

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, County Executive Officer
Bekki Riggan, Principal Management Analyst

DATE: March 22, 2011

SUBJECT: Presentation Regarding Public Safety Budgets and Potential Impacts from the State Budget and Realignment Proposals

ACTION REQUESTED

Receive a presentation on Public Safety budgets and potential impacts from the Governor's Proposed FY 2011-12 State budget and Realignment proposals.

INTRODUCTION

Placer County's Board of Supervisors, the members of the Criminal Justice Policy Committee (CJPC), Placer County Law Enforcement agencies (PLEA), and other County and community partners have a long history of working together to address regional public safety needs and priorities. This history includes many innovative and cost effective planning efforts centered on facility design and development, regional data-sharing and communication needs, and use of evidence-based programs with juvenile and adult offenders that have reduced costs and recidivism. Recent cooperative planning efforts include:

- Design and construction of the Santucci Justice Center Courthouse and County Offices (2006), and more recently, the addition of the new Arraignment Court (2010);
- Planning seminar and implementation of evidence-based approach to addressing repeat DUI offenders (2006);
- Planning for a Countywide digital radio communication network between law enforcement, fire and medical response teams (2002 – present);
- Implementation of evidence-based approaches to reducing juvenile hall populations and improving outcomes (2002);
- Collaborative approach to addressing over-crowding and early releases in the Placer County Jail (2006);
- Expansion of community-based supervision programs such as GPS-monitored release (2007);
- Cross-jurisdictional commitment to utilizing communication technology to increase public and officer safety (APOLLO Project 2010);
- Planning to reduce costs by improving evidence collection, storage and retrieval processes critical for effective prosecution (2011);
- On-going commitment to cost containment that allows the greatest use of available revenues to be utilized for direct public safety services.

However, California's projected budget gap and the Governor's proposed spending cuts and program realignment strategies for public safety have created another opportunity for system-wide planning and coordination.

BACKGROUND

Historic Trends

Over the past few decades, the number of people sent to prison or supervised on probation and parole in the United States has experienced unprecedented growth. From 1985 to 2010, the aggregate State prison population increased by 204 percent, parole caseloads increased by 158 percent, probation caseloads by 122 percent and aggregate spending for corrections among the states increased by 674 percent (VERA Institute of Justice, Summary of National Association of State Budget Officers, State Expenditure Reports, October 2010).

As the economic crisis continues, many state legislatures and governors are using the occasion of new fiscal imperatives to review the sky-rocketing costs of corrections and the ways in which we manage offender populations. These actions are prompted not only in response to overwhelming budget deficits, but by persuasive research about addiction and rehabilitation programs and a growing body of evidence about “what works” to address criminogenic behavior and improve public safety.

Many states, including California, have created commissions and task forces to discuss correctional reform options that would reduce high recidivism rates and offer taxpayers more cost-effective criminal justice systems. States such as Colorado, Kentucky, Iowa, Vermont, and Florida have moved beyond discussions and have begun implementing reform proposals that include: expanding alternatives to incarceration, developing non-prison alternatives for technical violations of parole, expanding credit enhancements for completion of education or treatment programs, increasing thresholds for property crimes to keep pace with inflation, overhauling complex sentencing structures and curtailing use of prison for low-risk, non-violent offenders.

Many of these initiatives have taken form in Governor Brown’s FY 2011-12 budget and public safety Realignment proposals. Done correctly and adequately funded, many believe these Realignment proposals hold the potential to bring tremendous improvement to both the costs and the outcomes for managing California’s correctional populations.

State Budget and Realignment Proposals for Public Safety

The Governor’s budget identifies \$26.4 billion in proposals to address a \$25.4 billion deficit and provides for a \$1 billion reserve. It attempts to solve the budget gap through \$12.5 billion in expenditure reductions, borrowing and funding shifts, the extension of four temporary tax increases set to expire in 2011, and further realignment of services from state to county responsibility.

The Realignment Proposal seeks to restructure the state-local relationship by shifting responsibility for many programs in two phases. Phase I assumes \$5.9 billion of revenue in FY 2011-12 to initiate the shift of responsibilities in public safety programs including: fire and emergency response; local public safety programs; managing low-level offenders and parole violators, adult parole supervision; juvenile justice, court security; adult protective services; child welfare and foster care services; mental health services and substance abuse treatment services.

The \$5.9 billion in funding for these realigned programs would be generated through the extension of the .5 percent rate increase for the Vehicle License Fee (VLF), (\$1.4 billion), and the extension of the one percent in sales tax (\$4.5 billion). The proceeds would be deposited in the Local Revenue Fund and dedicated to local government to offset the cost to counties for the realignment of services.

The second phase of the Governor's Realignment proposal focuses primarily on implementation of national health care reform. It is assumed that costs for indigent health care will shift from the counties to the State, and that the State will assume responsibility for future costs associated with a variety of health care programs including California Children's Services and In-Home Supportive Services, and that counties will assume responsibility for Cal-WORKS, Food Stamp administration, public health, and child support and child care programs.

The specific public safety programs targeted for restructure and realignment under the Governor's proposal are discussed below. The projected impacts to Placer County are reflective of the limited and evolving nature of the detail that currently exists. The proposals are pending the results of a proposed June Special Election, the refinements imposed through the legislative process, and the ongoing discussions between the Administration, and various stakeholders such as the California State Association of Counties (CSAC), the California State Sheriffs' Association (CSSA), the California District Attorneys Association (CDAA) and the Chief Probation Officers of California (CPOC). As currently described the proposals under consideration for public safety are as follows:

Realign Responsibility for "Low-Level" Offenders and Parole Violators: Approximately 35,000 offenders without current or prior serious, violent or sex convictions and 6,500 parole violators would prospectively be shifted to local jurisdictions with the assumption that local jail time and probation services would be utilized in lieu of State prison. In response to concerns raised by various law enforcement groups, the proposal has been revised to exclude certain crimes, and allows jurisdictions to contract with the State for the full cost of housing these offenders in a State facility.

- Potential County Impact:
 - May include responsibility for 87- 403 new offenders that would phase in over a 3-year period;
- Proposed State Funding:
 - \$25,000 per inmate for six months of incarceration, \$3,500 for eighteen months of community supervision and \$2,275 for treatment and programming costs per offender.

Realign Adult Parole to the Counties: The original proposal would have prospectively realigned responsibility for adult parolees to county probation departments. The updated proposal excludes Third-Strike parolees, those with current convictions for serious or violent crimes, and those classified as high risk sex offenders, who would remain on State-run parole. Lower level parolees would return to the community from which they left with the assumption that probation would provide more intensive services and demonstrate improvement to the 76% failure rate of state run parole.

- Potential County Impact:
 - May include responsibility for 400-600 parolees per year;
- Proposed State Funding:
 - \$3,500 for eighteen months of community supervision; and \$2,275 for treatment and programming costs per offender.

Realign Remaining Juvenile Justice Programs: This original proposal would have closed all Department of Juvenile Justice facilities by June 30, 2014 and bring to an end the state's responsibility for treating and housing serious youthful offenders. This revised proposal allows counties to choose between contracting with the State or to serve violent youth through a county program. The state will reassess its role in juvenile justice based on the number of wards the state is supervising on a contractual basis and make subsequent recommendations for the Department of Juvenile Justice at a later date.

- Potential County Impact:
 - Responsibility for supervising an additional ten juvenile offenders per year;
- Proposed State Funding:
 - \$15,000 per year up to two years per juvenile offender.

Continuation of Current Public Safety Programs through Vehicle License Fee:

This proposal provides on-going funding support for specified public safety programs through the dollar for dollar backfill with realignment funds. Currently, Placer County receives approximately \$2.5 million in direct funding from this source for COPS for front-line law enforcement, Juvenile Justice Crime Prevention Act, Rural Sheriffs, Cal-MMET (methamphetamine interdiction), and other key programs. If the VLF funding is not extended, and if substitute funding is not identified, there would be a significant impact to these programs.

Court Security: This proposal shifts the responsibility for court security funding to the counties which, under current law, is defined as a court operation with costs covered out of the Trial Court Trust Fund. Under this proposal, counties, courts, and Sheriffs' Offices would negotiate service levels and funding agreements for court security. Although current funding would transfer with the responsibility, future cost increases would fall to the counties.

- Proposed State Funding Shift:
 - \$485 million in 2011-12; fixed funding;
- County Impact:
 - Unknown Placer County impact, as it would be dependent upon future negotiated service agreements.
 - The current Court Security contract between Placer County Sheriff's Office and the Superior Court is \$3.7 million. Fixed funding would not allow for growth or adjustments to accommodate current and future security needs.

On March 6, 2011, CSAC President John Tavaglione authored a letter to Governor Brown on behalf of California counties expressing conceptual support for the revised Realignment proposal. However, he also notes the counties interest in having Constitutional protections regarding revenue stability and predictability, program certainty and flexibility and an acceptable level of financial risk.

As of March 16, 2011, the California State Association of Counties (CSAC), the California State Sheriffs' Association (CSSA), and the Chief Probation Officers of California (CPOC) have authored letters in support of the Governor's revised plan.

Potential Funding Impact for Placer County

The Governor's Realignment proposal to shift responsibility for low-level offenders, parole violators, and adult parolees to the counties could result in additional pressure on Placer County's General Fund to cover full costs not reimbursed by the State. Based on revised proposals, the total number of new offenders that could be realigned to Placer County ranges from 487 to 1003 when fully phased in – anticipated to occur between FY 2011-12 and FY 2014-15. These offenders reside throughout Placer County as follows: Roseville-28 percent; Auburn-19 percent; Auburn outlying communities (Colfax, Meadow Vista, Weimar, etc.)-12 percent; Rocklin-11 percent; Lincoln-9 percent; Tahoe-6 percent; and 15 percent in the unincorporated area (Loomis, Granite Bay, etc.). Projected costs for incarceration, alternative custody, community supervision, and treatment and other necessary programming costs are estimated to range from \$8.4M to \$39.2M, with proposed Realignment revenue offsets ranging from \$4.4M to \$13.9M. The net result is a potential exposure to the County's General Fund of \$4.0M to \$25.3M in new, unreimbursed costs in these areas over this three-year period.

Although the Governor's proposal includes revenue reimbursements of \$25,000 for incarceration, \$3,500 for community supervision, and \$2,275 for treatment programs per offender, these revenues are: 1) dependant on voter approval and are guaranteed for only five years; 2) appear to be insufficient to fully cover costs (particularly for the level of treatment and other programming services required by this level¹); and 3) are not reflective of current State laws and local sentencing and supervision practices. A central underpinning to Governor Brown's Realignment proposals, and the associated funding proposals, is that criminal justice officials and policy makers will turn to this growing body of evidence and replicate some of the cost-effective alternatives being implemented in other states in the following categories:

- Alternatives to prison for lower-level offenders;
- Revisions to mandatory sentencing structures for lower-level drug and property crimes;
- Mandatory supervision and treatment programs;
- Enhanced credits for completion of treatment and educational programs.

¹ Placer County's costs for treatment and mental health services range from \$11,500 to \$17,000 annually depending on severity of assessed need. Proposed State Realignment funding for treatment and other programming services is \$2,275.

It is important to note that the population and cost projections for Placer County discussed above are based on the following assumptions:

- No revisions to existing state sentencing structures for lower level crime and property offenses;
- No revisions to the allowable time credits for “good time” or completion of educational or treatment programs;
- No revisions to local policies regarding criteria for participation in alternative sentencing programs;
- No revisions to local policies regarding community supervision requirements.

Changes in these areas could result in significant reductions to Placer County's projected overall costs and bring them into closer alignment with the State's funding proposals.

Policy Considerations and Next Steps

Over the past ten to twenty years a tremendous amount of knowledge has evolved around what works in the field of corrections to not only reduce costs, but also to reduce recidivism and improve public safety. Key findings from the field of corrections and from Placer County's recent experiences in offender management reinforce the importance of:

- Insuring adequate support after release from incarceration;
- Beginning re-entry efforts before offenders leave incarceration by establishing a transition plan and links to the community;
- Using tested and proven risk-based assessments for determining appropriate level of treatment intervention and suitability for supervised release;
- Developing processes that effectively calibrate intensity of County resources to offender risk and need;
- The need for sufficient jail beds to “anchor” the justice system and that allow for swift and certain response for non-compliant behavior and program failures;
- Policy that is developed through a formal planning process based on review of the local offender population and their specific risks and needs;
- A process for continual review and refinement of policies and operational approaches based on offender outcomes and public safety results.

The Corrections Planning Committee recommends the following next steps:

- Continue recent planning efforts with the full Criminal Justice Policy Committee around the completion of the South Placer Adult Correctional Facility and the Governor's Realignment proposals;
- Clarify and define the adult offender populations anticipated to be realigned to Placer County's responsibility as the State's proposal evolves;
- Conduct an assessment of system-wide needs for this anticipated population in the following areas: County jails beds, alternative sentencing and probation supervision, substance abuse treatment and mental health services, and other related programming requirements;
- Develop recommended options and funding mechanisms for further consideration and future direction from your Board.