

Assessment of CDCR Blueprint

LEGISLATIVE ANALYST'S OFFICE

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Senate Budget and Fiscal Review Committee
Hon. Mark Leno, Chair





What Is the CDCR Blueprint?

- ☑ In 2011, the state enacted legislation that realigned responsibility for managing certain felony offenders from the state to the counties, largely in response to a federal court order requiring the state to reduce its prison population to no more than 137.5 percent of design capacity.
- ☑ In April 2012, the California Department of Corrections and Rehabilitation (CDCR) released a report (referred to as the “blueprint”) on the administration’s plan to reorganize various aspects of CDCR operations, facilities, and budgets primarily in response to the effects of the 2011 realignment.
- ☑ Specifically, the blueprint detailed the administration’s plans for:
 - Reducing the size of CDCR’s budget following the decline in its prison and parole populations.
 - Achieving long-term compliance with the federal court order to reduce the state’s prison population—partially by assuming that the court-imposed population cap would be increased to 145 percent of the design capacity.
 - Implementing various operational changes—such as revising the inmate classification system, modifying missions of many prisons, and increasing access to rehabilitation programming.



Blueprint Projected Significant Savings and Population Reductions

(Dollars in Millions)

	2012-13	2013-14	2014-15	2015-16
Budget reduction ^a	\$1,000	\$1,317	\$1,458	\$1,544
Prison population reduction ^b	19,366	23,393	25,102	25,851
Parole population reduction ^b	19,377	38,713	48,683	51,559
Position reduction ^a	5,549	6,032	6,431	6,630
Contract bed reduction ^b	1,390	4,488	7,339	8,672

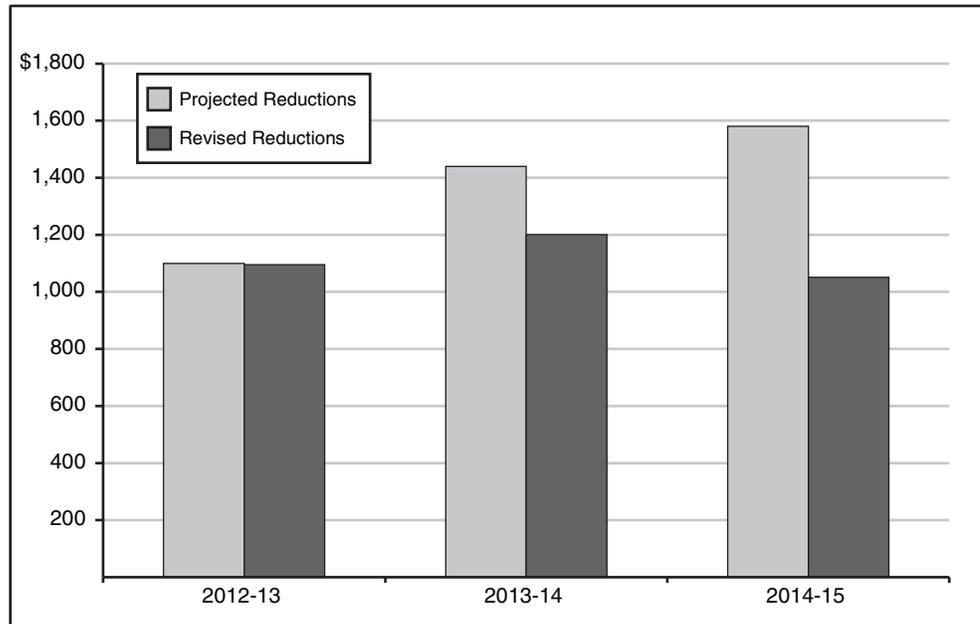
^a Budget reductions resulting from realignment as estimated in 2011-12.
^b Relative to 2011-12 average daily population.

- The blueprint projected that the state's prison and parole population would decline by tens of thousands of offenders over a four-year period, and that various aspects of CDCR's budget could be reduced by \$1.5 billion by 2015-16.
- Much of these reductions were tied to the planned elimination of nearly 7,000 positions and about 8,700 contract beds.
- We note that these projections reflect planned reductions to CDCR's budget specifically related to the implementation of the 2011 realignment. These projections do not reflect other changes to CDCR's budget that have occurred or that may occur over this time period, such as changes in employee compensation costs.



Revised Reductions Are Below Blueprint Projections

(In Millions)



- Although the blueprint has resulted in significant budget reductions being made to CDCR's budget, the Governor's proposed budget adjustments for 2013-14 and 2014-15 result in smaller reductions than originally anticipated.
- We estimate that CDCR will fall short of the blueprint reduction targets by about \$240 million (17 percent) in 2013-14 and about \$530 million (33 percent) in 2014-15.
- These differences are largely a result of (1) increased spending to comply with the federal court population cap and (2) a higher-than-expected prison population.



Increased Costs to Comply With Federal Prison Population Cap

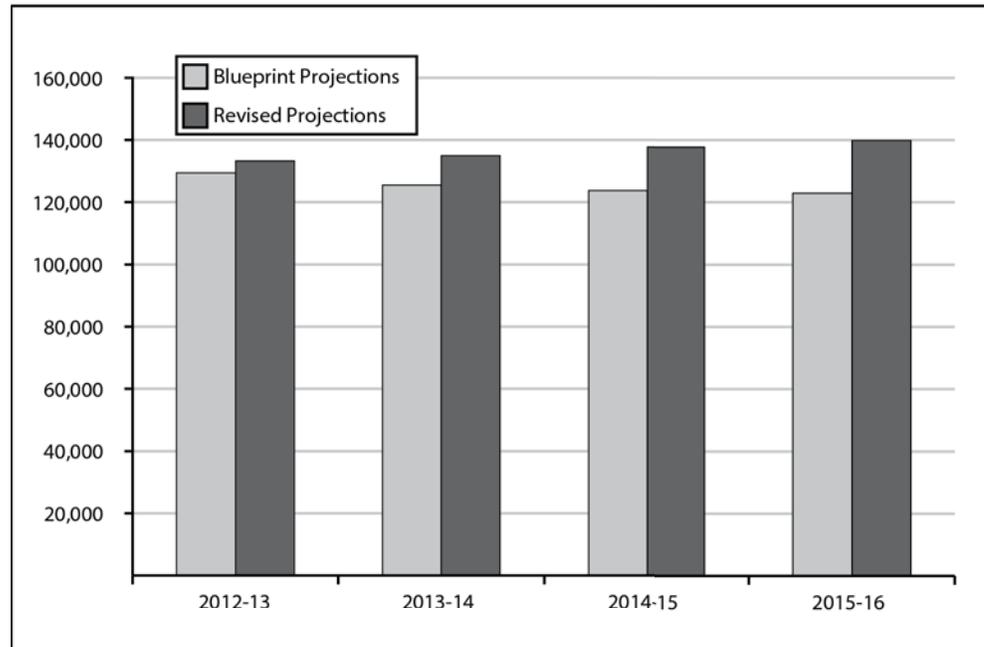
- ☑ ***Court Rejected Modification of Population Cap.*** In January 2013, the administration formally requested that the court vacate or modify its population reduction order. The court rejected this request. However, the deadline for compliance was extended from June 30, 2013 to April 18, 2014.

- ☑ ***Senate Bill 105.*** In September 2013, the Legislature adopted Chapter 310, Statutes of 2013 (SB 105, Steinberg), which provided CDCR with \$315 million in 2013-14 and authorized the department to enter into contracts to secure enough inmate housing to meet the court order if the court does not grant a further extension of the deadline. (Because they are not in state-run prisons, inmates in contract beds are not counted toward the population cap.)

- ☑ ***Governor's Budget Proposal.*** The Governor's budget for 2014-15 assumes that the court grants a two-year extension of the compliance deadline to April 18, 2016 and that \$228 million of the \$315 million provided in Chapter 310 will be spent on contract beds in 2013-14. In 2014-15, the budget includes \$489 million for contract beds and other initiatives (such as funding for rehabilitation programs) intended to help the state comply with the population cap.



Prison Population Higher Than Expected

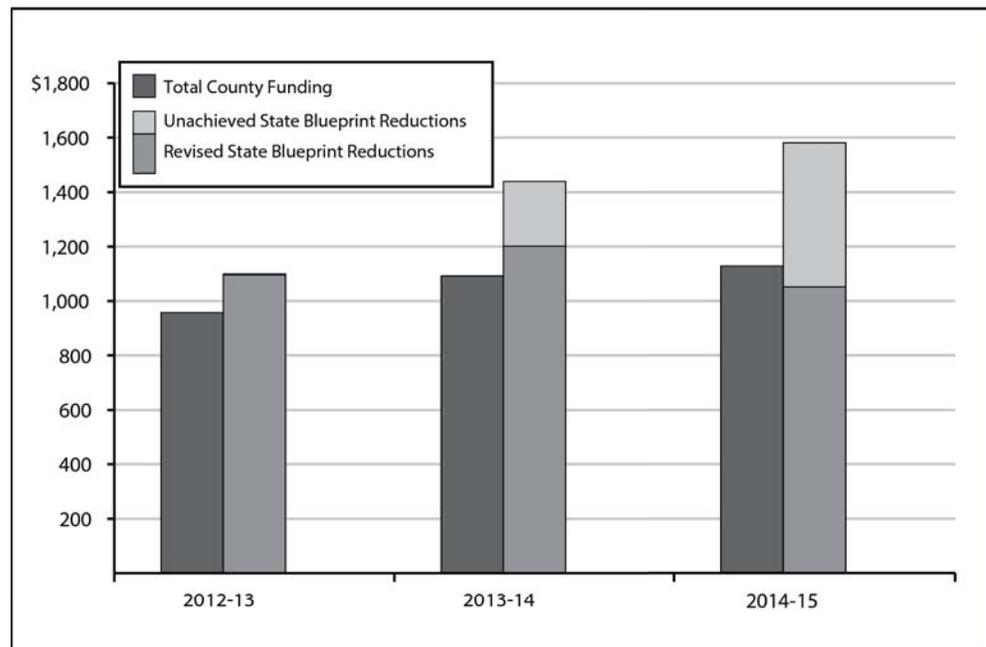


- Although the prison population was reduced by realignment, the reduction was smaller than anticipated in the blueprint. Based on CDCR's current population projections, the actual prison population is expected to continue to exceed blueprint projections in future years.
- In 2013-14, the prison population is expected to exceed blueprint projections by about 9,600 inmates (6 percent). By 2015-16, the prison population is expected to exceed blueprint projections by about 17,000 inmates (14 percent). (We note that the parole population is lower than projected in the blueprint level over these years.)
- There are several factors that may be contributing to the higher-than-expected prison population including (1) issues with the original projections, (2) changes in county sentencing practices, and (3) increases in the crime rate.



County Realignment Funding Likely to Exceed Blueprint Reductions

(In Millions)



- The blueprint assumed that the reductions proposed for parts of CDCR’s budget would exceed the amount of funding provided to counties for the corrections portion of the 2011 realignment.
- The revised blueprint reductions are expected to exceed the amount of these revenues allocated to counties in 2012-13 and 2013-14, but by less than the amount assumed in the blueprint.
- However, in 2014-15, the amount of these revenues to be allocated to counties is projected to exceed the revised estimate of blueprint reductions.



Impact of the 2011 Realignment on CDCR's Overall Budget Is Unknown

- ☑ The net fiscal impact of the 2011 realignment on CDCR would depend on what CDCR's budget would have been in the absence of realignment.
- ☑ In the absence of realignment, CDCR's inmate and parolee populations would have been much higher. However, it is uncertain how the state would have accommodated these higher populations while trying to comply with the federal court-ordered population cap.
- ☑ Depending on the specific actions, state spending on CDCR could have been higher or lower than in recent years.
 - On the one hand, to the extent that the state accommodated these additional inmates through contract beds or the construction of new prisons, CDCR's budget would otherwise have been significantly higher.
 - On the other hand, to the extent that the state accommodated the additional inmates through population reduction measures (such as the early release of inmates) CDCR's budget could otherwise have been lower.