

Trends in Spending and Key Issues in Corrections

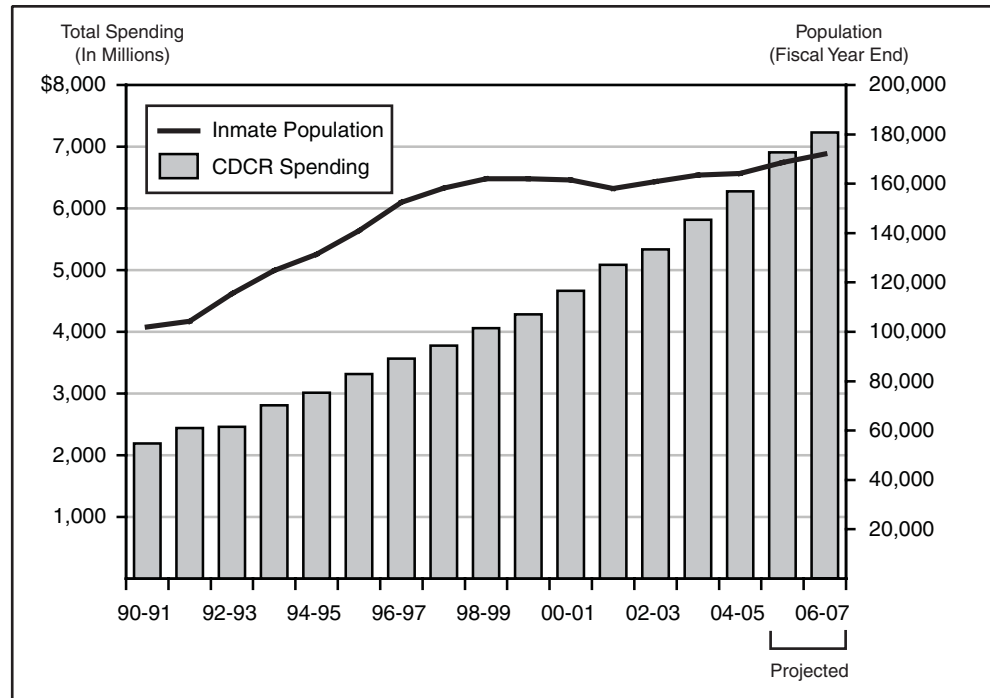
LEGISLATIVE ANALYST'S OFFICE

Presented To:
Senate Budget and Fiscal Review
Subcommittee No. 4
Hon. Mike Machado, Chair





Trends in State Spending on Adult Corrections



✓ Spending on adult corrections has grown steadily over the past decade and a half, from \$2.2 billion in 1990-91 to a proposed \$7.2 billion for 2006-07. This represents average growth of 8 percent annually.

✓ The inmate population grew from about 102,000 at the end of 1990-91 to 162,000 in 1998-99 (6 percent average annual growth). The inmate population is projected to grow by an average of less than 1 percent annually between 1998-99 and the end of the budget year, reaching about 172,000.

✓ The primary factors that have driven the increase in spending since 1998-99 include employee compensation costs, health care costs, and lawsuits that require the state to provide a higher level of services for inmates.



Key Issues in State Corrections



Legislative Oversight. State corrections is undergoing significant changes—the recent department reorganization, a renewed emphasis on rehabilitation, and the inmate health care receivership, for example. Given these changes, it is important for the administration to keep the Legislature apprised of its progress in implementing these changes and identify their fiscal and programmatic consequences. To date, the department has struggled to provide such information in a thorough and timely manner, as required by budget bill and supplemental report language.

Report Topic	Due Date	Status
CDCR Administration		
• Efficiencies From Reorganization	• 10/1/05, 1/1/05	• Received one (2/6/06)
• Oversight of High-Risk Information Technology Projects	• 7/31/05, 10/31/05, 1/31/05	• Received two (11/16/05, 2/28/06)
Adult Institutions and Parole		
• Foreign Prisoner Transfer Program	• 1/10/06	• Not received
• Health Care Vacancies and Contract Registry	• 9/29/05, 12/29/05	• Received one (12/20/05)
• Inmate and Parole Programs	• Before expenditure of funds	• Received
• Inmate Violence and Disciplinary Confinement	• 1/1/06	• Not received
• Institution Operating Budgets	• 2/17/06	• Not received
• Parole Reforms	• 10/1/05, 1/1/06	• Not received
• <i>Plata</i> Lawsuit	• 1/1/06	• Not received
Juvenile Corrections		
• <i>Farrell</i> Lawsuit	• 12/1/05	• Not received
• Long-Term Juvenile Justice Strategy	• 9/1/05, 12/1/05, 3/1/06	• Received two (9/8/05, 12/1/05)



Key Issues in State Corrections *(Continued)*

2005 Strategic Plan Components	Original Implementation Date	Updated Status In 2006 Strategic Plan
Workforce		
Employee performance appraisal process	December 2005	July 2006
Human resources management plan	July 2006	July 2006
Human resources Information Technology (IT)	December 2006	December 2006
Multidisciplinary academy	January 2007	January 2007
Technology		
Consolidate IT management	July 2005	December 2007
Secure IT systems	July 2005	October 2006
IT governance structure	July 2006	December 2007
Organizational		
Implement matrix organization	July 2005	Completed
Risk management program	July 2005	January 2008
Program evaluations	January 2006	January 2008
Organizational assessment of well being	July 2006	January 2007
Legal Compliance		
Identify problems and trends	October 2005	January 2006
Lawful policy implementation	January 2006	January 2007
Process for policy review	July 2006	July 2007
Crime Prevention and Safety		
Ensure safe and secure facilities	January 2006	January 2007
Establish community collaborations	January 2007	January 2006
Link inmate assessments and programs	January 2007	December 2009
Outreach and Partnerships		
Establish reentry collaborations	January 2006	December 2006
Collaborate with local advocacy agencies	July 2006	November 2006
Collaborate with research communities	July 2006	June 2006
Establish intergovernmental collaborations	July 2006	August 2006
Enhance community-based collaborations	January 2007	November 2006
Health Care Delivery		
Health care reentry programs	July 2006	Deleted
Partnerships for delivery of services	July 2006	Deleted



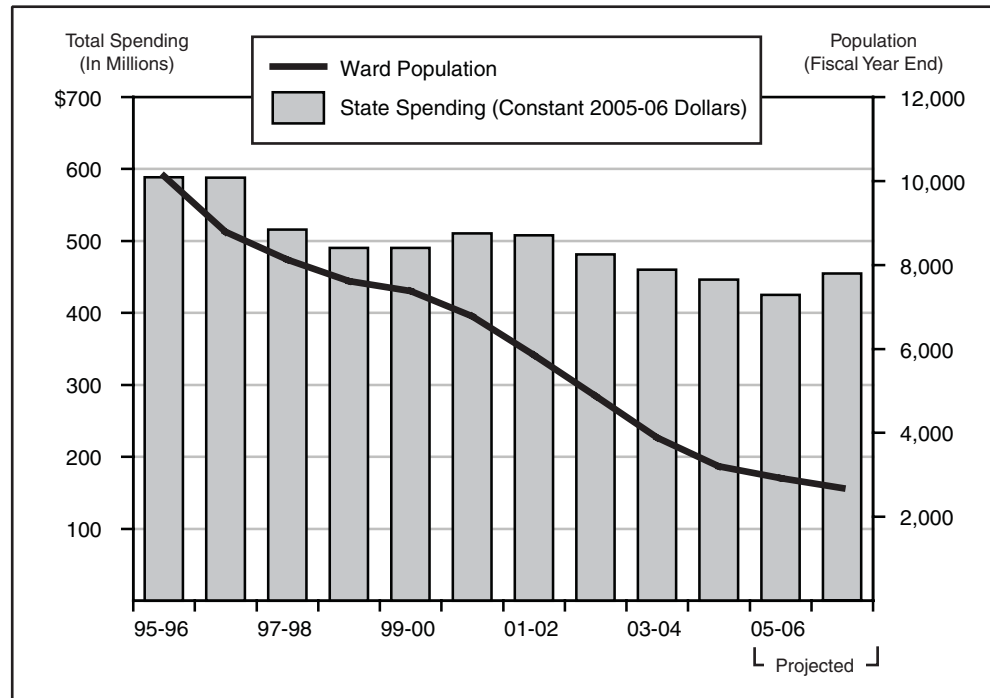
Key Issues in State Corrections *(Continued)*

- ☑ ***Population Management.*** If the inmate population grows at the rate CDCR projects, this increased population will further exacerbate current overcrowding conditions. The administration proposes several long-term strategies to address this issue, including recidivism reduction strategies and expanded use of community correctional facilities. In addition, there are several other options available to the Legislature if it wants to curb population growth, for example by expanding alternatives to incarceration for parole violators and allowing for early release of nonserious elderly inmates.

- ☑ ***Inmate Health Care.*** The department's health care services division consists of three programs: medical, dental, and psychiatric. Each program is currently under varying levels of federal court supervision for failing to provide inmates with constitutionally adequate care. The most significant court involvement relates to CDCR's medical program. Beginning in April 2006, medical services will be administered by a federal receiver, whose powers include determining the program's annual budget, hiring and firing medical staff, and entering into contracts with community providers. Compliance with court requirements in the three health care programs is expected to result in significant future costs to the department, including costs to attract quality health care professionals to deliver care and address space requirements to accommodate added staff.



Trends in Population and State Spending in Juvenile Corrections



- ✓ Over the past decade, the incarcerated ward population has decreased by over 70 percent, from 10,000 wards in 1995-96 to a projected 2,700 wards by the end of the budget year. Chapter 6, Statutes of 1996 (SB 681, Hurtt), contributed to this decline by implementing a sliding scale fee that encourages counties to retain their less serious offenders in county programs and send their more serious offenders to the state.
- ✓ In constant dollars (adjusted for inflation), spending on state-level juvenile corrections has decreased by about 20 percent since the mid-1990s, from nearly \$600 million in 1995-96 to a proposed \$460 million in the budget year. Spending has not declined at the same rate as ward population due to factors such as higher employee compensation costs and new costs associated with the *Farrell* lawsuit.