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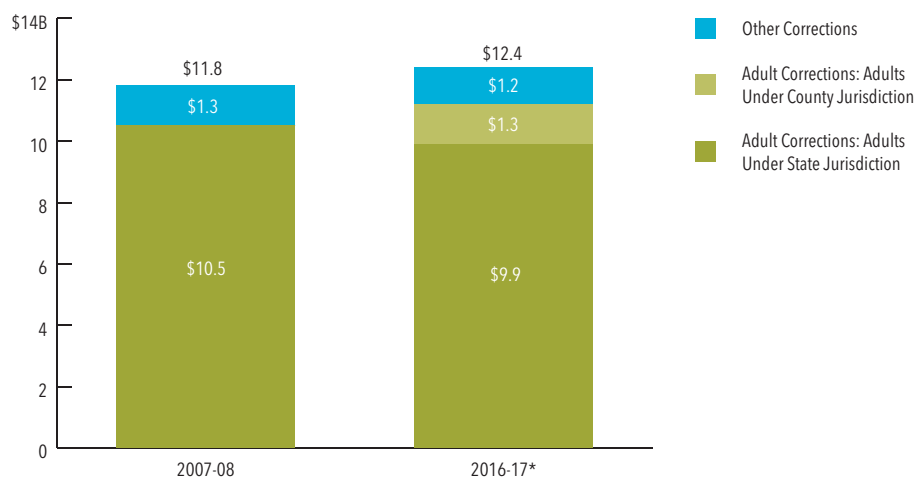
Corrections Spending Remains High Under the Governor’s Proposed Budget, Despite Big Drop in Correctional Populations

In recent years, California has made significant progress in reducing the number of people involved with the state correctional system. The number of adults incarcerated in state prisons or other facilities, which peaked at more than 173,600 in 2007, has declined to roughly 127,300, a reduction of more than one-quarter. The number of adults on parole has fallen by nearly two-thirds, from over 127,800 in 2007 to approximately 43,700. These decreases resulted largely from criminal justice reforms adopted by state policymakers and the voters following a 2009 federal court order that required California to reduce overcrowding in state prisons.¹

Yet, despite these significant declines in the state’s correctional populations since 2007, spending on corrections through the state budget has not dropped. In fact, the Governor proposes to spend \$12.4 billion on corrections in 2016-17 – 5% *higher* than the 2007-08 spending level, after adjusting for inflation.² The Governor’s 2016-17 spending plan provides \$11.2 billion for *adult* corrections, which includes state prisons and parole as well as counties’ new role in managing and supervising many adults convicted of “lower-level” felonies.³ In addition, the Governor proposes \$1.2 billion for other parts of the state corrections system, including statewide administration, youth correctional services, and the Board of State and Community Corrections.

Total Corrections Spending in 2016-17 Would Exceed the 2007-08 Level Under the Governor’s Proposed Budget

Dollars in Billions, Inflation-Adjusted



* Proposed.
Note: Figures reflect 2016-17 dollars and include spending from multiple fund sources for the California Department of Corrections and Rehabilitation, the Board of State and Community Corrections, and local community corrections and juvenile justice programs funded through the 2011 “realignment.”
Source: Department of Finance

State corrections spending remains persistently high for several reasons, including:

- **The state has not significantly reduced the cost of correctional security and operations**, which includes salaries and benefits for correctional officers and support services for incarcerated adults, such as meals and clothing.⁴ The Governor proposes to spend \$6.3 billion for security and operations in 2016-17 – just 0.8% less than the 2007-08 level, after adjusting for inflation. In other words, under the Governor’s proposal, California would spend *roughly the same amount* on security and operations as it did in 2007-08, even though the number of incarcerated adults is down by more than one-quarter since 2007.
- **Prison medical care continues to be managed by a court-appointed “receiver”** who has improved care but has “little incentive to hold down costs” and has been criticized for tolerating “various inefficiencies.”⁵ The Governor’s proposal includes \$2.6 billion for prison health care in 2016-17, essentially the same amount the state spent in 2007-08, after adjusting for inflation.⁶
- **The Governor proposes to spend \$250 million from the General Fund in 2016-17 to build more jails**, even though the state has already provided \$2.2 billion in lease revenue bonds for county jail construction.⁷

Even without the Governor’s jail funding proposal, the state corrections budget in 2016-17 would still be higher than in 2007-08, despite the huge decline in correctional populations. Significantly reducing corrections spending will require state policymakers and/or California voters to go beyond the recent changes in criminal justice policy. This should include simplifying the state’s complex Penal Code – particularly with an eye toward shortening prison sentences – as well as expanding opportunities for prisoners to earn early release.

Such reforms would reduce incarceration, thereby allowing the state to close prisons and end the use of costly “contract” facilities in California and other states. Reducing incarceration also could help to lower prison health care spending because a smaller prison population would mean fewer adults needing care, including older prisoners with more expensive health conditions. State policymakers also could implement measures aimed at better controlling the cost of prison health care once the federal receivership ends, although there is currently no hard deadline for such a transition. Decreasing the cost of the state correctional system would free up revenues that could then be redirected to public services and systems that can help all Californians achieve economic opportunity and security and promote broadly shared prosperity.

¹ For a discussion of these reforms and the 2009 federal court order, see Scott Graves, *Corrections Spending Through the State Budget Since 2007-08: Still High Despite Recent Reforms* (California Budget & Policy Center: November 2015), pp. 1 and 3 and endnote 4.

² These figures generally reflect the *operational* costs of the correctional system and thus exclude state funding designated as “capital outlay,” which funds corrections-related infrastructure. Capital outlay is excluded because this spending can vary substantially from year to year. For additional information about the methodology used to calculate total corrections spending through the state budget, see Scott Graves, *Corrections Spending Through the State Budget Since 2007-08: Still High Despite Recent Reforms* (California Budget & Policy Center: November 2015), endnote 11.

³ Counties took on this new role in “community corrections” as part of the 2011 transfer of various criminal justice responsibilities from the state. This “realignment” provides ongoing, constitutionally protected funding to support counties’ new role.

⁴ In this analysis, “security and operations” includes spending for state prisons as well as for other facilities in which adults are incarcerated, such as “contract” facilities located in California and other states.

⁵ These quotes come, respectively, from Magnus Lofstrom and Brandon Martin, *Public Safety Realignment: Impacts So Far* (Public Policy Institute of California: September 2015), endnote 10, and from Legislative Analyst’s Office, *Providing Constitutional and Cost-Effective Inmate Medical Care* (April 19, 2012), p. 11.

⁶ In this analysis, “health care” refers to medical care, mental health care, dental care, and related services.

⁷ Legislative Analyst’s Office, *The 2016-17 Budget: Governor’s Criminal Justice Proposals* (February 2016), p. 43. The Legislative Analyst recommends that the Legislature reject the Governor’s proposed jail funding.