

# SUBCOMMITTEE NO. 5

# Agenda

Senator Nancy Skinner, Chair  
Senator Joel Anderson  
Senator Jim Beall



Tuesday, May 15, 2018  
1:30 p.m.  
State Capitol - Room 113

Consultant: Christopher Francis

<u>Item</u>	<u>Department</u>	<u>Page</u>
<b>Vote-Only Items</b>		
<b>0250</b>	<b>Judicial Branch</b>	
Issue 1	Language Access Plan Implementation	3
Issue 2	Technical Adjustment to Reimbursements	3
Issue 3	Trial Court Employee Benefits Adjustment	3
Issue 4	Trial Court Trust Fund Revenue Shortfall Adjustment	3
<b>0820</b>	<b>Department of Justice (DOJ)</b>	
Issue 5	Cybersecurity Program Resources	3
<b>8120</b>	<b>Commission on Peace Officer Standards and Training (POST)</b>	
Issue 6	Peace Officer Training Course Restoration Trailer Bill Language	4
<b>5227</b>	<b>Board of State and Community Corrections (BSCC)</b>	
Issue 7	Post Release Community Supervision Population	4
<b>5225</b>	<b>Department of Corrections and Rehabilitation (CDCR)</b>	
Issue 8	Office of Research Resources	4
Issue 9	January Capital Outlay Proposals	5
Issue 10	Mental Health Bed Management	6
Issue 11	Roof Replacement and Mold Remediation	7
Issue 12	Health Care Access Vehicles	7
Issue 13	Parole Non-Ratio Positions	8
Issue 14	Career Technical Education Expansion and Equipment Refresh	8
Issue 15	Rehabilitative Achievement Credit Staffing	8
Issue 16	Case Records Training Team	8
Issue 17	Psychiatry Registry Funding	9
Issue 18	Court Resentencing Petitions	9

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**Discussion Items**

<b>5225</b>	<b>Department of Corrections and Rehabilitation (CDCR)</b>	
Issue 19	General Population Adjustment	10
Issue 20	Hepatitis C Treatment Funding	10
Issue 21	Contraband Interdiction Program	11
Issue 22	Overtime Base Budget Adjustment	13
Issue 23	Training Initiatives	14
Issue 24	Medical Guarding and Transportation	15
Issue 25	Healthcare Services for Reentry Programs	16
Issue 26	Correctional Counselor I Ratio Adjustment	16
Issue 27	Juvenile Justice ID Card Trailer Bill Language	17
<b>0250</b>	<b>Judicial Branch</b>	
Issue 28	Capital Outlay, Trial Court Construction	18
Issue 29	County Office of Education Offset of Trial Court General Fund Support	19
<b>5227</b>	<b>Board of State and Community Corrections (BSCC)</b>	
Issue 30	Standards and Training for Local Corrections Trailer Bill Language	21
<b>0820</b>	<b>Department of Justice (DOJ)</b>	
Issue 31	Cybercrime Investigation Teams	21
Issue 32	Sex Offender Registry	22
Issue 33	Statewide Forensics Services	24

**Public Comment**


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**PROPOSED FOR VOTE ONLY****0250 JUDICIAL BRANCH**

1. **Language Access Plan May Revise Proposal.** The Judicial Council requests an ongoing augmentation of \$4.0 million General Fund and three positions beginning in 2018-19, to advance the Strategic Plan for Language Access in the California Courts (Language Access Plan) adopted in January 2015. The request will provide funding for infrastructure and foundational items requested in the Judicial Branch Language Access Plan: 1) electronic and stationary signage; 2) court interpreter credential review; 3) language access training; 4) language access infrastructure and equipment; and 5) staff to administer the programs, distribute funding to the courts for equipment and infrastructure, and maintain the online Language Access Toolkit.

**January Governor's proposal.** The Judicial Council requested a one-time augmentation of \$4.0 million General Fund in 2018-19 to further advance the implementation of the Strategic Plan for Language Access in the California Courts adopted in January 2015.

**Previous Subcommittee Hearing.** This item was part of the subcommittee's April 19, 2018 hearing. The agenda and video recordings from that hearing are available on the State Senate website.

2. **Technical Adjustment to Reimbursements May Revise Letter.** The Administration requests that Item 0250-001-3037 be amended by decreasing reimbursements by \$4,000,000, and that Item 0250-001-3066 be amended by increasing reimbursements by \$4,000,000 for a net-zero technical correction to reflect reimbursement amounts within the correct funds.
3. **Trial Court Employee Benefits Adjustment May Revise Letter.** The Administration requests that Items 0250-101-0932 and 0250-111-0001 each be decreased by \$966,000 to reflect the updated health benefit and retirement rate changes for trial court employees.
4. **Trial Court Trust Fund Revenue Shortfall Adjustment May Revise Letter.** The Administration requests that Item 0250-113-0001 be decreased by \$20,452,000 to reflect a reduction to the amount needed to backfill revenue shortfalls, based on the most current estimates of Trial Court Trust Fund fee revenues for fiscal year 2018-19.

**0820 DEPARTMENT OF JUSTICE (DOJ)**

5. **Cybersecurity Program Resources May Revise Proposal.** The Department of Justice (DOJ), Division of California Justice Information Services, requests \$2,251,000 General Fund in FY 2018-19, and \$1,942,000 General Fund in 2019-20 and ongoing, along with six permanent positions, to provide additional resources to the cybersecurity program to ensure the information security of law enforcement networks throughout California. The additional resources will help safeguard the integrity and security of the California Law Enforcement Telecommunications System (CLETS) and other DOJ information assets and ensure that California's stringent laws related to cybersecurity are fairly and adequately enforced. The program aims to further protect California consumers by providing an additional avenue for reporting cybercrime. Currently, the majority of local enforcement agencies (LEAs) direct complaints of cybercrimes to the FBI as they are not equipped to investigate the incidents at the

local level. The program would allow citizens two ways to report cybercrimes to the DOJ Cybersecurity Program: directly via the Attorney General's web site, and through their local LEAs, who could direct reports to the DOJ as necessary.

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

- 6. Peace Officer Training Course Restoration Trailer Bill Language and May Revise Proposal.** The Administration requests \$3.41 million State Penalty Fund to restore various training programs to 2017-18 funding levels. The reduction proposed by the Governor's budget in January would instead have decreased the number of Sherman Block Supervisory Leadership Institute, Robert Presley Institute of Criminal Investigation, and Command College training courses. The May Revision also requests that trailer bill language be added to amend the Penal Code and the Health and Safety Code to replace references to the Peace Officers' Training Fund, which is no longer used by the Commission on Peace Officer Standards and Training, with the State Penalty Fund.

## **5227 BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)**

- 7. Post Release Community Supervision Population May Revise Letter.** The Administration requests that Item 5227-106-0001 be decreased by \$820,000 to adjust the amount provided to county probation departments to supervise the average daily population of offenders on Post Release Community Supervision. The adjustment reflects a revised estimate of the temporary increase in the number of offenders 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 May Revise Proposal for Issue 1 and approve Issues 2-7 as proposed in May Revision Letters and Proposals.

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

**Previous Subcommittee Hearings.** Issues 9-16 were originally proposed as part of the Governor's January Budget. Issue 9 was discussed during the subcommittee's March 8, 2018 hearing. Issues 10-13 were discussed during the subcommittee's March 15, 2018 hearing. Issues 14-16 were discussed during the subcommittee's April 5, 2018 hearing. The agenda and video recordings from those hearings are available on the State Senate website.

- 8. Office of Research Resources.** The proposed budget requests \$755,000 General Fund and six positions ongoing for CDCR's Office of Research. The Office of Research is responsible for publishing a variety of reports, ranging from statistical summaries of CDCR's adult and juvenile offender populations to evaluations of innovative rehabilitative treatment programs. In addition, the office is responsible for producing population projections twice a year, upon which the CDCR budget is built. The Office of Research also carries out short-term and long-term evaluations for programs within CDCR, conducts research projects to enhance the classification of offenders according to their treatment needs and risks, conducts research designed to assess facility program needs, and provides research-based information to CDCR

administrators and staff, and facilitates external research requests to others (Governor, legislators, press, etc.).

**Staff Recommendation.** Approve as proposed.

**9. January Capital Outlay Proposals.** The following Capital Outlay proposals were previously heard:

- a) **MEDICATION DISTRIBUTION IMPROVEMENTS – 14 INSTITUTIONS.** The budget requests \$3.3 million General Fund for design and construction of a second phase of medication distribution improvements at 14 institutions. These projects are required to address recent population changes, along with projects inadvertently omitted from the original phase. While this request is combined into one proposal for efficiency purposes, this is not a joint appropriation; it is 14 separate projects with the same objective.
- b) **CLASSROOM SPACE – PELICAN BAY.** This proposal requests \$1 million General Fund for the preliminary plans, working drawings and construction necessary to modify an existing 2,500 square foot storage room in Facility D at Pelican Bay State Prison (PBSP) into three separate classrooms to support education and cognitive behavioral treatment (CBT) programming. Education courses will include career technical education (CTE), adult basic education (ABE), and college courses. The CBT program includes substance use disorder treatment (SUDT), anger management, criminal thinking, and family relationships.
- c) **NEW CLASSROOMS FOR COGNITIVE BEHAVIORAL THERAPY – CSP SACRAMENTO.** This proposal requests \$459,000 for the preliminary planning phase of a project to construct three 1,300 square foot classrooms with inmate and staff restrooms and staff offices to support the CBT program at California State Prison, Sacramento (SAC). Classes include SUDT, anger management, criminal thinking, and family relationships.
- d) **COGNITIVE BEHAVIORAL TREATMENT SPACE – SAN QUENTIN.** This proposal requests \$296,000 General Fund for the preliminary planning for the remodel of approximately 8,000 square feet of vocational Building 32 for CBT programs at San Quentin State Prison.
- e) **AIR COOLING – CALIFORNIA INSTITUTION FOR MEN.** This proposal requests \$935,000 General Fund for the preliminary planning phase of a project to install evaporative cooling units with required fire/life/safety improvements in Facility A housing units at the California Institution for Men (CIM) to ensure that indoor temperatures will be maintained at or below 89° Fahrenheit (F) in accordance with the CDCR's Design Criteria Guidelines (DCG). Facility A housing units were built in 1952 when air cooling systems were not required by departmental standards.
- f) **STATEWIDE MINOR CAPITAL OUTLAY PROGRAM.** The Administration requests \$609,000 General Fund to fund one project for 2018-19 for the construction of minor capital outlay improvements at the CDCR's adult and juvenile.

- g) **BUDGET PACKAGES AND ADVANCE PLANNING – STATEWIDE.** The budget includes \$250,000 for CDCR to perform advance planning functions and prepare budget packages for capital outlay projects. This would enable CDCR to provide detailed information about the scope and costs of requests for planned projects.
- h) **PHASE II: 50-BED MENTAL HEALTH CRISIS FACILITIES – RJ DONOVAN AND CALIFORNIA INSTITUTION FOR MEN.** The budget requests the second phase of funding for the creation of two 50-bed mental health crisis facilities. Specifically, it proposes \$3.6 million General Fund for the working drawings phase of a project to construct a licensed 50-bed Mental Health Crisis Facility at Richard J. Donovan Correctional Facility (RJD) and \$3.4 million General Fund for the working drawings phase of a project to construct a licensed 50-bed Mental Health Crisis Facility at California Institution for Men (CIM).

**Staff Recommendation:**

- Approve items a-g as proposed.
- Reject item h to the extent additional mental health crisis beds are necessary in the future. Approve budget bill language requiring that the department reports how they will address future need with additional beds that could be used more flexibly (“flex beds”) rather than costly construction projects.

**10. Mental Health Bed Management.** The proposed budget requests \$20.1 million General Fund and 115.9 positions ongoing to address the shortage of mental health treatment beds, improve health care data reporting, and manage patient referrals. Specifically, the primary components of the request are the following:

- a) **Activate 60 Flex Beds.** This proposal includes 55 positions to convert 60 high-custody intermediate care facility (ICF) beds at the California Medical Facility (CMF) and the California Health Care Facility in Stockton into flex beds. According to the Administration, these beds would be staffed in a manner that allows them to flex between being used as high-custody ICF beds, acute psychiatric program (APP) beds, or mental health crisis beds (MHCBS). Since MHCBS have higher staffing requirements than inpatient psychiatric program beds, the requested funds would add enough staff to the 60 existing ICF beds so that they are always staffed like MHCBS and, thus, can be used to meet multiple bed needs.
- b) **Activate 15 MHCBS and Five Flex Beds.** This proposal includes 40.2 positions to activate 15 MHCBS and five flex beds for the California Institution for Women (CIW).
- c) **Increase Health Care Placement and Oversight Program (HCPOP) Staff.** The proposal includes funding for HCPOP to: (1) continue the five existing, limited-term positions on an ongoing basis, and (2) add three new permanent positions. According to the Administration, this would allow HCPOP to review referrals for appropriate housing assignments more quickly and better manage the mental health patient movement process.
- d) **Require CDCR to Conduct Mental Health Projections.** The proposal includes an increase of nine positions for CDCR’s Office of Research to use the court-approved methodology to conduct mental health population projections, rather than McManis Consulting. (This would be

in addition to the \$150,000 currently provided to McManis Consulting.) According to the Administration, moving the mental health projections from the contractor to CDCR would demonstrate to the court that the department can do these projections internally. The department states that it needs approval from the federal court, which it is in the process of seeking, to be able to do its own projections. CDCR indicates that the current contract with McManis Consulting is likely necessary through the end of 2020-21 to allow the department to develop its own projections in accordance with the court-approved methodology.

- e) ***Increase Inpatient Reporting Unit (IRU) Staff.*** The proposal includes funding for IRU to: (1) continue the two existing, limited-term psychologists on an ongoing basis, and (2) add four additional psychologists. According to the Administration, this would allow additional clinical reviews of referrals to take place and reduce the number of MHCB patients that remain in the beds beyond the ten-day limit established by the court.

**Staff Recommendation:** Adopt the LAO recommendation. This recommendation includes the following:

- Since the need for flex beds is estimated to be short-term in nature, the LAO recommends providing funds for the 60 flex beds on a four-year, limited-term basis. This would allow the department to address the near-term need for MHCBs—as well as any unexpected increases—until the need for these additional beds is projected to be eliminated.
- Approve supplemental reporting language requiring the department to report annually starting on January 10, 2019, for the next four years on how frequently the flex beds were used as MHCBs, ICF beds, or APP beds.
- Reject the proposed research staff since the proposed resources have not been fully justified.
- Approve staffing changes for HCPOP and IRU. The additional staff requested for these units would allow CDCR to manage referrals more quickly, which would further reduce the need for costly MHCBs and inpatient psychiatric program beds.

- 11. Roof Replacement and Mold Remediation May Revise Proposal.** The CDCR requests in its May Revision proposal an adjustment to the January proposal to: (1) align funding for interior water damage repairs with a refined system-wide needs assessment, (2) add funding for roof replacement design activities at four prisons in 2018-19, and (3) add funding for roof replacements at a third prison in 2019-20. This adjustment results in a reduction of \$8.4 million General Fund in 2018-19 and an increase of \$22.6 million General Fund in 2019-20.

**January Governor's proposal.** The Governor's budget requested \$60.7 million General Fund in 2018-19 for roof repairs at three state facilities and \$20 million to repair interior water damage caused from roof leaks at various facilities. In addition, the budget requested \$58.2 million General Fund in 2019-20 for roof replacements at two additional prisons.

**Staff Recommendation:** Adopt the May Revision proposal.

- 12. Health Care Access Vehicles.** The Governor's budget proposed \$17.5 million from the General Fund on a one-time basis in 2018-19 to purchase 338 vehicles that are used for transporting inmates to health care and other appointments (such as attending court). Specifically, the budget proposes \$14.6 million to replace 291 existing health care vehicles ranked highest in CDCR's replacement priority order and \$2.9 million for 47 additional health

care vehicles—thereby increasing the size of the department’s vehicle fleet. According to CDCR, it intends to either dispose of or sell at the state auction the vehicles proposed for replacement.

**Staff Recommendation:** Approve as proposed.

**13. Parole Non-Ratio Positions.** The CDCR requests \$2.3 million General Fund and 23 positions in 2018-19 and ongoing to provide the Division of Adult Parole Operations the staff necessary to support field operations and ratio-driven staff. Non-ratio staff support the activities of the ratio-driven supervision positions through development and maintenance of service contracts, procurement of necessary equipment and supplies, and all human resource activities including management of workers' compensation claims and coordination of return-to-work tasks.

**Staff Recommendation:** Adopt the LAO recommendation. This includes:

- Approve requested funding and positions for 2018-19.
- Direct the department to utilize a budgeting methodology that is based on specific staffing ratios and takes into account the size and composition of the parolee population, and to annually adjust the total number and type of positions needed each year—not just for direct-supervision positions.
- Require the department to report at future budget hearings during BY 2018-19 on a timeline for incorporating support staff into the annual parole staffing adjustment.

**14. Career Technical Education Expansion and Equipment Refresh.** The CDCR requests \$8.2 million General Fund and 21.5 positions in 2018-19, and \$4.5 million in 2019-20 and ongoing, to expand Career Technical Education (CTE) programming to 13 additional sites and replace and refresh core equipment statewide. This proposal contains two components: (1) expanding the CTE programs and (2) refreshing equipment.

**Staff Recommendation:** Approve as proposed.

**15. Rehabilitative Achievement Credit Staffing.** The CDCR requests \$2.5 million General Fund and 13 positions in 2018-19 and ongoing to implement a Rehabilitative Achievement Credit (RAC) earning program associated with the passage of Proposition 57. Additional Self-Help Sponsors (SHS) funds will ensure that the institutions can expand Inmate Activity Groups (IAGs) to meet inmate demand for RAC-eligible programs. SHSs will sponsor IAGs throughout the institutions and rove between various volunteer support groups to ensure attendance is tracked and input into Strategic Offender Management Systems. The \$1.5 million in SHS funds will allow the Department to obtain an additional 84,602 hours of programming.

**Staff Recommendation:** Approve as proposed.

**16. Case Records Training Team May Revise Proposal.** The CDCR requests \$444,000 General Fund in 2018-19 and ongoing and three positions to provide sentencing and computation training to all adult institutions. Case Records Administrators (CRAs) have been actively preparing training material and providing training to Case Records staff in all 35 adult institutions specific to changes in calculations as a result of Proposition 57 implementation. In doing so, the Regional CRA trainers discovered disparate levels of knowledge in the Case Records offices statewide on overall sentencing calculations. Case Records staff are responsible for determining an inmate's credit-earning rate based on sentencing laws and regulations and



for an accurate interpretation and calculation of an inmate's release date or Board of Parole Hearing date. Each time a change is introduced, it requires the CRAs, who are the subject matter experts, to complete a revised or newer method for manual calculations, and to develop training modules, deliver training to staff, and provide updated materials to automate the calculations.

**Staff Recommendation:** Approve as proposed.

**17. Psychiatry Registry Funding May Revise Proposal.** California Correctional Health Care Services, on behalf of the Division of Health Care Services, within CDCR, requests \$18.1 million, on a two-year limited term basis beginning in fiscal year 2018-19, to offset the difference in cost between mid-step funding and contracted costs for registry psychiatrists at California's institutions. This request also includes Budget Bill Language that specifies the requested funding will be used for psychiatry registry purposes and any remaining funds at the end of the year shall revert to the General Fund. The CDCR continues to experience difficulty recruiting and retaining a sufficient number of psychiatrists within the institutions. Among the reasons cited for not filling the vacancies are a nationwide shortage of psychiatrists, making competition for their services very competitive; the undesirability of working in an institutional setting to many health care professionals; and the remote locations of many of the State's correctional facilities.

**Staff Recommendation:** Approve as proposed.

**18. Court Resentencing Petitions May Revise Proposal.** The CDCR requests \$2 million General Fund in 2018-19, \$1.9 million in 2019-20, and \$1.5 million in 2020-21 and ongoing to fully utilize Penal Code section 1170(d)(1), which allows the Department to request the recall and resentencing of inmates who have exhibited exceptional conduct or whose records contain sentencing errors. This request includes funding for 13 permanent positions and two, two-year limited term positions. Currently, the CDCR uses the provision under PC section 1170(d)(1) on a limited basis for the recall and resentencing of inmates who demonstrate exemplary behavior during incarceration.

**Staff Recommendation:** Approve as proposed.

## ITEMS TO BE HEARD

### 5225 DEPARTMENT OF CORRECTIONS AND REHABILITATION

#### Issue 19: Population Adjustments

**May Revise Proposal.** The May Revision requests the following population adjustments based upon updated caseload projections and additional alternative custody program placements:

**Adult Population Adjustment** – This reflects a net decrease of \$21.8 million and a net increase of 37.3 positions, which is comprised of a reduction of \$21.8 million General Fund and an increase of \$28,000 Inmate Welfare Fund. The May Revision reflects an estimated average daily population of 126,890 in fiscal year 2018-19, which is 522 fewer than projected in the Governor's budget. The projected parolee average daily population is 48,535 in 2018-19, which is a decrease of 1,259 compared to the Governor's Budget projection.

**Juvenile Population Adjustment** – The May Revision includes a decrease \$259,000 General Fund and 1.7 positions and an increase of reimbursements by \$33,000. The May Revision reflects an estimated average daily population of 646 wards in 2018-19, which is one more ward than projected in the Governor's budget.

**Staff Comment.** The subcommittee discussed the Governor's January population projections during its March 8, 2018 hearing. In addition, the subcommittee had an in-depth discussion of CDCR's juvenile justice programs during its April 5, 2018 hearing. Agendas and video recordings from both hearings are available on the State Senate website.

**Staff Recommendation.** Hold open.

#### Issue 20: Hepatitis C Treatment Funding

**May Revise Proposal.** The California Correctional Health Care Services (CCHCS) is requesting an augmentation of \$105.8 million annually in General Fund for three Fiscal Years (FY), beginning in FY 2018-19, and ongoing through FY 2020-21, to enable CCHCS to fully implement the expansion of the hepatitis C virus (HCV) treatment program. This funding will result in a total budget of \$165 million for HCV treatment in FY 2018-19. After FY 2020-21, the baseline HCV treatment funding will be evaluated and adjusted as needed to meet the needs of the projected population to be treated.

**Background.** Chronic HCV infection is a major causal factor in the development of end-stage liver cirrhosis, which is a leading cause of hospitalizations and death in incarcerated patient populations, including in the CDCR adult institution population.

Prevalence of HCV among CCHCS's patient population is estimated to be 16.4 percent, which is much higher than in the community (one percent), and is comparable to that of the Veterans Administration (VA) which ranges from 6.6 to 21.7 percent. Estimates of HCV prevalence are likely underestimations of the true prevalence of HCV in California's prison system since most infections are asymptomatic.

The United States Centers for Disease Control (CDC) estimates each reported HCV case represents 13.9 actual cases.

As of September 2017, the prevalence of HCV infection, based on positive serology and detectable viral loads for those inmates who were tested, was 16.4 percent or 16,365 patients (out of 99,647 patients tested). If the prevalence of 16.4 percent is applied to the 33,418 inmates who have not been tested, the additional number of inmates potentially eligible for treatment is 5,480, which totals 21,845 eligible patients. Of the nearly 22,000 inmates infected with HCV, approximately 10 percent have stage 3 or 4 liver fibrosis or other co-morbidities necessitating treatment in the next 12 months, with the remaining patients, primarily with stage 0-2, being eligible for treatment within three to five years.

Historically, chronic HCV treatment required up to 48 weeks of medication, had significant side effects, and had limited effectiveness. However, significant advances in HCV treatments have occurred over the past five years with the release of a new class of medication called direct-acting antiviral agents. There is now an increased number of medications available for treatment, treatments can be completed in a shorter duration (typically within 12 weeks), have fewer side effects, and are more effective. The possibility of curing 95 to 99 percent of the infected population is now available with these new treatment regimens, regardless of the patients' stage of disease.

This request would allow CCHCS to expand HCV treatment to all inmates infected with the disease, regardless of their stage of progression, consistent with new treatment guidelines issued in December 2017. The additional resources would allow CCHCS to increase the number of patients treated for HCV from 2,300 in FY 2017-18 to an estimated 6,600 patients per year in FY 2018-19 through FY 2020-21.

**Staff Recommendation.** Hold Open.

### **Issue 21: Contraband Interdiction Program**

**May Revise Proposal.** The CDCR is requesting \$9.1 million General Fund in 2018-19 and \$8.3 million General Fund in 2019-20 to implement a two-year Contraband Interdiction Program at the California Substance Abuse Treatment Facility (SATF). The program will deploy contraband interdiction devices at the front entrance areas, employ a staffing complement to operate the devices, expand SATF's canine teams, conduct enhanced vehicle and institution searches, and institute a Medication Assisted Treatment (MAT) program to respond to the opioid crisis.

**Background.** The Legislature previously approved two-year limited-term funding of \$5.2 million per year and 24.0 positions to begin an Enhanced Drug and Contraband Interdiction Program (EDCIP) pilot. In 2014-15, CDCR began to implement the EDCIP at 11 institutions three identified as an intensive level of interdiction and eight as a moderate level. The pilot designations were intended to gather an overall understanding of the effectiveness of the strategies through CDCR's varying designs and custody levels, including male, female, camp, and reception center institutions. Ultimately, upon expiration of the funding, a 2016-17 Budget Change Proposal authorized the continuation of portions of EDCIP for an additional year. To quantify the success of the EDCIP pilot, the University of California, Berkeley in conjunction with fellows from the Public Policy Institute of California, were contracted to perform a data analysis study measuring the effectiveness of the strategies implemented by EDCIP. A final comprehensive report was completed on April 29, 2017. Concurrent with the drug

interdiction strategies in this proposal, the contract that provides Inmate/Ward Telephone Systems and Managed Access Systems for the Department was amended to provide a suite of contraband interdiction and detection devices.

***Selection of SATF for Contraband Interdiction Program.*** Currently, CDCR does not have mechanisms in place to conduct a thorough search of every individual who enters the institutions. To prevent contraband from entering the institutions, the CDCR is proposing to implement a seven-day per week/24-hour per day, comprehensive approach at both entrance areas at SATF. SATF was chosen as the pilot location because it has two entrances, consistent with about half of the institutions statewide. This approach will include the utilization of a baggage/parcel scanner x-ray machine and a millimeter wave full body scanner at each entrance and enhanced searching by canine teams. CDCR is requesting six additional canine teams for SATF, which currently has two canine teams. This strategy will minimize/eliminate contraband from entering through the entrance areas.

***Drug Interdiction Program.*** On June 27, 2016, Governor Brown approved Senate Bill 843, which required CDCR, under the direction of the Undersecretary of Health Care Services, to create a three-year pilot program at one or more institutions to develop and implement a MAT substance use disorder treatment model for inmates with a history of substance use problems. Due to the burgeoning national problem of substance abuse, the use of MAT programs, which use medication in combination with counseling and behavioral therapies to help inmates in treating their substance use disorders, has been growing in both community and institutional settings across the country.

In response to the new California Penal Code Section 2694.5, CDCR worked with its partners at the California Correctional Health Care Services (CCHCS) to develop a MAT pilot program within California's institution system. The goals of this program are to create a model which addresses the issues of inmate drug and alcohol use in institutions and to reduce risks when inmates are released. Risks upon release include overdosing on narcotics, relapsing into substance abuse, and engaging in drug-related recidivistic criminal activities. To mitigate these risks, treatment before release is essential. MAT requires close integration with the Complete Care Model (CCM) in CDCR facilities, in which all health care needs of the inmates, including the inmates' need for substance abuse treatment, are integrated. CDCR has implemented pilot MAT programs at CIW and CIM.

***Selection of SATF for MAT Pilot.*** The Administration determines that SATF would be the best place to expand the MAT program because it anticipates an increase in the number of identified substance users within the institution. CDCR is requesting approximately \$370,000 for medications and funding for limited-term positions to expand MAT to SATF. The CDCR anticipates treating roughly 50 inmates per year, per institution with MAT, although more than 50 can be treated with psychosocial interventions offered within the MAT Program. These numbers are based on their pilot program at CIM and CIW. The duration of treatment within the MAT program is determined by signs, symptoms, and severity of substance use disorder(s). Some inmates will be treated briefly before release from incarceration, while inmates with high levels of cravings and use while incarcerated may be treated for years (as would be done in the community). Treatment consists of psychosocial interventions including motivational enhancement, cognitive behavior therapy, and 12-step facilitation and/ or medications indicated for alcohol and/or opioid use disorders (oral naltrexone, injectable naltrexone, or acamprosate).

***LAO Assessment and Recommendation.*** While the LAO acknowledges that drug use and contraband are serious problems in CDCR facilities, it that the strategy proposed by the department would be extremely costly if expanded statewide. Specifically, the LAO estimates that statewide expansion of

the proposed program would cost hundreds of millions of dollars annually and require hundreds of additional correctional staff to operate. Furthermore, they note that the proposed pilot costs more than *ten* times as much on a per prison basis as a different drug interdiction pilot program conducted between 2014-15 and 2016-17 that was found to successfully reduce inmate drug use at certain prisons.

***Program Appears Difficult to Evaluate.*** The LAO finds that the pilot is not designed to allow for a meaningful evaluation. For example, the pilot: (1) does not include random drug testing of inmates to measure underlying drug use at SATF and comparison institutions, meaning it would be difficult to assess whether the program is affecting inmate drug use and (2) is not designed to test which specific strategies are effective, only whether the entire package of interventions is effective; and (3) includes only one institution making it difficult to evaluate whether a similar package of interventions would be effective at other institutions.

To the extent the Legislature is interested in pursuing a pilot, the LAO recommends that it directs the Administration to propose a new pilot in January that is designed with the assistance of researchers to ensure that evaluators would be able to assess which specific drug and contraband interdiction strategies are most cost-effective.

**Staff Comments.** Staff believes that this is a worthwhile endeavor and that this pilot could have important policy ramifications. The location for the pilot, explicit language outlining that all persons must searched, and outside evaluators for this report should be considered amongst other factors. However, there may need to be additional time to sufficiently address questions about the details of the program and the goals of the Legislature, as well as re-design the pilot if needed.

**Staff Recommendation.** Hold open.

## Issue 22: Overtime Base Adjustment Proposal

**May Revision Proposal.** The CDCR requests \$16.5 million General Fund in 2018-19 and ongoing to adjust the base overtime budget to reflect approved salary increases.

**Background.** CDCR's overtime budget has not been adjusted to account for increases in employee compensation since 2014-15. Since then, Correctional Officers, Sergeants, and Lieutenants have received salary increases totaling approximately 17 or 18 percent compounded over the previous five years. In 2014-15, the CDCR's overtime authority supported roughly 2.6 million hours of overtime. In 2017-18, the overtime authority only supports 2.2 million hours of overtime. By providing the requested overtime budget increase, the proposal restores CDCR's ability to purchase 2.6 million hours of overtime. To augment for the past increases, CDCR's overtime requires an increase of \$24.6 million. This need is offset by \$8.1 million due to the realignment of excess lump sum funding, resulting in an increase of \$16.5 million. With this augmentation, there would be a total overtime budget of \$150.1 million. The augmentation will allow the overtime budget to support the employee compensation increases that have occurred annually, since 2014-15.

**Staff Recommendation.** Hold open.

**Issue 23: Training Initiatives**

**May Revision Proposal.** The CDCR requests \$12.9 million General Fund in 2018-19 and five positions, \$21.6 million General Fund in 2019-20 and 2020-21, and \$19.3 million General Fund in 2021-22 and ongoing to add essential training for peace officer and supervisory positions.

**Background.** To fully support the cultural changes underway, CDCR must adapt and expand its training program to become a comprehensive model which meets the needs of employees at every stage of their career. The CDCR has partnered with the California State University system to develop training curriculum and worked with Humboldt State University to complete a review of CDCR's training programs to identify opportunities for improvement. During the review, completed in March 2018, it was determined additional training would benefit both staff and supervisors. This proposal had four components:

1. The first component of the expanded training would add 40 hours to the Basic Correctional Office Academy and requires an update to Penal Code section 13603. The additional hours would incorporate implicit bias, leadership, and reality-based scenarios into the academy training. Many of these subjects would be further reinforced during annual Off-Post Training (OPT), which would be expanded by an additional 8 hours to provide critical institution specific training, as well as behavioral training tied to organizational culture change and the role custody staff play in supporting inmates in the rehabilitative process. Expanding OPT also allows current peace officers to participate in the new training topics.
2. Second, employees who promote into management would attend the Advanced Management for custody and non-custody supervisors and managers courses. This proposal would increase these courses from 80 hours to 120 hours and add trainings on topics such as implicit bias, ethical leadership, an employee's role in rehabilitation, and stress resiliency.
3. Third, employees who promote to the rank of Captain and above would attend Command College for leaders in law enforcement. The Command College is a 14-16-month leadership program designed to prepare law enforcement leaders of today for the challenges of tomorrow. The program focuses on leadership principles needed to influence the future direction of the organization, strategies to identify emerging issues and provide a proactive response, skills and knowledge necessary to anticipate and prepare for the future, methods and benefits of sharing information, and how to engage stakeholders in problem-solving.
4. Lastly, to ensure investigative staff are trained appropriately, and to improve investigation outcomes, CDCR requests five Special Agent positions to create an investigative training unit responsible for oversight and administration of statewide Special Agent and Investigative Services Unit training.

**LAO Assessment and Recommendation.** Given that CDCR special agents currently do not receive POST investigator training, despite having responsibilities similar to law enforcement officers who do, the LAO believes the proposal to provide special agents with such training is reasonable. However, they have significant questions about the remaining training proposed by the department. While such training could address challenges faced by the department, the LAO does not believe the Administration has not provided sufficient information to assess whether it would be successful. For example, it is unclear what curricula and training materials the department would use, whether the proposed training has been implemented successfully elsewhere, or why the department believes it would be successful in California. Furthermore, it is unclear to the LAO whether CDCR has already developed curricula and training materials and would actually be able to begin offering trainings in

2018-19 as proposed. Finally, it is unclear to the LAO whether the trainings could be offered in a more cost-effective manner, such as by providing them in lieu of training that is no longer necessary.

**Staff Recommendation.** Hold open.

#### **Issue 24: Medical Guarding and Transportation**

**May Revision Proposal.** The CDCR requests \$5.9 million General Fund in 2018-19 and ongoing and 42.7 positions to augment medical transportation custody positions at adult institutions.

**Background.** Healthcare treatment has steadily increased to meet the needs of the inmate population. The requirement to transport inmates is at the direction of CCHCS medical professionals, and it is the responsibility of CDCR custody staff to ensure such mandated transports are completed expeditiously to ensure inmate access to healthcare. Therefore, the CDCR is unable to delay the transportation of inmates requiring medical or mental healthcare. Based on a review of overtime hours for March 2017 through February 2018 compared to the Access Quality Report (AQR), a report compiled by CCHCS, which tracks inmates' access to medical appointments, of the total unscheduled medical transports, 54 percent occurred during third watch hours.

When unscheduled emergency inmate transports occur during third watch, it results in either an overtime shift or a current on-site third watch staff being redirected from their assigned post to the emergency transports. When a staff member is redirected to perform these duties, the institution often times must modify or close inmate programs due to the reduced staffing available. As a result, the ability for inmates to participate in programs is negatively impacted where the programs are modified or cancelled due to the lack of custody staffing. These programs include: Self-Help programs, religious activities, Transitional Reentry Programs, Cognitive Behavioral Treatment, Veteran's advocacy, core recreational activities such as yard and dayroom, etc. These programs enhance rehabilitative efforts to aid in the successful reintegration of inmates back into California's communities. Additionally, depending on the program impacted, modifications or cancellation could affect an inmate's ability to earn credits that allow them to reduce their sentence. CO overtime hours for medical transportation have increased by 47 percent from 2015-16 to 2017-18. Establishing a budgeted position specific to third watch medical transportation needs, the CDCR argues, will also provide a consistent dedicated resource for such duties thereby reducing inmate program modifications.

**LAO Assessment and Recommendation.** The LAO does not have significant concerns with the Administration's proposal to provide CDCR with \$5.9 million for additional medical guarding and transportation staff to conduct unscheduled medical transports in evening hours. (They note that this request is in addition to a January proposal for \$1.2 million and 8.4 position for these purposes.) However, CDCR has indicated that it plans to conduct a comprehensive review of the medical guarding and transportation needs at each institution. Accordingly, the LAO recommends that the Legislature direct the department to provide it with the results of this comprehensive review when they become available. This would help the Legislature to determine whether medical guarding staffing levels need to be adjusted in the future.

**Staff Recommendation:** Hold Open.

**Issue 25: Healthcare Services for Reentry Programs**

**May Revision Proposal.** The CDCR requests \$10.8 million General Fund in 2018-19 and ongoing to contract with either the Department of Health Care Services, or with third-party vendors, to provide healthcare services for reentry program participants.

**Background.** CDCR operates several reentry facilities in the community to house certain CDCR inmates serving the final one or two years of their sentence. Until recently, inmates in these facilities were generally enrolled in Medi-Cal and received healthcare services from Medi-Cal providers near the reentry facilities. However, in January 2018, the federal Centers for Medicare and Medicaid Services found that these inmates were ineligible for Medi-Cal services. Since that time, CDCR has been paying for healthcare services for these inmates using existing resources on an as-needed basis. In response, the administration proposes \$10.8 million from the General Fund to contract with the Department of Health Care Services (DHCS) or other vendors to provide healthcare services to inmates in these facilities. Under this approach, CDCR would pay a monthly fee to DHCS for each inmate, regardless of the level of services provided.

**LAO Assessment and Recommendation.** The LAO states that, according to the department, the details of this contracting arrangement are still being developed, meaning the actual costs of providing healthcare services through such a contract are uncertain. In addition, since CDCR has only been paying for healthcare services on an as-needed basis for a few months, the ongoing cost of doing so is uncertain. As such, it is not clear which approach to delivering healthcare services is the most cost-effective.

Given these uncertainties, they recommend the Legislature reject the Governor's proposal and direct CDCR to continue to provide healthcare services to reentry facility inmates on an as-needed basis until a more detailed proposal can be provided in January. This will give the department time to clarify how much each approach would cost and whether there are other alternatives for providing these services.

**Staff Recommendation:** Hold Open.

**Issue 26: Correctional Counselor I Ratio Adjustment**

**May Revision Proposal.** The CDCR's Division of Adult Institutions, requests \$13.5 million General Fund in 2018-19 and 89.2 positions to adjust the offender to Correctional Counselor I (CCI) ratio from 150:1 to 135:1 to provide enhanced rehabilitation and program enrollment assistance to the offender population.

**Background.** Historically, CCI ratio positions have been funded on a ratio formula of 150 inmates to one CCI. CCI adjustments are completed biannually based on the inmate population estimates included in the Governor's Budget and Budget Act. For the past 30 years, CDCR has operated under the 150:1 ratio formula; however, the CCI workload has steadily increased based on new workload demands resulting from policy changes, legislative mandates, and court orders, including the implementation of Correctional Officer Management Profiling for Alternative Sanctions in 2008, as well as the passage of the Public Safety Realignment Act in 2011. Additionally, new inmate rehabilitative programs such as



Community Prisoner Mother Program, Alternative Custody Program, Male Community Reentry Program, Custody to Community Transitional Reentry Program, and Cognitive Behavioral Treatment require additional focus from counselors to appropriately assess individual inmate's eligibility based on both the inmate's profile and the unique focus of each program. Furthermore, CDCR has experienced an increase in participation in inmate work groups as a result of Proposition 57 implementation, as well as increased Interdisciplinary Treatment Team committees held for inmates within the Mental Health Services Delivery System. There are various levels of treatments available within the MHSDS, including but not limited to: Enhanced Outpatient, Mental Health Crisis Bed (MHCB), and Psychiatric In-Patient treatment.

The Administration proposes \$13.5 million from the General Fund in 2018-19 to hire additional CCI staff who compile and maintain information about inmates (such as criminal and medical histories) and assist with assigning inmates to appropriate housing settings and rehabilitation programs.

CDCR requests to decrease the CCI ratio, thereby increasing the number of CCI positions. This will enable counselors to provide enhanced assistance to the inmate population. The expectation of counselors to interactively engage with the inmate population via interviews and counseling has evolved from its previous sole focus of adjusting to a correctional setting. By decreasing the CCI ratio, CDCR has the ability to increase the time available for one-on-one interaction between inmates and their assigned counselors to address individual needs and other various concerns, known as an "open line." Currently, counselors are limited to only four hours per week to provide individual attention to all inmates on their caseload. This minimal amount of time is insufficient for counselors to provide essential rehabilitative services to inmates. Increasing the time counselors are available by two hours each week will allow for improved communication with the inmates regarding their individual needs and assist in connecting them to available resources. It will allow enough time for counselors to serve as an advocate for participation in programs designed to benefit inmates.

**LAO Assessment and Recommendation.** The LAO recommends that the Legislature reject this proposal as the department did not fully demonstrate the need to reduce CCI caseloads. For example, it is unclear why CCIs need more time to identify rehabilitation programs for inmates. Furthermore, it is unclear why CCIs need to spend more time helping inmates plan for release when CDCR has separate staff who are responsible for this. Moreover, the department has not provided any evidence to suggest that more one-on-one time between CCIs and inmates is needed. For example, it is not clear that CCIs are turning away inmates due to a lack of availability.

**Staff Recommendation:** Hold Open.

#### **Issue 27: Juvenile Justice ID Card Trailer Bill Language**

**May Revision Proposal.** The Administration requests that trailer bill language be added to authorize the Division of Juvenile Justice (DJJ) to obtain California identification cards issued by the Department of Motor Vehicles to youth offenders upon discharge.

**Background.** This bill would require the CDCR's DJJ and the DMV to ensure that an eligible juvenile offender, as defined, who is released from a state juvenile facility has a valid ID card. The bill would set the fee for the ID card at eight dollars and would require an eligible juvenile offender to provide the DMV with specified information.

Specifically, eligible juvenile offenders who previously held a California driver's license or identification card or eligible juvenile offenders would have to provide acceptable proof that they are covered by the proposed language. This proof includes information regarding his or her true full name, date of birth, social security number, legal presence in the U.S., and California residency.

**LAO Assessment and Recommendation.** The LAO did not raise any issues with this proposal.

**Staff Recommendation:** Hold Open.

## 0250 JUDICIAL BRANCH

### Issue 28: Capital Outlay, Trial Court Construction

**May Revision Proposal.** The Administration requests that Budget Bill Item 0250-301-0660 be increased by \$972 million to add funding for the construction phases of the following projects:

- Glenn County: Renovation and Addition to Willows Courthouse (\$38,292,000)
- Riverside County: New Mid-County Civil Courthouse (\$75,792,000)
- Sacramento County: Sacramento Courthouse (\$459,801,000)
- Sonoma County: New Santa Rosa Criminal Courthouse (\$160,734,000)
- Stanislaus County: New Modesto Courthouse (\$237,243,000)

The authority to sell the remaining \$972 million in lease-revenue bonds to finance the five projects proposed to move into construction in 2019-20 would be provided as part of the 2019-20 budget.

**January Governor's Proposal.** In January, the Administration proposed using lease revenue bonds backed by the General Fund—rather than the Immediate and Critical Needs Account—to finance the construction of ten trial court projects totaling about \$1.3 billion by 2019-20. Under the Administration's January proposal, the 2018-19 budget would provide the judicial branch with: (1) the authority to sell \$343 million in lease-revenue bonds to begin to finance the construction of five projects in 2018-19, and (2) \$32.2 million from the Immediate and Critical Needs Account to complete pre-construction design activities for three of the five projects (Riverside, Sonoma, and Stanislaus) proposed to move into construction in 2019-20. The request would provide funding authority for these projects to proceed with construction when they are ready.

**Previous Subcommittee Hearing.** This issue was part of the subcommittee's April 19<sup>th</sup>, 2018 hearing. The agenda and video recordings from that hearing are available on the State Senate website.

**LAO Assessment and Recommendation.** The LAO recommends that the Legislature reject the Governor's May proposal to increase the judicial branch's 2018-19 lease-revenue bond authority by \$972 million. This is because this additional authority will likely not be needed in 2018-19, as the five projects that would be financed by these bonds will generally be completing pre-design construction activities at that time. As such, it is premature to provide the judicial branch with this additional authority. Furthermore, as the LAO discussed in their February budget publication, they continue to recommend the Legislature either overhaul the existing trial court construction system to address key underlying problems or modify the Governor's proposal to address some key issues if the existing system is maintained.

**Staff Comments.** In order to ensure that the Legislature has sufficient information to determine whether a proposed project should begin or continue to move forward, the judicial branch should submit a long-term fund condition statement for the construction account with each construction funding request. Additionally, reassessment would help the Judicial Council determine whether the proposed projects have the greatest needs under the judicial branch's existing system for assessing needs. This updated assessment will be considered by the Legislature when determining whether to approve subsequent construction budget requests and should occur prior to the selling of the approved bonds.

**Staff Recommendation.**

1. Approve both the May Revision and January Governor's proposals for the lease revenue authority
2. Adopt budget bill language requiring:
  - a. A long-term fund condition statement, and
  - b. Updated assessment of trial court facility needs

**Issue 29: County Office of Education (COE) Offset of Trial Court General Fund Support**

**Summary.** The Governor's budget estimates that the amount of excess property tax revenue available in 2018-19 will not increase over the 2017-18 level of \$48 million.

**Background.** Each of California's 58 counties has a COE. COEs oversee the budgets and academic plans of school districts within their jurisdictions, operate certain alternative schools, and provide various optional services to school districts. A primary source of funding for COEs is the Local Control Funding Formula (LCFF). Each COE's annual LCFF allotment is determined by formula.

***Some COEs Collect "Excess Property Tax" Revenue.*** A COE's annual LCFF allotment is supported first with local property tax revenue, with the remainder covered by state Proposition 98 General Fund. Some COEs do not receive state support because they collect enough property tax revenue in a given year to cover their entire LCFF allotment. In virtually all of these cases, the COEs collect *more* in property tax revenue than their LCFF allotment. The amount collected above the LCFF allotment is known as excess property tax. Because the amount of property tax revenue collected can change from year to year, the amount of excess property tax also can change from year to year.

***Offset of General Fund Support for Trial Courts.*** State law requires that any excess property tax revenues collected by COEs beyond their LCFF allotments be used to offset state General Fund support of trial courts. The transfer occurs at the direction of DOF and the State Controller's Office the year after the taxes are collected. For example, excess property taxes collected in 2016-17 offset the state's General Fund support of trial courts in 2017-18.

**LAO Assessment and Recommendation.** The LAOs preliminary analysis of property tax growth in February projects higher levels of excess property tax revenues available to offset General Fund support of trial courts. Specifically, they estimate that \$54 million in excess property tax revenues will be available in eight counties in 2017-18. This is \$6 million above the Governor's estimate. They estimate the annual excess tax revenue will continue to increase and will exceed \$100 million by 2020-21.

The LAO now recommends that the Legislature adjust the trial court offset in 2018-19 upward by \$8.9 million to account for property tax growth in 2017-18. This would provide the Legislature with additional General Fund resources above the level assumed in the Governor's budget.

**Staff Recommendation.** Adopt the LAO recommendation. Adjust the trial court offset in 2018-19 upward by \$8.9 million to account for property tax growth in 2017-18.

**5227 BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)****Issue 30: Standards and Training for Local Corrections Trailer Bill Language**

**May Revise Proposal.** The Administration requests that Item 5227-002-0001 be added in the amount \$2.5 million and 13 positions, that reimbursements be added in the amount of \$100,000 and that Item 5227-102-0001 be added in the amount of \$14.8 million. This would redirect expenditures for the Standards and Training for Local Corrections from the State Penalty Fund to the General Fund to address a continuing decline in fine and fee revenue within the State Penalty Fund. This redirection includes an augmentation of \$1.3 million General Fund and the addition of \$1.3 million to the Standards and Training for Local Corrections program reversing the Governor's January Budget proposal to reduce the amount of funding available to support training and standards for local corrections personnel. The request also includes trailer bill language in Penal Code Section 6040 to strike out references to the Corrections Training Fund and broadly refers to funds used for the costs of administration, the development of appropriate standards, the development of training, and program evaluations.

**LAO Assessment and Recommendation.** The LAO did not raise any issues with this proposal.

**Staff Recommendation:** Hold Open.

**0820 DEPARTMENT OF JUSTICE****Issue 31: Cybercrime Investigation Teams**

**May Revision Proposal.** The DOJ Bureau of Investigation, requests \$5.6 million General Fund in FY 2018-19 and \$4.8 million General Fund in FY 2019-20 and ongoing, along with 19.0 permanent positions, to establish two investigative teams, one in the Northern California region and one in the Southern California region, focusing on cybercrimes, white collar crimes, and human trafficking crimes involving the use of technology.

**Background.** With the current economic expansion, many Americans have become more reliant on modern technology and the Internet to complete daily tasks, making them more vulnerable to cybercrimes such as security breaches, phishing, identity theft, and social media fraud. In 2013, cybercrimes accounted for an estimated \$400 billion economic loss in the United States. Cybercrimes have also become the second most reported economic crime.

According to the 2016 Internet Crime Report from the Federal Bureau of Investigation (FBI), only an estimated 15 percent of the nation's fraud victims reported their crimes to law enforcement. This may, in part, be due to the lack of both a centralized reporting mechanism and the necessary resources at the local level for the investigation of the crimes. California needs a reporting mechanism for victims of today's technology based criminal activities; cybercrimes, white collar crimes and human trafficking crimes.

The complexity of the investigations the DOJ undertakes will vary as depending upon the number of suspects and victims related to the offenses. According to the FBI's 2016 Internet Crime Report, California ranked first in the nation for several categories, including the number of victims (39,547), and monetary losses (exceeding \$255 million). In Calendar Year 2016, the National Human Trafficking Hotline Data Report for California had tips and leads from 4,184 phone calls, 494 electronic mail, messages, and 295 online tip reports. Of the total number of tips in California, there were 2,640 related to sex trafficking cases.

**LAO Assessment and Recommendation.** To the extent the Legislature believes that DOJ investigations related to cybercrimes are a General Fund priority, the LAO recommends that the Legislature modify the Governor's proposal to provide the requested resources on a three-year limited-term basis—specifically \$5.6 million in 2018-19 and \$4.8 million in 2019-20 and 2020-21. The LAO believes that providing ongoing resources is premature given uncertainty in: (1) the number of cases that will be investigated and prosecuted; (2) how long these types of cases will take; (3) the amount of time and resources needed for these cases; and, (4) the overall impact of DOJ efforts. They also recommend requiring DOJ submit a report by January 1, 2021 on various outcome measures, such as the number of cases investigated and the outcomes of such case. This information will help the Legislature determine what level of resources should be provided on an ongoing basis.

**Staff Recommendation.** Hold Open.

### Issue 32: Sex Offender Registry

**May Revision Proposal.** The DOJ requests \$10 million General Fund and 25 positions in Fiscal Year 2018-19 to begin the first-year implementation activities required to meet the mandates outlined in Senate Bill 384 (Weiner), Chapter 541, Statutes of 2017.

**Background.** California is one of the few states that require lifetime sex offender registration without discerning by the type of offense. Florida, South Carolina and Alabama are the only other states without some form of tiering. While this allows the public to see a majority of offenders, the public and local law enforcement have no way of differentiating between higher and lower risk sex offenders.

Effective January 1, 2021, SB 384 will establish three tiers of registration for adult sex offenders based on specified criteria, for periods of 10 years, 20 years, and life. Juvenile offenders will be required to register as a sex offender for a minimum of either five or ten years, as specified. A tier one or tier two offender will be required to file a petition in the superior court in the county in which he or she is registered or, if the offender is a juvenile, he or she may file in juvenile court. The offender will be required to file a petition on or after the offender's birthday that follows the expiration of his or her minimum registration period in order to be removed from the registry.

SB 384 will also authorize a sex offender registrant to petition the courts for early termination from registration, as specified. The bill requires that each petition be served on the registering Local Enforcement Agency (LEA) and the district attorney of the county of conviction of the registerable offense (if different than the county where the petition is filed). The bill further requires a registering LEA to report to the district attorney whether each petitioning sex offender registrant has met the registration requirements for termination. It authorizes a district attorney to request a hearing on a petition under specified conditions. The registering LEA and the LEA of the county of conviction of a

registerable offense, if different than the county where the petition is filed, shall, within 60 days of receipt of the petition, report to the district attorney and the superior or juvenile court in which the petition is filed regarding whether the person has met the requirements for termination. SB 384 will also authorize annual resubmission of petitions for termination for each tier two offender and resubmissions every one to five years for each tier one offender, as determined by the courts. Pursuant to the bill, tier two offenders will be eligible for early termination, as specified, after 10 years.

Finally, SB 384 will reduce the number of sex offender registrants in the community; however, it will not reduce the impact of registration to LEAs, courts, district attorneys, or the DOJ.

***Effect on DOJ.*** SB 384 requires the DOJ's California Sex Offender Registry (CSOR) to transition from a lifetime registration system that has been in place since 1947 to a significantly more complex tier-based registration system. There are currently nearly 104,000 sex offender registrants in the state, all of whom are now required to be assigned by the CSOR to one of three tiers by January 1, 2021. To comply with this requirement, numerous existing technology systems must undergo extensive enhancements to be capable of interfacing with numerous criminal justice systems prior to transitioning away from the lifetime registration system. The DOJ also needs to develop new policies, procedures, and training modules, as well as train courts, district attorneys, and law enforcement entities on these policies and systems.

In 2004, AB 488 (Parra), Chapter 745, Statutes of 2004, mandated the DOJ to host, implement, and maintain the Megan's Law website. If an offender met specific requirements, he or she may have become eligible and applied for exclusion from the website. Under the new legislation, approximately 2,610 registrants are no longer eligible for exclusion and will need to be notified and posted to the public Megan's Law website. Until January 1, 2022, the DOJ must also maintain the existing Megan's Law website and posted offender information.

The systems that support sex offender registration and notification are currently not equipped to fully facilitate the mandates of SB 384, as a large volume of the data necessary to make tiering determinations is not currently reported to, collected, or maintained by the DOJ. This necessitates significant system modifications and consultant costs.

**LAO Assessment and Recommendation.** The LAO does not have significant concerns with the Governor's proposal for a one-time \$10 million General Fund augmentation to fund the first year of DOJ's costs to implement a tier-based sex offender registry as required by Chapter 541 of 2017 (SB 384, Wiener and Anderson). However, given that DOJ currently estimates that the project would cost around \$65 million over five years, they recommend the Legislature direct DOJ to provide the following reports to increase legislative oversight of the project:

- 1. *Implementation Plan.*** They recommend that DOJ submit a report outlining its plan for fully implementing the registry upon completion of Stage 2 of the California Department of Technology's Project Approval Lifecycle (PAL) process. This will provide the Legislature with more comprehensive information on how long the project will take, the steps needed to implement the new registry, and the total level of staff and resources needed to complete the project. This will help the Legislature determine whether it is comfortable with DOJ's implementation plan and what level of resources will be needed in the future before the project moves into the procurement phase in Stage 3 of the PAL process.
- 2. *Annual Progress Reports.*** They also recommend that DOJ provide annual progress reports on key metrics to help monitor the status of the project. Examples of such metrics include tasks

completed, changes to project costs or deadlines for project milestones, challenges or delays that have emerged, and issues or risks that may result in project schedule or budget changes. This would allow the Legislature to ensure the project remains on schedule.

**Staff Recommendation.** Hold Open.

### **Issue 33: Statewide Forensics Services**

**May Revision Proposal.** The DOJ's Bureau of Forensic Services (BFS) requests a one-time General Fund augmentation of \$11.4 million to support statewide forensics services. Of the requested \$11.4 million increase, \$5.4 million is required to refresh critical laboratory equipment and \$6 million is required as a General Fund backfill for continuing annual declines in revenue to the DNA Identification Fund (DNA ID), which have caused a cash shortfall in the fund.

**Background.** The change in the primary revenue source to the DNA ID Fund, based on fees on criminal penalties, is no longer feasible as revenues have dropped more than 23 percent in a very short time and are no longer adequate to support the forensics program. Historically, the state supported the forensic lab program with General Fund to make the service available to all law enforcement agencies statewide and provide equal access to justice for all Californians. The requested \$6 million General Fund augmentation will help bridge the funding gap caused by the continued DNA ID Fund's revenue decline. In order to begin refreshing critical laboratory equipment, the BFS requests \$5.4 million.

**LAO Assessment and Recommendation.** The LAO does not have significant concerns with the administration's proposal to provide a one-time \$11.4 million General Fund augmentation for DOJ's Bureau of Forensic Services —specifically \$6 million to backfill a decline in criminal fine and fee revenue support and \$5.4 million to replace various laboratory equipment. However, they note that the requested funding only replaces a subset of equipment used by BFS. Accordingly, they recommend the Legislature direct DOJ to report by January 1, 2019 on its larger plan for addressing its ongoing forensic equipment needs. Specifically, this plan should include an assessment of existing equipment and its age, equipment need, the expected life of the equipment, and the amount needed annually to replace equipment. This information will help the Legislature assess what level of resources may be needed in the future.

**Staff Recommendation.** Hold Open.