

## SUBCOMMITTEE NO. 5

## Agenda

Senator Nancy Skinner, Chair  
Senator John M.W. Moorlach  
Senator Jim Beall



Thursday, May 16, 2019  
Upon adjournment of session  
State Capitol - Room 113  
**PART B**

Consultant: Christopher Francis, Ph.D.

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## ITEMS FOR VOTE-ONLY

### 5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION (CDCR) AND 0530 HEALTH AND HUMAN SERVICES AGENCY

1. *Reorganization of the Division of Juvenile Justice and various proposal (Trailer Bill Language).* The budget proposes moving the DJJ from CDCR to a new department under the California Health and Human Services Agency (CHHS). The new department will be called the Department of Youth and Community Restoration.

The proposed trailer bill language focuses on transferring authority from CDCR to the new Department, allowing current day-to-day operations to continue during the transition. The move will require additional resources to establish the administrative structure of the new Department.

The Department will develop and launch a new independent training institute that will train all staff on best practices so they can further the new Department's rehabilitative mission. This item was heard on May 2, 2019.

**Staff Recommendation.** Approve as proposed and adopt placeholder trailer bill language shifting all juvenile justice grants and programs to the new department by January 1, 2021.

### 5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION (CDCR)

2. *Division of Juvenile Justice Transition.* The May Revision includes a General Fund increase of \$1,234,000 and 8.8 positions to facilitate the proposed reorganization of the Division of Juvenile Justice from the California Department of Corrections and Rehabilitation to the California Health and Human Services Agency. The positions will be responsible for the administrative needs of the reorganization and the establishment of a new training institute in Stockton.

**Staff Recommendation.** Approve as budgeted.

3. *Division of Juvenile Justice Apprenticeship Conservation Corps.* The May Revision includes 2.4 positions and associated General Fund totaling \$344,000 beginning in fiscal year 2019-20 and ongoing.

The California Conservation Corps (CCC) requests two program support staff positions and \$1,085,000 one-time General Fund in 2019-20 and \$581,000 ongoing General Fund beginning in 2020-21, which includes \$876,000 in 2019-20 and \$376,000 ongoing for certified local conservation corps.

Requested resources will support the implementation of the DJJ Apprenticeship Conservation Corps (ACC) pilot program to present DJJ youth with skill-building and job-readiness opportunities.

**Staff Comments.** A pilot program is typically considered a small-scale and short-term experiment – a preliminary study to evaluate the feasibility, study the design, and analyze the effectiveness of the project to determine whether the program should be carried out on a larger

scale. The proposed pilot program in the May Revision would be ongoing. As a pilot program, it would be reasonable to limit the term of the program and assess it at the end of that term.

**Staff Recommendation.** Approve the following:

- **DJJ:** 2.4 positions and associated General Fund totaling \$344,000 beginning in fiscal year 2019-20 for five years.
  - **CCC:** Two positions and \$1.085 million one-time General Fund in 2019-20 and \$581,000 General Fund for four years beginning in 2020-21, which includes \$876,000 in 2019-20 and \$376,000 for four years thereafter for certified local conservation corps.
4. ***Receiver-Integrated Substance Use Disorder Program.*** The May Revision includes \$71.3 million General Fund and 280.2 positions in 2019-20, growing to \$161.9 million General Fund with an additional 150.8 positions in 2020-21, and growing to \$164.8 million General Fund in 2021-22 and ongoing for the Integrated Substance Use Disorder Treatment Program (making the totals \$165 million General Fund annually and 431 positions by 2021-22) to implement an Integrated substance use disorder (ISUDT) program that would be CDCR and the federal Receiver for inmate medical care. According to the administration, the goals of this program are to treat substance use disorder as a chronic illness, reduce fatalities associated with it, and improve CDCR's rehabilitative environment.

**Staff Recommendation.** Approve as budgeted.

5. ***General Population Adjustments and Notable Population-Based Proposals.*** The May Revision makes the following population adjustments based upon updated caseload projections and additional alternative custody program placements:

**Adult Population Adjustment** – The May Revision projects the average daily population of adult inmates at 127,993 in the current year, and 126,705 in the budget year. This is a decrease of 341 in 2018-19, and a decrease of 266 in 2019-20, as compared to the January estimates. In addition, the May Revision projects the average daily population of parolees to be 48,535 in the current year, and 50,442 in 2019-20, a decrease of 166 in the current year and an increase of 497 compared to the Governor's Budget projection.

The population adjustments, as shown in the proposal, are reflected by a net increase of \$2,057,000 and a net decrease of 135.6 positions, which is comprised of an increase of \$2,097,000 General Fund and a reduction of \$40,000 Inmate Welfare Fund. \*\*\* **The LAO recently identified a couple of errors in the population adjustment we proposed in the May Revision for the California Department of Corrections and Rehabilitation. Specifically, they correctly noted that the proposed adjustment was based on population projections which did not reflect (1) the impact of emergency regulations implemented in 2018 and (2) the reduction in the population of the 35 prisons that will result from the activation of the two 60-bed Custody to Community Transitional Reentry Program (CCTRP) facilities.\*\*\***

**Custody to Community Transitional Reentry Program.** The May Revision includes \$8.4 million General Fund and 13.0 positions in 2019-20 to establish two 60-bed Custody to

Community Transitional Reentry (CCTRP), one in Los Angeles and one in Beaumont for women who are incarcerated.

**Juvenile Population Adjustment** – The May Revision requests that Item 5225-001-0001 be increased by \$7,501,000 and 53.6 positions, reimbursements be increased by \$26,000, and Item 5225-011-0001 be decreased by \$573,000 and four positions. The May Revision reflects an estimated average daily population of 782 wards in 2019-20, which is 23 more wards than projected in the Governor's Budget.

**Staff Recommendation.** Approve the May Revision juvenile population adjustments and associated proposals in accordance. Hold open the May Revision adult population adjustments and associated proposals until CDCR and DOF present updates.

6. **Staff Complaint Inquiry Unit.** The budget proposes \$9.8 million General Fund and 47 positions in 2019-20 and ongoing to implement a new regional model for reviewing and investigating inmate complaints of staff misconduct, as well as revise CDCR's grievance review process. This item was heard on May 2, 2019.

**Staff Recommendation.** Approve the following:

- Adopt placeholder trailer bill language that requires the California Department of Corrections and Rehabilitation (CDCR) to adopt emergency regulations on or before December 1, 2019, in consultation with the Office of Inspector General. These emergency regulations shall require that CDCR process all grievances involving potential staff misconduct and inmate allegations against staff—except those that have already been referred to the Office of Internal Affairs for a formal investigation—with a staff complaint inquiry conducted by the Office of Internal Affairs in addition to any other regular or specialty grievance processes that are applicable. This would ensure that inmate allegations against staff pertaining to unnecessary and excessive force, Prison Rape and Elimination Act or Sexual Abuse in Detention Act, safety or emergency concerns, and classification time calculations, would be subject to a staff complaint inquiry conducted by the Office of Internal Affairs.
  - Adopt budget bill language that approves the \$9.8 million and 47 positions in requested resources that restricts the release of funds until CDCR adopts the emergency regulations referenced above.
7. **Consolidated Legislation Budget Change Proposal and adjustments.** The May Revision includes a decrease by \$1,833,000 and 14.5 positions to revise the original request for resources related to chaptered legislation based on actual data following implementation of SB 1421 (Skinner) Chapter 988, Statutes of 2018 and the revised estimated resources needed to implement the provisions of the bill. The original number of positions for SB 1421 implementation was 30.5 in January but has now been reduced to 16 permanent positions and 9.3 two-year limited term positions in the May Revision.

The January Budget proposed \$9 million General Fund and 42.5 positions in 2019-20 and \$8.3 million General Fund in 2020-21 and ongoing to comply with legal mandates established by Assembly Bills 2327, 2845, and Senate Bills 960, 1421, and 1447. The budget includes a proposal and corresponding May Revision adjustment as detailed below. This item was heard on March 7, 2019.

Bill Number	2019-20		Summary of Need for Positions from CDCR and DOF
	PY	Funding (General Fund)	
AB 2327	4.0	\$ 681,000	Create and maintain records of peace officer misconduct and make available for the requesting agency to review.
AB 2845	7.0	\$ 1,397,000	Provide the Board of Parole Hearings resources to address anticipated increases of pardon and commutation reviews.
SB 960	1.0	\$ 181,000	Comply with newly enacted Suicide Watch reporting requirements  The CDCR states the position “will fulfill Senate Bill 960’s data collection and technical reporting requirements....This position will ensure all reporting requirements are met and that the report is posted on the CDCR website.”
SB 1421	30.5 in January but has now been reduced to 16 permanent positions and 9.3 two-year limited term positions in May Revise	\$ 6,204,000 in January but has now been reduced to \$4,371,000 in budget year.	(1) 8.5 positions to handle <i>new</i> workload involving redacting records and managing the PRA process and (2) 22 positions to conduct investigations—which are <i>existing</i> workload—into staff misconduct on an expedited timeline.
Senate Bill 1447	Position authority not requested to reflect that positions would be limited term	\$508,000	Comply with new prescription authorization requirements  “The pharmacies located within the institutions do not have authority to allow for additional pharmacy staff after hours, and the volume of these after-hour prescriptions does not warrant extending staffing at all 35 locations.”
<b>Total Funding and Positions requested:</b> <ul style="list-style-type: none"> <li>42.5 in January but has now been reduced <i>to 28 positions</i></li> </ul>			

- \$9 million General Fund in 2019-20 and \$8.3 million General Fund in 2020-21 and ongoing in January but has now been reduced to approximately ***\$ 7,200,000 General Fund in 2019-20 and \$6.5 million General Fund in 2020-21, and \$5.1 million in 2021-22 and ongoing***

**Staff Recommendation.** Approve the following:

- Approve the proposed positions and funding related to the implementation of SB 1447, AB 2327, AB 2845, and SB 960.
  - Regarding SB 1421: Approve 9.3 two-year limited term positions and adopt placeholder budget bill language that directs the CDCR to report to the Legislature by January 1, 2020 and June 30, 2020 on their workload associated with SB 1421.
8. ***Supplemental Reforms for Parole Consideration.*** The Governor's budget includes \$4.7 million General Fund and 12.5 positions in 2019-20, \$6.1 million General Fund and 12.5 positions in 2020-21, and \$1.9 million General Fund and 12.5 positions in 2021-22 and ongoing to complete workload related to a projected increase in parole hearings. Since 2011, BPH has scheduled between 4,000 and 5,300 parole hearings annually. Current projections indicate that BPH will need to schedule a total of 7,200 hearings in 2019-20 and 8,300 hearings in 2020-21. This item was heard on April 25, 2019.

**Staff Recommendation.** Adopt placeholder trailer bill language that would (1) delay implementation of the structured decision-making framework for one year pending consideration of additional information on the framework by the Legislature; (2) require BPH to provide a copy of the final proposed framework for Legislative review and report information on its development, implementation, use, and evaluation; (3) adjust the duties and increase the numbers of parole commissioners and deputy commissioners as necessary for BPH to accomplish its hearing workload in 2019-20. Adopt placeholder budget bill language that would allow the Director of Finance to augment BPH's budget (with 30 day notification to the Joint Legislative Budget Committee) as necessary for BPH to accomplish its 2019-20 workload.

9. ***Fleet Asset Replacement.*** The budget includes \$24 million General Fund and four positions in 2019-20 and ongoing to establish a seven-year schedule for critical fleet assets. CDCR developed a fleet replacement tool to track the age and condition of its fleet eligible for replacement per Department of General Services' replacement thresholds. CDCR will redirect \$8 million from the Division of Adult Institutions to be combined with this request for a total of \$32 million for a newly created budget sub-program specifically for the purpose of tracking fleet asset replacements. This item was heard on April 25, 2019.

**Staff Recommendation.** Reject the four positions and associated funding with these positions and approve the remaining funding for 2019-20 only.

10. ***Council on Criminal Justice and Behavioral Health Research Unit.*** The budget proposes \$497,000 General Fund and four positions in fiscal year 2019-20 and ongoing, and \$300,000 General Fund in 2019-20 for one-time contract funding, to expand the research capacity of the Council on Criminal Justice and Behavioral Health. This item was heard on April 25, 2019.

**Staff Recommendation.** Approve as budgeted.

**11. Increasing Inmate Literacy.** The budget proposes \$5.5 million General Fund and 35.0 positions in 2019-20 and ongoing to establish and support a literacy mentor program across all adult institutions. This item was heard on March 21, 2019.

**Staff Recommendation.** Approve as budgeted.

**12. January and May Capital Outlay.** The Governor's budget proposes 18 January and May proposals that were heard in subcommittee hearings on March 7<sup>th</sup> and May 9<sup>th</sup>:

Priority Number	Project Title	Purpose of Request and Funding History	Funding (Proposed and Total)	Staff Recommendation
1	California Correctional Center, Susanville (CCC): Health Care Facility Improvement Program--Central Health Services Building Renovation	Construction phase of Phase II of the CCC Prison's Health Care Facility Improvement Project.  Includes additional work at the Central Health Services building including renovations to the Inmate Waiting Area and Staff Workroom, Specialty Care area, and mechanical/fire alarm upgrades to the building.	<b>Current Requested Amount:</b> \$8,069,000 General Fund for Construction  <b>Total Estimated Project Cost:</b> \$35,275,000 Total Funds (\$8,069,000 General Fund)	Approve as budgeted
2	California Institution for Men: Health Care Facility Improvement Program—Primary Care Clinics B and C	Funding is being requested for the construction phase of Phase II. Phase II includes renovations to the Primary Care Clinics in Facilities B and C.	<b>Current Requested Amount:</b> \$9,703,000 General Fund for Construction  <b>Total Estimated Project Cost:</b> \$63,926,000 Total Funds (\$9,703,000 General Fund)	Approve as budgeted
3	Correctional Training Facility, Soledad: Health Care Facility Improvement Program—Specialty Care Clinic	Funding is being requested for the construction phase of Phase II. Phase II includes renovations to the Specialty Care Clinic in Facility C.	<b>Current Requested Amount:</b> \$10,435,000 General Fund for Construction	Approve as budgeted



			<b>Total Estimated Project Cost:</b> \$42,678,000 Total Funds (\$10,435,000 General Fund)	
4	Sierra Conservation Center, Jamestown: Health Care Facility Improvement Program—Central Health Services Building Renovation	Funding is being requested for the construction phase of Phase II. Phase II includes renovations to the Central Health Services building.	<b>Current Requested Amount:</b> \$12,033,000 General Fund for Construction  <b>Total Estimated Project Cost:</b> \$34,350,000 Total Funds (\$12,033,000 General Fund)	Approve as budgeted
5	Pelican Bay State Prison, Crescent City: Facility D Yard	This proposal requests funding to construct a recreation yard for Facility D at Pelican Bay State Prison (PBSP). PBSP Facility D Security Housing Unit has been repurposed to a level II housing unit. This yard will provide inmates with the necessary space to participate in recreational and physical education programs.	<b>Current Requested Amount:</b> \$2,067,000 General Fund for Construction (reversion of \$1,854,000 and new appropriation of \$3,921,000)  <b>Total Estimated Project Cost:</b> \$4,460,000 General Fund	Approve as budgeted
6	Correctional Training Facility, Soledad: Administrative Segregation Cell Door Retrofit	This proposal requests funding to replace the existing 144 barred cell fronts with more secure cell fronts with vision panels in the O-Wing Administrative Segregation Unit at the Correctional Training Facility (CTF) outside Soledad. The renovation of ASUs with new cell fronts addresses an important security need within prison facilities. In addition, the replacement of barred cell fronts and	<b>Current Requested Amount:</b> \$15,658,000 General Fund for Construction  <b>Total Estimated Project Cost:</b> \$16,939,000 General Fund	Reject this proposal

		cell modifications related to heating and ventilation systems reduces suicide risks, which is of interest to the federal court in Coleman v. Brown.		
7	Folsom State Prison, Folsom: Water Storage Tanks	Funding is being requested for the construction phase of this project. This proposal requests funding to construct two new 750,000 gallon water storage tanks necessary to support building fire suppression requirements as part of the Health Care Facility Improvement Program Improvements.	<b>Current Requested Amount:</b> \$9,627,000 General Fund for Construction  <b>Total Estimated Project Cost:</b> \$66,821,000 Total Funds (\$9,627,000 General Fund)	Approve as budgeted
8	Deuel Vocational Institution, Tracy: New Boiler Facility	This proposal requests a reappropriation of funding for the design and construction of a new central high-pressure steam boiler facility. Boiler replacement is required for compliance with the San Joaquin Valley Air Pollution Control District regulations for gas-fired boiler emissions standards.	<b>Current Requested Amount:</b> \$4,041,000 General Fund for Working Drawings & Construction (this is considered a reappropriation of \$4,041,000 General Fund that was not encumbered by June 30, 2018)  <b>Total Estimated Project Cost:</b> \$4,414,000 General Fund	Reject this proposal

9	Medication Distribution Improvements - Phase II	The requested funding is for the working drawings phase of the 13 separate projects, each subject to project authority separately and individually. These improvements will increase staff productivity and safety as well as ensure compliance with the Plata Court by providing timely inmate-patient access to medication.	<b>Current Requested Amount:</b> \$3,694,000 General Fund for Working Drawings (total for 13 projects)  <b>Total Estimated Project Cost:</b> \$36,978,000 General Fund (total for 13 projects)	Approve as budgeted
10	California Institution for Men, Chino: Air Cooling Facility A	This proposal requests funding for the working drawings phase of the project. This proposal requests funding to install air cooling systems with required fire/life/safety improvements in Facility A housing units at the California Institution for Men to ensure that indoor temperatures will be maintained at or below 89° Fahrenheit in accordance with the CDCR's Design Criteria Guidelines.	<b>Current Requested Amount:</b> \$931,000 General Fund for Working Drawings  <b>Total Estimated Project Cost:</b> \$11,926,000 General Fund	Approve as budgeted
11	California State Prison, Sacramento: New Cognitive Behavioral Treatment Classrooms	This proposal requests funding for the working drawings phase to design and construct three 1,300 square foot classrooms with inmate and staff restrooms and staff offices to support the Cognitive	<b>Current Requested Amount:</b> \$491,000 General Fund for Working Drawings  <b>Total Estimated Project Cost:</b>	Approve as budgeted

		Behavioral Treatment program at California State Prison, Sacramento.	\$6,445,000 General Fund	
12	San Quentin State Prison, San Quentin: Cognitive Behavioral Treatment Space	This proposal requests funding for the working drawings phase of the project for the remodel of approximately 8,000 square feet of Vocational Building 32 for Cognitive Behavioral Treatment programs at San Quentin State Prison.	<b>Current Requested Amount:</b> \$484,000 General Fund for Working Drawings  <b>Total Estimated Project Cost:</b> \$7,156,000 million General Fund	Approve as budgeted
13	Valley State Prison, Chowchilla: Arsenic Removal Water Treatment Plant	This proposal requests funding for the preliminary plans phase of the project. This proposal requests funding for the design and installation of an arsenic removal water treatment plant at Valley State Prison (VSP) due to the increase in arsenic levels in the wells at VSP and the adjacent Central California Women's Facility.	<b>Current Requested Amount:</b> \$1,508,000 General Fund for Preliminary Plans  <b>Total Estimated Project Cost:</b> \$21,053,000 General Fund	Approve as budgeted
14	Statewide: Budget Packages and Advanced Planning	This request provides annual funding to perform advanced planning functions and prepare budget packages for capital outlay projects to enable the Department to provide detailed information on scope and costs on requests for future projects proposals.	<b>Current Requested Amount:</b> \$250,000 General Fund for Study  <b>Total Project Cost:</b> \$250,000 General Fund	Approve as budgeted

15	Reappropriation of AB 900 General Fund	<p>Requesting a reappropriation of the unexpended funding. This reappropriation is necessary to ensure the balance of this appropriation remains available for completion of these projects.</p> <p>Assembly Bill 900 as amended originally appropriated \$300,000,000 General Fund for design and construction of infrastructure, dental, medication distribution improvements and for projects in the Health Care Facility Improvement Program (HCFIP) at prisons statewide. This amount was reduced to \$249,754,000 since the original appropriation in 2006.</p> <p>Five HCFIP projects and multiple medication distribution improvement projects are authorized from this funding source. Preliminary plans and working drawings have been completed for these</p>	<p><b>Current Requested Amount:</b> \$0 General Fund for Construction (reappropriation of \$11.8 million General Fund)</p> <p><b>Total Estimated Project Cost:</b> \$249,754,000 General Fund</p>	Approve as budgeted

		projects; however, construction has been delayed due to fire alarm system connectivity issues, delayed approvals of fire sprinkler submittals, and phasing to maintain safe prison and medical operations during construction.		
16	Statewide: Master Plan for Renovation/Replacement of Original Prisons—Study	Extend reversion date of funding provided in 2016 to complete a study of the prisons constructed prior to 1980 from June 30, 2019 to June 20, 2020 to allow for time to process invoices and close out contracts.	<b>Current Requested Amount:</b> \$0 General Fund for Study (language only to extend the liquidation period)  <b>Total Project Cost:</b> \$5,406,000 General Fund	Approve as budgeted
17	Health Care Facility Improvement Program - Increase Lease Revenue Appropriation	<p>This proposal requests trailer bill language to increase the lease revenue appropriation authorized by Government Code Section 15819.403 by \$49,850,000 to complete construction of the remaining Health Care Facility Improvement Program (HCFIP) projects.</p> <p>The proposed language would increase that maximum amount of costs authorized for those purposes to \$1,139,429,000. The bill would make the additional \$49,850,000 available for allocation to any project established by the board in the Health Care Facility</p>		Approve as proposed

		<p>Improvement Program, but would be subject to existing restrictions on the allocations of the additional amount by requiring that each allocation be approved by the board and that not less than 20 days prior to the board's approval, the Department of Finance report specified information regarding the project to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the respective fiscal committee of each house of the Legislature. By increasing the amount of funds that are continuously appropriated to the board on behalf of the department for these purposes, the bill would make an appropriation.</p> <p>Individual HCFIP projects at 25 prisons have been established by the State Public Works Board (SPWB) utilizing the lease revenue bond financing authority in Government Code Sections 15819.40-15819.404. These projects are required to improve the infrastructure for outpatient health care services the amount of funds that are continuously appropriated to the board on behalf of the department for these purposes, the bill would make an appropriation.</p>		
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**13. Prison Maintenance Funding Methodology.** The CDCR's Division of Facility Planning, Construction and Management, requests (1) replacement of the existing methodology for funding prison maintenance, which adjusts funding annually based on changes in the prison population, with a formula based on square footage, and (2) an increase in funding for maintenance and plant operations of \$18.5 million General Fund in 2019-20, \$37.1 million in 2020-21, and \$55.6 million in 2021-22 and ongoing. This item was heard on March 7, 2019.

**Staff Recommendation.** Reject the proposal and adopt placeholder supplemental reporting language requiring CDCR to submit a report by January 10, 2020 to the budget committees of each house and the Legislative Analyst's Office. In this report, CDCR should explain how it currently prioritizes funds for preventative and ongoing maintenance and provide a plan for how—if it is provided with increased ongoing preventative maintenance funds in the future—it would (1) prioritize the use of these increase preventative maintenance funds and (2) ensure that its deferred maintenance backlog does not grow.

**14. Allocation for Deferred Maintenance.** The budget includes a one-time increase of \$25 million in fiscal year 2019-20 to the Special Repair (SR)/Deferred Maintenance (DM) funding allocation. Additionally, CDCR is requesting Provisional Language to allow the funding to be available for encumbrance until June 30, 2021. This item was heard on March 7, 2019.

**Staff Recommendation.** Reject this proposal

## 0552 OFFICE OF INSPECTOR GENERAL (OIG)

**15. Auditing and Oversight.** The Office of Inspector General (OIG) was first established in 1994 within the Youth and Adult Correctional Agency, which has since been abolished. Duties included conducting investigations, reviewing policy, and performing management review audits of wardens and superintendents. As a result of widespread abuse in the state's correctional system, the Legislature responded in 1998-99 by expanding the OIG's oversight responsibility and making it an independent entity with discretionary authority to conduct audits and investigations. The Legislature further expanded the OIG's duties to include the discipline monitoring process, warden vetting, and follow-up warden audits. In 2011, the OIG's office was restructured in a manner that removed their authority to conduct discretionary audits and investigations, limited their oversight to only specified areas, added a medical inspection process, and required that special reviews be authorized only by the Governor, the Office of the Speaker, or the Office of the pro Tem.

**Staff Recommendation.** Adopt placeholder trailer bill language to reinstate the Office of Inspector General's office's ability to conduct discretionary audits and provide oversight over the California Department of Corrections and Rehabilitation staff complaint process and provide ongoing General Fund of \$7.913 million beginning in 2019-20 and thereafter to the Office of Inspector General to fulfill this workload.

## 5226 BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)

**16. Funding for the Standards and Training for Local Corrections Program.** The budget proposes \$6.2 million General Fund in 2019-20 and ongoing for the Standards and Training for Local Corrections (STC) Program through an April 1<sup>st</sup> BCP. This item was heard on April 25, 2019.

**Staff Recommendation.** Reject this proposal.

**17. Leasing Capacity Trailer Bill Language.** Currently, counties that received jail construction funds from the state (via SB 1022 in 2012 or SB 844 in 2016) are not allowed to lease any additional jail capacity that they achieved as a result of the grant to another agency for a period 10 years. The proposed trailer bill language would except the leasing of housing capacity to state



agencies from this covenant requirement, thereby expanding the use of continuously appropriated funds and making an appropriation.

**Staff Recommendation.** Modify the placeholder trailer bill language to reflect the address the concerns of the specific agency (or agencies) that would need to make use of the new language.

**18. California Violence Intervention and Prevention Program.** The January Governor's Budget included \$9 million General Fund ongoing for the CalVIP program. This competitive grant program provides funds to cities and community based organizations for evidence-based violence intervention and prevention activities. The May Revision includes a one-time General Fund augmentation of \$18 million (one-year) to support additional grants to eligible cities and community-based organizations.

**Staff Recommendation.** Approve as budgeted with an additional \$3 million General Fund one-time to bring the total to \$30 million in 2019-20 and \$9 million in 2020-21 and ongoing.

**19. Post Release Community Supervision Population.** It is requested that Item 5227-106-0001 be increased by \$2,983,000 to adjust the amount provided to county probation departments to supervise people on Post Release Community Supervision. The adjustment reflects a revised estimate of the temporary increase in the number of people expected to be released to Post Release Community Supervision as a result of the Public Safety and Rehabilitation Act of 2016 (Proposition 57).

**Staff Recommendation.** Approve as budgeted.

## 8120 COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING (POST)

**20. Peace Officer Standards and Training.** The Governor's Budget proposes \$34.9 million General Fund and 11 positions ongoing to restore POST to prior levels of funding. Resources will be provided for POST administration, additional training opportunities, and increased funding for local assistance and reimbursement provided to local law enforcement agencies.

**Staff Recommendation.** Approve as budgeted.

## VARIOUS DEPARTMENTS

**21. Penal Code Review Trailer Bill Language.** The Governor's budget includes \$576,000 to support a new committee that will be established under the California Law Revision Commission. The new committee will have separate powers to make policies and take actions, and to review and make recommendations to the Legislature and the Governor on revisions to the Penal Code. The committee will begin an effort to simplify and rationalize criminal law and criminal procedures, establish alternatives to incarceration that aid rehabilitation and protect public safety, improve parole and probation systems, and adjust the length of sentence terms based on certain considerations. The proposal includes \$25,000 for the committee to hire an outside consultant to serve the committee's needs. This item was heard on May 2, 2019.

**Staff Recommendation.** Approve as proposed

**22. *Prison to Community Pipeline Subcommittee Package.*** Throughout Subcommittee 5's hearings, multiple special panels discussed in-prison rehabilitative programming, parole preparation services, juvenile justice reform, and reentry into the community. These special panels were a continuing effort from last year to expand programs and services within these areas. The subcommittee therefore proposes the following package based on the feedback from special panels:

**Invest approximately \$124 million General Fund one-time in strategies that are proven to reduce recidivism and increase successful reentry. Increase investments in:**

- Augment the current funding for rehabilitative programs offered by community based organizations by \$15 million General Fund in 2019-20 to continue, expand or replicate rehabilitative programs that have previously demonstrated success with inmates in CDCR facilities, made available annually through the Request for Innovative Ideas (RFI2) process. Adopt placeholder trailer bill language that shapes the disbursement of funds, performance measures and method of selecting organizations. (\$15 million plus accompanying placeholder trailer bill language as proposed on May 9, 2019).
- Reentry housing support (\$85 million General Fund one-time to continue administration of the Adult Reentry Grant program) Of this \$85 million, \$10 million will be shifted from the 2018 Budget Act Adult Reentry Grant program (rehabilitation of property or buildings for housing offenders released from prison) to fund reentry housing support and warm handoff and \$5 million for rehabilitation of property or buildings for housing offenders released from prison will be reappropriated to Amity Foundation.
- Parolee population substance use treatment via the state's Specialized Treatment for Optimized Programming (STOP) (\$12 million)
- CSU, UC, and CCC to provide higher education services for formerly incarcerated (Project Rebound, Comm. College, and Underground Scholars (\$8.75 million)
- Parole preparation (\$5 million General Fund one-time to fund a pilot program through UnCommon Law. UnCommon Law would institute a three-year pilot with reporting and auditing to prepare 300 inmates serving life without the possibility of parole sentences at DVI for parole hearings with therapeutic counseling)
- Provide \$8 million per year and adopt placeholder trailer bill language for a three-year pilot in which therapeutic communities are established within DJJ facilities.
- Reentry support for California exonerated people through After Innocence (\$200,000 over three years)

Additionally, adopt budget bill and placeholder trailer bill language requiring the following:

1. The Department of Justice to produce a plan for upgrading or replacing the JCPSS juvenile justice data system, including costs and options for modernization that will result in a capacity for recidivism related analysis.

2. The plan should be developed in coordination with key stakeholders and experts, to identify the goals, options and costs related to system replacement.
3. The plan shall be produced and submitted to the Joint Legislative Budget Committee, the Assembly and Senate budget subcommittees on public safety, and the Assembly and Senate Public Safety Committees by January 1, 2021.
4. Provide one-time \$1.52 million General Fund to the DOJ to support this workload.

**Staff Recommendation.** Approve this proposed package.

## 0250 JUDICIAL BRANCH

**23. Access to Justice Subcommittee Package.** On March 14, 2019 Subcommittee 5 held a Judicial Branch-focused hearing that in which the need for family law and civil court reporters, court investigators and court room clerks, discretionary funding for trial courts, dependency counsel workloads. The subcommittee therefore proposes a Legislative package to complement the Judicial Branch's proposed access to justice proposals. The package includes the following:

- Restoration of the state appropriation limit (SAL) adjustment to the Trial Court Trust Fund from 2009 and prior and include placeholder trailer bill language that requires the that funding be used to provide courts and their employees a predictable funding source in recognition of the ongoing paying for other costs of doing business. The language would also require that each court will receive the full SAL amount to prevent manipulation of the SAL where some courts may receive more than others. The amount for 2019-20 would be \$90 million. The SAL would be provided for 2019-20, and establish the expectation that the SAL will be provided in future years as well.
- \$50 million General Fund ongoing and placeholder trailer bill language directing the courts to hire family law and civil court reporters to comply with recent court decisions that require indigent litigants are entitled to a court reporter and a transcript .
- \$10 million General Fund ongoing and adopt placeholder trailer bill language for court investigators and court room clerks.
- \$5 million for implementation of increases to the court reporter transcript rate.
- Adopt language authorizing a limited remote reporting pilot in Santa Clara Superior only.
- \$10 million General Fund for collaborative courts and adult diversion programs
- \$5 million General Fund ongoing for Equal Access Fund
- \$500,000 ongoing to the Equal Access Fund for the CA Commission on Access to Justice to operate independent of the State Bar and adopt placeholder trailer bill language establishing the independent Commission.

**Staff Recommendation.** Approve this proposed package.

**24. Pre-Trial Decision-Making Pilot Budget Bill Language.** The budget proposes budget bill language outlining a pre-trial decision-making pilot. The language proposes a \$75 million

allocation to the Judicial Council to fund the implementation, operation, or evaluation of programs or efforts in eight to ten courts related to pretrial decision-making.

**Staff Recommendation.** Approve as budgeted and adopt placeholder trailer bill language.

**25. Judgeships.** The May Revision includes \$30.4 million General Fund in 2019-20 and \$36.5 million General Fund in 2020-21 and ongoing to allocate 25 of the 48 remaining trial court judgeships authorized by AB 159 (Jones), Chapter 722, Statutes of 2007.

**Staff Recommendation.** Approve as budgeted and adopt placeholder trailer bill language detailing methodology of allocation of judgeships.

**0820 CALIFORNIA DEPARTMENT OF JUSTICE (DOJ)**

**26. Bureau of Gambling Control-Cardroom and Third-Party Provider Workload.** The May Revision includes a permanent Gambling Control Fund augmentation of \$4,399,000 in 2019-20 and ongoing to retain 32.0 existing positions necessary to continue reducing the backlog and maintaining ongoing workload associated with California cardroom and third-party providers of proposition player services license (TPPPS) applicants.

The following provisional language is also proposed to allow BGC's budget to be adjusted based on workload needs:

*1. The Department of Finance may augment or reduce the amount in Schedule (2) of this item based on workload changes related to the processing of license applications, renewals, and background investigations for cardrooms and third-party providers. The Director of Finance shall not approve any augmentation or reduction unless the approval is made in writing to the Chairperson of the Joint Legislative Budget Committee not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.*

**Staff Recommendation.** Adopt placeholder trailer bill language on cardrooms. Additionally, modify by adopting the State Auditor's May 16, 2019 recommendations on the BGC. Specifically:

- Direct the BGC to establish a formal plan by November 2019 for completing its review of the remaining pending applications to ensure that it approaches its backlog strategically and that it is accountable for its use of resources, the bureau.
- Direct the BGC to properly and equitably report and bill the time they spend conducting such investigations to ensure that it fairly charges applicants for the costs of their background investigations. The bureau should establish and implement policies by July 2019.
- Approve funding for two-year limited term positions to give the bureau time to clear its backlog of applications and to implement our recommendations to improve its application processing.

**27. Implementation of Various CURES Legislation.** The May Revision includes various proposals in relation to Controlled Substance Utilization Review and Evaluation System (CURES) program legislation:

- A reimbursement authority of \$474,000 in 2019-20 and 2020-21 to meet mandates associated with SB 482 (Lara), Chapter 708, Statutes of 2016.
- Permanent position authority for one position and reimbursement authority of \$1,179,000 in 2019-20, \$200,000 in 2020-21, and \$191,000 in 2021-22 and ongoing to meet the mandates of AB 149 (Cooper), Chapter 4, Statutes of 2019 and AB 1753 (Low) Chapter 479, Statutes of 2018.
- An increase in position authority of three positions and reimbursement authority of \$1,017,000 in 2019-20 and \$402,000 in 2020-21 and ongoing to meet the mandates outlined in AB 1751(Low), Chapter 478, Statutes of 2018.

The DOJ would be reimbursed for these costs from the CURES Fund, which is administered by the Department of Consumer Affairs.

**Staff Recommendation.** Approve as budgeted.

**28. Human Trafficking and Sexual Predator Apprehension Teams.** The budget includes \$4,192,000 General Fund and 15.0 permanent positions in 2019-20 and \$3,421,000 General Fund in 2020-21 and ongoing to establish two investigative teams, focused on human trafficking and child exploitation organizations.

**Staff Recommendation.** Approve as budgeted.

**29. *Peace Officer Release of Records (SB 1421).*** The budget includes three positions and \$477,000 General Fund in 2019-20 and \$442,000 General Fund in 2020-21 and ongoing, for the Division of Law Enforcement (DLE) to implement the provisions of SB 1421 (Skinner), Chapter 988, Statutes of 2018.

**Staff Recommendation.** Approve one position and \$155,000 General Fund in 2019-20 and ongoing with placeholder budget bill language specifying that the expenditure of allocation is contingent on the DOJ implementing SB 1421 on a pro rata basis.

**30. *Sex Offender Registry.*** The budget includes \$17.2 million General Fund and 13 permanent positions in 2019-20, \$15.7 million General Fund in 2020-21, and \$13.2 million General Fund in 2021-22 to provide resources that will implement years two through four of SB 384. Year one funding of \$10 million and 25 positions were provided in the 2018 Budget Act. SB 384 requires the California Sex Offender Registry to transition from a lifetime registration system to a tier-based system for periods of 10 years, 20 years, and life beginning January 1, 2021. There are currently 104,000 sex offender registrants in the state, all of whom are now required to be assigned into one of the three tiers. This item was heard on May 2, 2019. (Note: In the May 2nd, 2019 hearing this item was heard and the BCP has since been corrected to account for the addition of 13 positions instead of 37).

**Staff Recommendation.** Approve the 13 permanent positions and proposed funding.

**31. *CA Consumer Privacy Act of 2018 (AB 375, SB 1121).*** The budget proposes a permanent augmentation of 23.0 positions and \$1,827,000 General Fund and \$2,912,000 Unfair Competition Law Fund in 2019-20 and \$1,746,000 General Fund and \$2,808,000 Unfair Competition Law Fund in 2020-21 and ongoing, to implement and enforce the mandates of AB 375 (Chau), Chapter 55, Statutes of 2018, and SB 1121 (Dodd), Chapter 735, Statutes of 2018.

**Staff Recommendation.** Reject this proposal.

**32. *Major League Sports Raffle Program (AB 888).*** The budget includes \$1.26 million Major League Sporting Event Raffle Fund and five positions in 2019-20, \$1.15 million in 2020-21, 2021-22, and 2022-23, and \$609,000 in 2023-24 to the DOJ to provide regulation of the Major League Sports Raffle Program as authorized by AB 888 (Low), Chapter 575, Statutes of 2018, which extends the sunset date of this program from December 31, 2018 to January 1, 2024, increases the fee amounts that can be assessed to registrants, and makes changes to the raffle reporting requirements by eligible organizations.

**Staff Recommendation.** Approve the following:

- Provide one full-time auditor (\$72,500), one legal secretary (\$31,000), one Deputy Attorney General (\$139,000), and one part-time special agent (\$44,500) and associated staff benefits through the sunset of this program.
- Approve operating expenses and equipment as specified in the budget proposal.
- Adopt placeholder trailer bill language.

**33. *Price Gouging, State of Emergency (AB 1919).*** The budget requests spending authority of \$365,000 Unfair Competition Law Fund and two positions in 2019-20 and \$352,000 in 2020-21

and ongoing to the DOJ to implement AB 1919 (Wood), Chapter 631, Statutes of 2018, which expands the scope of law to include rental housing and resources for enforcement of price gouging in times of disaster.

**Staff Recommendation.** Reject this proposal. The bill creates misdemeanors that are enforceable by local law enforcement.

**34. *Crime Prevention/Investigation: Informational Databases (AB 2222).*** The budget includes \$135,000 General Fund and one position in 2019-20 and \$126,000 General Fund in 2020-21 and ongoing to the DOJ to implement AB 2222 (Quirk), Chapter 864, Statutes of 2018. AB 2222 expands which law enforcement agencies are required to report information about firearms that are reported lost, stolen, or recovered. The position would be a permanent Field Representative position including wages, benefits, equipment, and operating expenses, to provide audit support to the department's Automated Firearms System (AFS).

Generally, sheriff and police departments are required to submit to DOJ, directly into the appropriate automated property system, descriptions of serialized property, or non-serialized property that is uniquely inscribed, that has been reported lost, stolen, found, recovered, held for safekeeping, or under observation. Specific to firearms, this information is submitted into AFS. Also with respect to firearms only, the information entered into AFS must remain in the system until the gun has been found, recovered, is no longer under observation, or it is determined that the record was entered erroneously. Additionally, police and sheriffs' departments are required to, and other law enforcement agencies may, report to DOJ any information in their possession necessary to identify and trace the history of a recovered firearm that is illegally possessed, has been used in a crime, or is suspected of having been used in a crime.

**Staff Recommendation.** Approve as budgeted.

**35. *Subsequent Arrest Notification (AB 2461).*** The budget proposes \$1.18 million Fingerprint Fees Account and six positions in 2019-20 and \$742,000 in 2020-21, and ongoing to implement AB 2461 (Flora), Chapter 300, Statutes of 2018, which makes it a requirement for DOJ to pass along all subsequent arrest and conviction information to DSS, the Medical Board of California, the Osteopathic Medical Board of California when they had lawfully requested and received such information, including DSS.

**Staff Recommendation.** Approve five positions per Senate Appropriations analysis, \$831,000 Fingerprint Fees Account in 2019-20 and \$742,000 Fingerprint Fees Account in 2019-20 and ongoing.

**36. *California State Auditor Report: Hate Crimes in California.*** The budget includes \$797,000 General Fund and five positions in 2019-20, \$693,000 in 2020-21 and ongoing to address recommendations identified in 2018 California State Auditor Report on Hate Crimes. Recommendations related to training and auditing law enforcement agencies (LEAs) are new responsibilities. Specifically, the recommendations pertaining to training and auditing LEAs create a significant time and resource demand on the DOJ. Training and auditing LEAs, analyzing trend data, and performing quality control functions will require additional resources.

**Staff Recommendation.** Reject this proposal. There is no mandate on DOJ to implement the Auditor's recommendations.

**37. Bureau of Firearms Workload.** The Governor's Budget includes \$6.875 million Dealer Record of Sale (DROS) authority in 2019-20 and 63 positions (a combination of new positions, converting temporary positions to permanent positions, and positions with authority but no funding) in the DOJ's Bureau of Firearms, and \$6.41 million DROS authority in 2020-21 and ongoing to maintain time-sensitive firearms workloads. The positions would be placed in the Background Clearance Unit, Phone Resolution Unit, DROS Quality Assurance Team, Reporting and Quality Assurance Section, and Armed Prohibited Persons Section. This item was heard on April 4, 2019.

**Staff Recommendation.** Approve as budgeted.

**38. Armed Prohibited Persons Systems Investigations.** The budget initially included 26.0 positions and \$5,601,000 (\$16,901,000 General Fund, -\$11,300,000 Dealers' Record of Sale Account) in fiscal year 2019-20, and \$4,656,000 (\$15,956,000 General Fund, -\$11,300,000 Dealer's Record of Sale Account) in 2020-21 ongoing to conduct Armed and Prohibited Persons System (APPS) investigations.

The result of the aforementioned proposal would be not only an increase in support for the APPS program, but also a funding swap between the Dealers' Record of Sale (DROS) Account and the General Fund. The APPS program would effectively shift to be fully funded by the General Fund. An April Finance Letter was submitted requesting an increase of \$575,000 General Fund to make APPS investigations entirely funded by the General Fund. This adjustment accounts for employee compensation related increases that were erroneously not included in the Governor's Budget proposal.

The April Finance Letter also requested a corresponding decrease in special fund resources to shift APPS to the General Fund. This request, however, included the incorrect fund for the adjustment. The fund used in the April Finance Letter is Fund 0032—Firearm Safety Account; however, the correct fund should be Fund 1008—Firearms Safety and Enforcement Special Fund.

The net result of both of these proposals is: (1) the APPS program will be funded with \$17,476,000 General Fund, and (2) the DROS Unit will be split funded (\$6,779,000 DROS Account and \$5,334,000 FSE), in contrast to historically being entirely DROS-funded.

This item was heard on April 4, 2019 and May 2, 2019.

**Staff Recommendation.** Approve the following:

- Cover only existing support for APPS investigation teams on a one-time basis with \$11.875 million General Fund. Adopt placeholder trailer bill language that directs the DOJ to assess and report the Legislature the fund condition of DROS and ways that durable solutions can be implemented to maintain a sufficient fund balance.
- Adopt placeholder budget bill language specifying that an additional \$3 million General Fund be allocated one-time to create a pilot grant program to support local law enforcement agencies who wish to carry out sweeps of APPS in their jurisdiction. Moreover, adopt budget bill language that would require participating jurisdictions to submit a report detailing the use of funds and efficacy of the program.



- Continue to provide the DROS Section with \$12.113 million in support, but with \$5.334 million from the FS&E Special Fund and the remaining \$6.779 million from the DROS Special Account. Adopt placeholder trailer bill language to require reporting on APPS investigation team workload. The reporting language should specify that once the backlog is eliminated, DOJ should begin reporting on the new or expanded activities the APPS investigation teams engage in. This could help the Legislature determine the extent to which ongoing resource levels should be adjusted in the future.
- 39. ***DNA Identification Fund Revenue Backfill.*** The budget includes \$25 million (\$15 million General Fund and \$10 million redirecting existing General Fund and backfilling expenditures with Fingerprint Fees) to the Bureau of Forensic Services (BFS). This item was heard on April 4, 2019.

**Staff Recommendation:** Approve the proposal and placeholder supplemental report language (SRL) requiring the Department of Justice (DOJ) assess the following:

- How DOJ currently provides services to state and local governmental agencies.
  - How DOJ's provision of services compares to those provided by local governments or other facilities (including the charging of fees for services).
  - The operational or other changes would be needed to operate within the revenues available in the DNA Identification Fund or other non-General Fund sources.
40. ***Control Section 5 Language.*** The Administration proposes language to allow DOF to adjust any appropriation to reimburse DOJ for legal services provided to client agencies. This was included in anticipation of DOJ modifying its billing rate structure (such as increasing its hourly billing rates) to ensure it sufficiently recovered its costs for providing legal services.

**Staff Recommendation.** Adopt LAO recommendation. Modify this language to: (1) require DOJ submit a report detailing its new billing rate structure and demonstrating how the new structure ensures its costs of providing legal services is covered no later than 30 days before DOF begins the process of making any augmentations, (2) require DOF provide 30 day notification to JLBC before any adjustments are made, and (3) require DOF submit an annual report to summarize all augmentations that were made under the authority of this language. These changes will increase legislative oversight of the state's legal services expenditures.