences—Effective January 1, 2015, a split sentence is the default sentence for realigned offenders unless a court finds, in the interest of justice, that it is not appropriate in a particular case. The length of each portion of a split sentence is determined by the court. Increasing split sentences will result in additional offenders placed under probation

supervision upon release from jail, which will help improve successful reintegration into the community through access to rehabilitative programming and supportive services. Split sentencing was enacted in 2011 Realignment to give counties flexibility in sentencing offenders with non-serious, non-violent, and non-sex felonies.

Adult Education and Workforce Investment

The 2013 Budget Act included $25 million Proposition 98 General Fund for grants to consortia of community college districts and school districts to develop plans to improve educational services for adults in their regions, focusing on education in elementary and secondary basic skills, courses in citizenship and English as a second language, programs for adults with disabilities, career technical education programs, and apprenticeships. As part of this process, each consortium is expected to evaluate the level of services provided to adults in correctional facilities. The 2015-16 Governor's Budget includes $500 million Proposition 98 General Fund for allocation to these consortia to implement their plans. More information is included in the 2015-16 Governor's Budget Summary.

In addition, the federal government recently reauthorized the Workforce Innovation and Opportunity Act. As discussed in the 2015-16 Governor's Budget Summary, this gives California a unique opportunity to address education and job skills needed by former offenders to help them reenter the workforce and promote self-sufficiency. The new Workforce Act will support these objectives by:

- Incorporating input from workforce investment boards, schools, community colleges, rehabilitation programs, CalWORKs welfare-to-work services, and community correctional programs.
- Emphasizing regional planning that reflects the needs of employers and placement options for former offenders.
- Adopting common performance measures that are aligned with other workforce development programs, adult education and literacy programs, and job services.
- Allowing for increased funding to support corrections education programs that reduce recidivism.

Recent legislation also improves job opportunities for former offenders as follows:

Chapter 383, Statutes of 2014 (AB 2060) – Establishes the Supervised Population Workforce Training Grant Program, funded by the Recidivism Reduction Fund and administered by the California Workforce Investment Board in 2014-15. This one-time funding is to be allocated

to counties on a competitive basis for vocational training, stipends, and apprenticeship opportunities for offenders on probation, mandatory supervision, or Post Release Community Supervision. This will complement the education and workforce investments proposed in the Budget.

Chapter 607, Statutes of 2014 (AB 2308) – Requires the California Department of Corrections and Rehabilitation and the Department of Motor Vehicles to provide all eligible inmates released from state prison with a valid identification card, which is necessary to obtain employment.

Local Control Funding Formula

Prior to the adoption of the Local Control Funding Formula, California's school finance system had become overly complex, administratively costly, and inequitable. Further, scholarly research and practical experience both indicated that low-income students and English language learners come to school with unique challenges and often require supplemental instruction and other support services to be successful in school. In recognition of the challenges that characterized this system of school finance, the 2013 Budget Act established the Local Control Funding Formula. The new formula expands local control, reduces state bureaucracy, and ensures that student needs drive the allocation of resources. The new formula also allocates supplemental funding for English learners, students from low-income families, and youth in foster care to reflect increased costs associated with educating these students.

Allowing local school districts to design programs that better meet the needs of their communities and investing additional resources at targeted populations will improve academic outcomes that are closely related to broader conditions that affect the criminal justice system.

Other Legislation

Other bills signed by the Governor that further efforts to improve outcomes among the offender population include the following:

Chapter 197, Statutes of 2012 (AB 2040) – Allows for the expungement of a person's juvenile criminal record if the person was charged with prostitution, as specified, regardless of whether he or she has been subsequently convicted of a crime involving moral turpitude, or has demonstrated that he or she has been rehabilitated.

Chapter 749, Statutes of 2012 (AB 2127) – Authorizes a sheriff to allow participants in a work release program to receive credit for documented participation in educational, vocational, substance use disorder, life skills, or parenting programs.

Chapter 52, Statutes of 2013 (AB 752) – Authorizes a person sentenced to county jail for a felony to participate in a work furlough program.

Chapter 788, Statutes of 2013 (AB 986) – Authorizes the use of flash incarceration in city jails, in addition to county jails, for offenders on Post Release Community Supervision or on state parole supervision.

Chapter 798, Statutes of 2013 (SB 513) – Allows sealing of an arrest record upon completion of a pre-filing diversion program. Two years after successfully completing a pre-filing diversion program, a person may petition the court to have their arrest records and related court files sealed and allows the person to not disclose the arrest on employment applications, except when applying for a peace officer position. This bill helps individuals seek gainful employment without the stigma of an arrest upon their successful completion of a pre-filing diversion program. The intent is to provide former offenders more employment opportunities, which would have a positive impact on the state's recidivism rates.

Chapter 751, Statutes of 2014 (SB 1141) – Allows the California Department of Corrections and Rehabilitation access to quarterly wage and employment data from the Employment Development Department for former inmates to assist in tracking the effectiveness of various rehabilitation programs.

Chapter 879, Statutes of 2014 (AB 1643) – Allows a county school attendance review board to accept referrals or requests for hearing services from one or more school districts within its jurisdiction. Local and county school attendance review boards function as the nexus between schools, county support services and law enforcement, and help students and parents solve truancy and behavior problems through available school or community resources. Among other things, this bill allows local boards to expand their membership by authorizing a representative of the county district attorney's office and a representative of the county public defender's office to participate. Although the goal of the boards is to keep students in school and provide them with a meaningful educational experience, they do have the power, when necessary, to refer students and their parents or guardians to court.

Chapter 897, Statutes of 2014 (AB 2141) – Requires state or local prosecuting or mediating agencies for truancy cases to report the outcomes of those cases to the referring school district, school attendance review board, county superintendent of schools, probation department, or other local agency.

Defining Recidivism

Chapter 270, Statutes of 2013 (Assembly Bill 1050) required the Board of State and Community Corrections to "develop definitions of key terms, including, but not limited to,

'recidivism,' 'average daily population,' 'treatment program completion rates,' and any other terms deemed relevant in order to facilitate consistency in local data collection, evaluation, and implementation of evidence-based practices, promising evidence-based practices, and evidence-based programs."

A uniform definition provides state and local policy-makers with a tool to track recidivism and evaluate recidivism reduction investments. As the criminal justice system changes due to Realignment and other measures that change the system, consistent definitions allow for better evaluation of outcomes and the development of best practices.

Adult Recidivism Definition

On November 13, 2014, the Board of State and Community Corrections voted to approve the following definition:

"Recidivism is defined as conviction of a new felony or misdemeanor committed (date of offense, not the date of conviction) within three years of release from custody or committed within three years of placement on supervision for a previous criminal conviction."

This definition does not preclude other measures of offender outcomes. Such measures may include new arrest, return to custody, criminal filing, violation of supervision, and level of offense (felony or misdemeanor). While the definition adopts a three-year standard measurement period, rates may also be measured over other time intervals such as one, two, or five years.

Prison Recidivism Rates

The Department's most recent recidivism report, the "2013 Outcome Evaluation Report," followed outcomes over a three-year period for inmates released in fiscal year 2008-09. As reported in the Interim Report, the study found that the majority of offenders returned to prison were not convicted of violent crimes—less than 4 percent of the offenders returned to state prison were returned for crimes against persons. While the report indicates that 61 percent of inmates released from state prison returned to prison within three years, nearly 70 percent of those that returned did so because of a violation of parole, not for conviction of a new crime. However, it is important to note that these data are based on a population released prior to the implementation of Realignment and a return to prison for a parole violation is now no longer possible for most offenders. Note that the last nine months of this three-year period were after Realignment was implemented and return to custody for a parole violation was no longer possible for the majority of the inmates in the cohort.

Reentry

Prison Reentry Hubs

As planned in the Blueprint, and subsequently ordered by the three-judge court on February 10, 2014, all 13 prison-based reentry hubs have been activated and are providing reentry services to targeted populations. The Department's reentry hubs target offenders who are within four years of release and have a moderate-to-high risk to reoffend and a criminogenic need for services. Reentry Hub programming is geared to prepare offenders for transition back into society.

The core of Reentry Hub programming is Cognitive Behavioral Treatment programming which includes the major areas of substance use disorders, criminal thinking, anger management and family relationships. In addition, Reentry Hubs offer the California Identification Card (Cal-ID) Program to provide offenders with a valid California identification card upon release, which is critical for employment and other services. At Reentry Hub locations, a broad range of Academic and Career Technical Education programs give inmates opportunities for obtaining academic degrees and trade certifications to prepare them for entry-level jobs and careers. The Transitions Program is also offered to provide inmates with job readiness and search skills and practical financial literacy to facilitate successful reentry.

Through the use of Recidivism Reduction Fund resources, the Department is expanding substance use disorder treatment to 10 additional non-Reentry Hub institutions in 2014-15. The 2015-16 Governor's Budget includes funding to expand treatment to the remaining 11 non-Reentry Hub institutions in 2015-16. Additionally, the Budget includes ongoing General Fund resources to expand the Cal-ID program to all institutions.

The Administration recognizes that reentry programs with more intensive rehabilitative services are a valuable means for transitioning offenders back into the community. To complement efforts in the Department's prison Reentry Hubs, the following community efforts are also underway.

Community Reentry

Creating reentry programs are important to supporting rehabilitation efforts and preparing inmates for life after incarceration. The 2014 Budget Act included $20 million to develop community reentry programs targeting mentally ill offenders who are within 12 months of release and focusing on services needed for successful reintegration into the community, such as work training, education, practical living skills, and substance use disorder and mental

health treatment. In the future, these facilities could also serve as transitional housing and intermediate sanctions for probationers.

In August 2014, the Department solicited proposals to create community-based reentry centers to provide risk and needs based supervision and program services for up to 12 months for offenders who will be released to parole or Post Release Community Supervision and who have participated in the state's Mental Health Services Delivery System (MHSDS) at the Correctional Clinical Case Management System (CCCMS) level of care. The Department received 28 proposals and is currently negotiating with potential contracting entities in various counties.

The primary objective of the reentry centers is to improve recidivism outcomes among this offender population by providing treatment that addresses individual criminogenic factors, as well as meeting housing, employment and educational needs during the critical transition from prison to the community. The centers are intended to provide a safer and more seamless transition from state prisons by connecting offenders with services in the community and will emphasize treatment and services for offenders with co-occurring mental health and substance use disorders.

The Department is working collaboratively with local communities and stakeholders to develop a flexible framework for these reentry centers to ensure that the unique needs of individual counties or regions can be addressed and met whenever possible. Building in flexibility to accommodate local needs–such as variations in facility type (secure or non-secure), size, site/location, staffing levels and services–is consistent with improving offender outcomes and is a critical component of this effort.

Jail Reentry

The 2013 Budget Act authorized the Department to utilize up to $5.4 million to partner with select counties to connect offenders with local services that are proven to help with the successful reintegration into society. The Department has entered into contracts with the counties of San Francisco and Marin to house a total of 30 inmates within 60 days of release from prison. These transitional programs will help improve the inmates' prospects for rehabilitation.

San Francisco houses these inmates in the county-owned Secure Reentry Program Facility, which is adjacent to the county jail. The county provides rehabilitative services such as education, pre-employment training, housing assistance, mental health and medical services, and substance abuse treatment.

Custody to Community Transitional Reentry Program (CCTRP)

In August 2014, the Department opened a CCTRP facility in San Diego that provides female inmates with rehabilitative and transitional services before their release. The state-owned facility can house 82 female inmates, with the possibility of increasing to 118 in the future. Initially, the services are focusing on inmates who have 24 months or less remaining to serve. The CCTRP provides participants with gender-responsive supervision, treatment and services that increase opportunities for successful reintegration in their communities. Some of the evidence-based programs include employment guidance, family reunification services and a substance abuse program for women who require it. The CCTRP is being operated through a four-year contract with the WestCare Foundation, a nonprofit organization that provides behavioral and mental health services in 17 states and two territories. Staff includes WestCare employees and several current peace officer employees within the Department.

Specialty Court Programs

Collaborative courts serve an important role in the criminal justice system as they provide diversion programs and focus on rehabilitation and recidivism reduction. Examples of collaborative justice courts include drug courts, mental health courts, youth or peer courts, homeless courts, community courts, veterans' courts, parolee reentry courts and elder courts.

Adult criminal collaborative court programs combine intensive judicial supervision and collaboration among justice system partners with rehabilitation services to reduce recidivism and improve outcomes for moderate and high-risk offenders with significant treatment needs. Collaborative courts may address various offender needs, such as mental health and substance abuse. There are almost 200 collaborative justice courts operating in California, with a collaborative court in nearly every jurisdiction.

While the program model differs among court types and local jurisdictions, adult criminal collaborative courts are generally led by a judge and include an interdisciplinary team consisting of a defense attorney, a prosecutor, a representative from probation or parole, and treatment staff and/or case managers or other representatives specific to the particular court. Participants are assessed for their risk of reoffending and for their mental health, substance abuse/dependence, and other treatment needs. Community supervision and treatment plans are created based on the information obtained from these assessments. Participants also attend regularly scheduled court sessions, usually one to four times a month, to discuss their adherence to the individualized supervision/treatment plans and other program requirements. Graduated sanctions, such as admonishments, increased frequency of court sessions, and jail

sanctions are used to respond to noncompliant behaviors. Incentives, such as verbal praise, reduced frequency of court hearings, and transportation or food vouchers are used to reward and encourage participants' progress. Participants typically remain in the program and receive case management and treatment services for approximately 12 months or other lengths of time as determined in the treatment plan.

Recidivism Reduction Fund Update

The Recidivism Reduction Fund was established by Chapter 310, Statutes of 2013 (SB 105), which appropriated $315 million General Fund for the Department to contract for additional capacity to meet the court-ordered prison population cap of 137.5 percent of design capacity. This legislation also specified that if the state received an extension to comply with the court's order, the first $75 million in savings, and 50 percent of any additional savings, is to be transferred to the Recidivism Reduction Fund. Based on spring expenditure projections, the 2014 Budget Act included $91 million Recidivism Reduction Fund, as displayed in Figure 14, for various departments to implement new programs and services aimed at reducing recidivism rates for state and local offenders.

Figure 14: Recidivism Reduction Fund 2014-15 Expenditure Plan
(dollars in millions)

CDCR Recidivism Reduction Efforts	Recidivism Reduction Fund	Inmate Welfare Fund
Community Reentry Facilities—Funding to allow CDCR to contract with community providers for the housing of inmates within one year of release. These programs could be expanded to serve as transitional housing and intermediate sanctions for probationers.	$20.000	
Substance Use Disorder Treatment Expansion in Prisons—Expands treatment to all non-reentry hub prisons over a two-year period.	11.836	
Cognitive Behavioral Treatment at Contracted Facilities—Provides funding for rehabilitative programming at in-state contract facilities, similar to programming at reentry hubs.	3.794	
Case Managers at Parolee Outpatient Clinics—The three-year pilot program will include case management social workers assisting parolee participants in managing basic needs, including housing, job training, medical and mental health care.	2.487	
Grants to Community Colleges for Inmate Education—One-time funding to provide coursework geared toward improving inmates' ability to find employment upon release.	2.000	
CA Leadership Academy Planning Grant—One-time funding for the development of a plan for a facility with specialized programming aimed at reducing recidivism for 18 to 25 year old male inmates.	0.865	
Independent Evaluation of Integrated Services for Mentally Ill Parolees Program—One-time funding to contract with an independent entity to do an evaluation of the program's effectiveness in reducing recidivism.	0.500	
Innovative Programming Grants—One-time funding to expand non-profit programs that have demonstrated success and focus on offender responsibility and restorative justice principles to prisons with fewer volunteer programs available.	0.500	2.000
Cal-ID Expansion—Expands the current ID program at the reentry hubs to all prisons to prepare inmates for release.		2.175
Local Recidivism Reduction Grants - Board of State and Community Corrections		
Mentally Ill Offenders Crime Reduction Grants—One-time competitive grant program with funding allocated to counties in the first year and avaiable for expenditure for three years. The Board may use up to 5% for administrative costs.	18.000	
Community Recidivism Reduction Grants—One-time funding for each county to provide small grants to nongovernmental entities engaged in a broad-scope of recidivism reduction efforts in the community.	8.000	
Grants to Cities with the highest rates of Serious Crimes—One-time funding to provide three grants of equal amounts to the cities with the highest rates of murder, rape and robbery.	2.000	
Social Innovation Financing Program—Chapter 802, Statutes of 2014 (Assembly Bill 1837), requires the Board to award grants to three counties, as specified, to facilitate the use of social innovation financing for programs that improve social outcomes and promote measurable social benefits. The Board may use up to 5% for administrative costs.	5.000	
Other		
Court Programs—One-time competitive grants for operation of court programs known to reduce recidivism and enhance public safety, such as collaborative courts, and pretrial and risk assessment programs.	15.000	
Workforce Investment Boards—One-time competitive grant program for workforce training and job development to serve the reentry population.	1.000	
Total	**$90.982**	**$4.175**

The departments and other entities are in various stages of implementation of the programs identified above. As shown above, the California Department of Corrections and Rehabilitation received $42 million Recidivism Reduction Fund for various activities aimed at reducing recidivism for inmates and parolees. Due to delays in implementation, the Department currently projects Recidivism Reduction Fund savings of $16 million in 2014-15, of which $12.6 million is attributable to community reentry facilities. There is also additional savings of $12.2 million above the 2014 Budget Act estimates from the original SB 105 appropriation. Overall, the amount available for expenditure from the Recidivism Reduction Fund therefore is $28.2 million. The 2015-16 Governor's Budget proposes to reappropriate $12.6 million in savings to allow the Department to enter into contracts with community reentry facilities in 2015-16. The community-based facilities will emphasize treatment and services for offenders with co-occurring mental health and substance use disorders and provide a safer and more seamless transition from state prison to communities. The Budget proposes to utilize the remaining $15.6 million Recidivism Reduction Fund for the expansion of substance use disorder treatment at non-reentry hub institutions.

The Board of State and Community Corrections is responsible for allocating funding for Mentally Ill Offender Crime Reduction Grants, Community Recidivism Reduction Grants and grants to cities with the highest rates of serious crimes. The Community Recidivism Reduction Grant funds were distributed to counties on December 5, 2014, and the City of Oakland received funding associated with having the highest rates of serious crimes on October 14, 2014. The Board created an Executive Steering Committee to oversee the awarding of the Mentally Ill Offender Crime Reduction Grants and intends to award grants in early 2015.

The Judicial Council is responsible for administering a competitive court grant program. The funds are to be used for the administration and operation of programs and practices known to reduce adult offender recidivism and enhance public safety, including the use of validated risk and needs assessments, other evidence-based practices, and programs that address the needs of mentally ill and drug addicted offenders. Specifically, the funds may be used for the establishment or ongoing operation and staffing for adult criminal collaborative courts that serve moderate and high-risk offenders, pretrial programs, and court use of validated risk and needs assessment information. The Judicial Council issued a request for proposals in September 2014 and plans to award grants in February 2015.

Beginning in January 2015, the California Workforce Investment Board in conjunction with the Employment Development Department, will begin to develop the grant application process for these funds along with the criteria that will be utilized for the selection of grant recipients.

It is anticipated that in early March the solicitations will be posted to the Employment Development Department and California Workforce Investment Board websites and entities will have until mid-April to submit applications. The first round of grant funding will be announced by May 1, 2015.

While many of the programs funded by the Recidivism Reduction Fund have previously been tested and proven to be effective, most of the funding available in 2014-15 has not yet been allocated. Additional investments in these areas would be premature.

Conclusion

As indicated earlier, SB 105 became the near-term solution for addressing some of the population-related issues associated with litigation before the federal three-judge court. While it may not have been the catalyst, as many reforms and changes to the criminal justice system were already underway, it represents a significant and durable change in addressing prison issues that have been litigated for more than two decades. Doing the hard work of addressing and implementing these changes has been the focus over the past four years and will continue to be the focus of the Administration as outlined in the 2015-16 Governor's Budget.

Through the budget and legislative process, the Administration has presented balanced solutions that are cost effective and protect public safety. The Administration is committed to supporting major initiatives that improve the criminal justice system within the constraints of maintaining a balanced budget, such as:

- Incompetent to Stand Trial
- Addressing Poverty and Income Inequality
- Public Safety Realignment
- Affordable Care Act
- Substance Use Disorder
- Medicaid Eligibility for Inmates
- Implementation of Programs aimed at Reducing Recidivism
- Mental Health Wellness
- Offender Services
- Adult Education and Workforce Investment
- Prison Reentry Hubs
- Community Reentry
- Jail Reentry
- Specialty Court Programs

As the state continues working towards a sustainable and durable solution to meet the court-ordered prison population cap, new or replacement prison capacity that provides appropriate housing that supports efforts to rehabilitate offenders must also be carefully considered.

One area that needs further analysis and discussion is the number of offenders serving short terms in state prison. There were 11,878 offenders admitted to state prison from October 1, 2013 through September 30, 2014 with an estimated length of stay of less than one year. Given the state prison system is operating under a court-imposed population cap, these data should be examined further to determine if it is the best use of state prison capacity.

Continued success will come from partnering with stakeholders at the local level on diversion, mental health, job readiness and workforce development, substance use disorder and health care programs that focus more on rehabilitation and reintegration into society. These partnerships are also critical for the success of offenders entering the state prison system, especially while the state is working towards a sustainable and durable solution to meet the court-ordered prison population cap. Initiatives such as Affordable Care Act and workforce investment gives the state an opportunity to provide offenders with services necessary to end the cycle of crime and become self-sufficient and productive members of society.