



To: All CPPCA Members

From: Danielle Sanchez, Danielle@wpssgroup.com

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Subject: Governor Brown Releases January 2018-19 Proposed Budget

Today, Governor Brown released a proposed \$131.7 billion General Fund budget plan for 2018-19. Despite revenues being up, the Governor remains committed, as he has been over the last several years, to building up the Rainy Day Fund and not making new ongoing program commitments in an effort to prepare the State for future fiscal fluctuations and a potential recession. The Budget proposes to bring the Rainy Day Fund to 100 percent of its constitutional target.

Additionally, the Governor's proposed budget makes no assumptions about federal funding sources changing or impacts of the federal tax changes at this time; however, potential impacts will be closely monitored by the State and changes could be required in the May Revision.

We continue to see ongoing investments proposed in many key public safety programs such as SB 678, CCP training grants, and PRCS Mitigation funding among others. Additionally, there is funding proposed for mental health diversion and a number of other program areas that intersect with the criminal justice system. As is often the case with the January budget, we expect to know a lot more information relative to State revenues by the release of the May Revision. We will be actively engaged in budget conversations as committees and subcommittees take up budget proposals for review and approval over the coming months.

The final budget is due to the Governor by June 15 and must be signed into law by July 1, 2018.

You can access the full budget summary at: <http://www.ebudget.ca.gov/FullBudgetSummary.pdf>

Public Safety Items of Interest

- **PRCS Mitigation Funding** – The Budget proposes \$29 million to be appropriated directly to probation departments to address the temporary increase in the ADP of offenders on PRCS as a result of Proposition 57.

- **SB 678** – The budget includes \$106.4 million in 2018-19, a decline from \$114.9 in 2017-18.
- **Continuum of Care Reform Resources** -The Governor’s proposed budget provides \$238.2 million (of which \$179.7 is state general fund) in funding for CCR. Funding for Second Level Reviews and Resource Family Approval (RFA) increase slightly from the previous year, while Child and Family Team (CFT) funding decreases slightly. The Foster Parent Recruitment, Retention and Support (FPRRS) program funding is reduced by 50% from 2017-18.
- **PRCS Handoff** – The budget includes narrative about the need to improve the transition of inmates from state custody to local supervision. The budget talks about efforts between CDCR and county probation departments to implement pre-release video conferencing, CDCR web-based training to help communicate the State’s release process and protocols with probation, the development of protocols among CDCR, Receiver’s office, and probation for the release of offenders who are medically compromised, and the automation of pre-release information.
- **CCP Implementation Grants** - The budget continues to propose \$7.9 million to go out to the counties that report on their realignment efforts to the BSCC. Counties are eligible to receive funding if they submit a report to the Board of State and Community Corrections annually that provides information about the implementation of the Community Corrections Partnership plan accepted by the County Board of Supervisors pursuant to Section 1230.1 of the Penal Code.
- **Realignment Chart** - The 2011 Realignment projections reflect the strong economic growth seen in California. In the realignment chart you will see the breakdown of the funding by program. Total funding for the AB 109 Community Corrections Account for the 2018-19 fiscal year is \$1.325 billion with the growth subaccount projected to be \$81.5 million. Recall that the baseline funding for the AB 109 account is calculated using the base funding from the previous year and adding the previous year’s growth subaccount funding. So AB 109 baseline for the 2018-19 year is calculated by adding \$1.241 billion (17-18 baseline) and \$84.3 (17-18 growth subaccount) which totals \$1.32 billion. It is also important to note that the Enhancing Law Enforcement Activities Subaccount (ELEAS) is projected to receive an estimated \$201.4 million in the 2017-18 growth subaccount and \$209.7 million in 2018-19 growth subaccount.
- **STC/POST** - State Penalty Fund revenues continue to decrease as they have over the past several years, due largely to a significant decrease in traffic citations. As a result, the budget proposes to reduce STC funding to \$17 million, down from \$17.3 million in 2017-18. POST would also see a proposed reduction from \$47.2 million to \$43.8 million in addition to other victims’ programs being reduced.

California Department of Corrections and Rehabilitation

- **Funding** – The budget proposes total funding of \$12 billion (\$11.7 billion General Fund and \$313 million other funds) for the Department in 2018-19.
- **Population** – The 2018-19 adult population is project to decline by .2 percent to 127,412 primarily as a result of the implementation of Proposition 57. The Division of Juvenile

Justice's average daily youth population is projected to decrease by 121 in 2017-18 and by 91 in 2018-19. This decrease is attributable to Proposition 57 population increase not materializing as projected.

- **DJJ Age of Jurisdiction** – The budget proposes to change the age of jurisdiction at DJJ from 23 back to 25 citing brain development research and the benefits of providing rehabilitative programming designed for young offenders to this population.
- **Young Adult Offender Pilot Program** – The budget includes \$3.8 million to establish two housing units at state juvenile facilities to support a Young Adult Offender Pilot Program that would divert a limited number of young adult offenders from adult prison to a state juvenile facility. The program will allow these offenders to benefit from specialized rehabilitative programming designed for young offenders. CDCR will develop criteria for placement in the program.
- **Rehabilitation Programs** – The Budget includes \$454.4 million General Fund for the Division of Rehabilitative Programs. The budget also includes \$6.7 to expand Career Technical Education programming, \$2.5 million to provide for inmate activity groups now eligible for Rehabilitative Achievement Credits under Prop 57, and \$4 million Inmate Welfare Fund to provide rehabilitative programming grants to non-profits.
- **Prison to Employment Initiative** – The budget includes \$16 million for the Statewide Prison to Employment Initiative, a partnership of the CA Workforce Development Board, CDCR, and the CA Prison Industry Authority.
- **Firefighter Training and Certification Program** –The Budget includes \$26.6 million General Fund to establish a Firefighter Training and Certification Program for 80 PRCS and parolees to provide the necessary education and training to become a fully certified firefighter. This proposal would create a training center at the Ventura Conservation Camp and will be a joint effort of CDCR, CAL FIRE, and the CA Conservation Corp.

CDCR and CAL FIRE will jointly select participants for the program, with priority recommendation given to individuals that were housed at fire camps while incarcerated. The program will be 18 months and upon completion, participants will be qualified to apply for entry-level firefighting jobs with local, state and federal firefighting agencies.

Department of State Hospitals

- **Incompetent to Stand Trial** - The Department continues to experience a significant increase in the number of Incompetent to Stand Trial (IST) admission referrals from local courts, with annual referrals growing by approximately 33 percent since 2013-14. Referrals continue to outpace capacity, with the IST pending placement list of approximately 840 individuals as of early December 2017 compared to 600 in December 2016.
- **Mental Health Diversion** - To help address the IST waitlist and corresponding needs, the Budget proposes \$100 million General Fund which would be available over three years for community alternatives to increase diversion of mentally ill offenders and decrease county IST referrals to state hospitals. The program will prioritize contracts with the 15 counties that have the majority of IST referrals to develop and expand diversion programs to support

up to 640 placements. Additionally, the budget includes \$14.8 million General Fund to develop a partnership with Los Angeles County to serve up to 150 IST patients in community settings.

- **Jail-Based Competency Treatment Beds** – The budget proposes \$16.1 million General Fund to allow the DSH to contract for up to 159 jail-based competency treatment beds through existing and new county jail programs.

Judicial Branch

- **Funding** – The budget includes \$150 million to support efforts by the Judicial Council to improve and modernize trial court operations and increase access.
- **Court Appointed Special Advocates** - This Program provides grants to trained volunteers assigned by a juvenile court judge to youth in foster care. The Budget includes \$500,000 for this Program, and will leverage outside investments to directly serve approximately 2,200 additional foster youth.
- **Trial Court Construction** - The Budget includes \$32.2 million from the Immediate and Critical Needs Account to complete the design of three courthouse projects in Riverside/Mid-County, Sonoma and Stanislaus. The Budget also commits to completing construction for the next ten courthouse projects ready to proceed to construction from lease revenue bonds in the next two years, namely, projects in Imperial, Riverside/Indio, Shasta, Siskiyou, and Tuolumne in 2018-19 and projects in Glenn, Riverside/Mid-County, Sacramento, Sonoma, and Stanislaus in 2019-20. You may recall that due to revenues that did not materialize, 17 court construction projects were halted in 2012.

Proposition 47

- **Funding** – The Department of Finance currently estimates net savings of \$64.4 million for Proposition 47 when comparing 2017-18 to 2013-14, an increase of \$18.8 million over the estimated savings in 2016-17. Ongoing savings are currently estimated to be approximately \$69 million. Please note that this applies to the third and final year of the currently awarded grants.

Department of Justice

The budget notes that the Administration will continue working with the Attorney General's Office on a funding proposal to implement SB 384, the tiered registration system for sex offenders that will begin on January 1, 2021.

Other Items of Interest

- **California Online College** – The budget proposes the creation of a fully online California community college to assist underserved working students with scheduling flexibility and more accessible learning options. The initial phase will entail focusing on developing content and programs that provide vocational training, career advancement opportunities and credentialing for careers.